



BHARTI HEXACOM LIMITED

CIN: L74899DL1995PLC067527

Registered and Corporate Office: Bharti Crescent, 1, Nelson Mandela Road, Vasant Kunj, Phase II, New Delhi – 110070, India

Phone: +91-11-4666 6100, **Fax:** +91-11-4166 6137

Email: bhartihexacom@bharti.in **Website:** www.bhartihexacom.in

POSTAL BALLOT NOTICE

Dear Member(s),

Pursuant to the provisions of Sections 110 and 108 and all other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014 (including any amendment(s), statutory modification(s) or re-enactment(s) thereof), Regulation 44 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Secretarial Standard - 2 on General Meetings issued by the Institute of Company Secretaries of India and any other applicable laws, rules and regulations, Bharti Hexacom Limited ("the Company") hereby seeks your approval in respect of the special business as stated in this Postal Ballot Notice via Postal Ballot **by way of remote e-voting only** ('Postal Ballot' or 'e-voting').

In compliance of the circular issued by Ministry of Corporate Affairs ('MCA') no. 09/2024 dated September 19, 2024, read with general circular no. 09/2023 dated September 25, 2023, 20/2020 dated May 5, 2020, 14/ 2020 dated April 8, 2020, 17/ 2020 dated April 13, 2020, 3/2022 dated May 5, 2022 and 11/2022 December 28, 2022 (collectively referred to as 'MCA Circulars'), this Postal Ballot Notice is being sent by email only, to the members whose e-mail addresses are registered with the Company/ Depository Participants ('DP')/ Depository/ Registrar & Share Transfer Agent of the Company. Further, the assent/ dissent of the members on the resolution proposed in this Postal Ballot Notice will be considered only through the remote e-voting system.

Detailed explanatory statement setting out the material facts concerning the resolution and instructions for e-voting, is annexed to this Postal Ballot Notice.

SPECIAL BUSINESS

To approve material related party transaction for sale/ transfer of Passive Infrastructure Business Undertaking comprising mobile/ wireless communication towers and related infrastructure, by the Company to Indus Towers Limited.

To consider and, if thought fit, pass the following resolution as an **Ordinary Resolution:**

"Resolved that pursuant to the provisions of Regulation 23(4) of the Securities and Exchange Board of India (Listing Obligations and

Disclosure Requirements) Regulations, 2015, as amended ("SEBI Listing Regulations"), applicable provisions of the Companies Act, 2013 (the "Act") read with Rules made thereunder, other applicable laws/ statutory provisions, if any (including any statutory modification(s) or amendment(s) or re-enactment(s) thereof, for the time being in force), the Company's Policy on Related Party Transactions, on the basis of recommendations/ approvals of the Audit Committee and the Board of Directors of the Company, in addition to the contract(s)/ arrangement(s)/ transaction(s) with Indus Towers Limited approved by the members in their 29th Annual General Meeting held on August 30, 2024 and subject to such other approval(s), consent(s), permission(s) as may be necessary from time to time, the approval of the members of the Company be and is hereby accorded to sell/ transfer Passive Infrastructure Business Undertaking of the Company comprising mobile/ wireless communication towers and related infrastructure, along with identified and agreed assets and liabilities including but not limited to the concerned licenses, permits, regulatory approvals, consents, employees, contracts and interests as 'going concern' ('Passive Infrastructure Business Undertaking') by way of a slump sale as defined under Section 2(42C) of Income Tax Act, 1961 to Indus Towers Limited ("Indus Towers"), a 'Related Party' under Section 2(76) of the Act and Regulation 2(1)(zb) of the SEBI Listing Regulations, on such key terms & conditions as detailed in the explanatory statement to this resolution and subject to agreed closing adjustments, at a consideration upto INR 11,341 Mn. (Rupees Eleven Thousand Three Hundred and Forty One Million only), as determined on the basis of fair valuation conducted by an Independent Valuer namely, Grant Thornton Bharat LLP.

Resolved further that the Board of Directors of the Company (hereinafter referred to as 'Board' which term shall be deemed to include the Audit Committee of the Company and any other duly constituted/ to be constituted Committee of Directors thereof to exercise its powers including powers conferred under this resolution) be and is hereby authorised to do all such acts, deeds, matters and things as it may deem fit at its absolute discretion and to take all such steps as may be required in this connection including but not limited to finalizing and executing necessary documents, contract(s), scheme(s), agreement(s) and such other

document(s) as may be required, seeking all necessary approvals to give effect to the foregoing resolution for and on behalf of the Company, settling all such issues, questions, difficulties or doubts whatsoever that may arise, delegating all or any of the powers herein conferred to any Director(s), committee(s), executive(s),

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Email: bhartihexacom@bharti.in

Date: February 06, 2025

Place: New Delhi

officer(s) or representatives(s) of the Company, and to take all such decisions herein conferred to, without being required to seek further consent or approval of the members or otherwise to the end and intent that the members shall be deemed to have given their approval thereto expressly by the authority of this resolution."

By order of the Board
For **Bharti Hexacom Limited**

Jagdish Saxena Deepak

Chairman

DIN: 02194470

Address: Bharti Crescent, 1, Nelson Mandela Road,
Vasant Kunj, Phase II, New Delhi - 110070, India

NOTES

1. An explanatory statement pursuant to the provisions of Section 102(1) of the Companies Act, 2013 (the 'Act'), read with the relevant rules made thereunder and Secretarial Standard - 2 on General Meetings issued by the Institute of Company Secretaries of India, setting out the material facts and reasons, in respect of the proposed resolution, is annexed herewith and forms part of this Notice.
 2. As per the provisions of Sections 110 and 108 of the Act read with Rule 20 and 22 of the Companies (Management and Administration) Rules, 2014, as amended from time to time and Regulation 44 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, and in terms of SEBI circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 9, 2020, members are provided the facility to cast their vote on resolution set forth in this Postal Ballot Notice ('Notice'), through remote e-voting facility ('remote e-voting').
 3. **As per the applicable MCA Circulars, physical copies of the Postal Ballot Notice, Postal Ballot form and pre-paid business reply envelope are not being sent to members for this Postal Ballot. Members are requested to provide their assent or dissent through remote e-voting only.** The Company has engaged the services of KFin Technologies Limited ('KFin') to provide remote e-voting facility to the members.
 4. The Cut-off-date for the purpose of reckoning the voting rights and sending the Notice is Friday, February 07, 2025 ("Cut-off date"). Only those members whose names are recorded in the Register of members or in the Register of Beneficial Owners maintained by the depositories as on the Cut-off date (including those members who may not have received this Notice due to non-registration of their email ID) shall be entitled to vote by way of remote e-voting in accordance with the process laid down in this Notice. A person who is not a member/ beneficial owner as on the Cut-off date, should treat this Notice for information purpose only.
 5. Those members who have not yet registered their email addresses and consequently, have not received the Notice, are requested to register/ update their email addresses and mobile numbers with their respective DPs. In case of queries with respect to this process, members are requested to write to einward.ris@kfintech.com or call at the toll free number 1800-309-4001.
 6. This Notice is available on the Company's website (<https://www.bhartihexacom.in/support-shareholders-communication.html>) and on the website of KFin (<https://evoting.kfintech.com/public/Downloads.aspx>) and on the website of National Stock Exchange of India Limited (www.nseindia.com) and BSE Limited (www.bseindia.com), in compliance with the MCA Circulars.
 7. The remote e-voting facility will be available during the following period:

Commencement of remote e-voting	From 9.00 A.M. (IST) on Saturday, February 15, 2025
End of remote e-voting	Upto 5.00 P.M. (IST) on Sunday, March 16, 2025
- The remote e-voting will not be allowed beyond the aforesaid date & time and the e-voting module shall be forthwith disabled by KFin upon expiry of aforesaid period. Once the vote on the resolution is casted by the member, he/ she shall not be allowed to change it subsequently.**
8. The voting rights of members for remote e-voting shall be in proportion to the paid-up value of their shares in the equity share capital of the Company as at close of business hours on the Cut-off date.
 9. Members are requested to carefully read the below instructions in connection with remote e-voting:
 - a. Pursuant to SEBI circular no. SEBI/HO/CFD/ CMD/ CIR/P/2020/242 dated December 9, 2020, e-voting facility has been enabled for all the individual demat account holders, by way of single login credential, through their demat accounts/ websites of Depositories/Depository Participants ('DP') in order to increase the efficiency of the voting process.
 - b. Individual demat account holders would be able to cast their vote without having to register again with the E-voting Service Provider (ESP) thereby not only facilitating seamless authentication but also ease and convenience of participating in e-voting process. Members are advised to update their mobile number and e-mail ID with their DPs to access e-voting facility.

Procedure to cast vote through remote e-voting

I) Login and e-voting method for Individual Members holding shares of the Company in demat mode:

Type of shareholder	Login Method
Individual members holding shares in demat mode with NSDL	<ol style="list-style-type: none"> User already registered for Internet-based Demat Account Statement (IDeAS) facility: <ol style="list-style-type: none"> Visit https://eservices.nsdl.com. Click on the 'Beneficial Owner' icon under 'Login' under 'IDeAS' section. On the new page, enter User ID and Password. Post successful authentication, click on 'Access to e-voting'. Click on Company name (i.e. Bharti Hexacom Limited) or ESP (i.e. KFin). The member will be re-directed to KFin's website for casting the vote during the remote e-voting period. User not registered for IDeAS e-Services: <ol style="list-style-type: none"> To register, click on link: https://eservices.nsdl.com. Select 'Register Online for IDeAS' or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp. Proceed with completing the required fields and follow steps given in Clause 1 above. Accessing the e-voting website of NSDL: <ol style="list-style-type: none"> Open URL: https://www.evoting.nsdl.com/. Click on the icon 'Login' which is available under 'Shareholder/ Member/ Creditor' section. A new screen will open. Enter User ID (i.e. 16 digit demat account number held with NSDL), Password / OTP and a Verification Code as shown on the screen. On successful authentication, member will be requested to select the name of the Company and the ESP's name, i.e. KFin. On successful selection, member will be re-directed to the e-voting page of KFin for casting their vote during the e-voting period.
Individual Members holding shares in demat mode with CDSL	<ol style="list-style-type: none"> Existing user who have opted for Easi/ Easiest: <ol style="list-style-type: none"> Visit https://web.cdslindia.com/myeasitoken/Home/Login or www.cdslindia.com and click on 'Login to - My Easi' (under Quick Links). Login with registered user id and password. The member will see the e-voting menu. The menu will have links of ESP i.e. KFin e-voting portal. Click on ESP name (i.e. KFin) to cast the vote. Users not registered for Easi/Easiest: <ol style="list-style-type: none"> Option to register is available at https://web.cdslindia.com/myeasitoken/Registration/EasiRegistration. Proceed with completing the required fields and follow the steps given in point 1 above. Accessing the e-Voting website of CDSL: <ol style="list-style-type: none"> Visit https://evoting.cdslindia.com/Evoting/EvotingLogin. Provide the Demat Account Number and PAN. System will authenticate user by sending OTP on registered Mobile & Email as recorded in the Demat Account. On successful authentication, member will be provided links for the respective e-voting Service Provider i.e. KFin and member will be re-directed to the e-voting page of KFin to cast your vote without any further authentication.

Type of shareholder	Login Method
Individual members holding shares in demat mode - Login through their demat account/ website of respective Depository Participants (DP's)	<p>a) Members can also login using the login credentials of their demat accounts their DP registered with NSDL/ CDSL for e-voting facility.</p> <p>b) Once logged-in, members will have to click on e-voting option. Members will then be redirected to website of NSDL/ CDSL, wherein he/she can use the e-voting feature.</p> <p>c) Click on options available against Company name or ESP - KFin and members will be redirected to e-voting website of KFin for casting vote during the remote e-voting period without any further authentication.</p>

Note: Members who are unable to retrieve User ID/ Password are advised to use Forget User ID/ Password option available at abovementioned websites.

Helpdesk for members for any technical issues related to login through Depository i.e. NSDL and CDSL:

Login type	Helpdesk details
Shares held with NSDL	<p>Email: evoting@nsdl.co.in</p> <p>Toll free no: 800 1020 990 and 1800 22 44 30</p>
Shares held with CDSL	<p>Email: helpdesk.evoting@cdslindia.com</p> <p>Contact no: 022 23058738 or 022 23058542/43</p>

II) Login and e-voting method for members other than Individuals holding shares of the Company in demat mode:

- A. Members whose email IDs are registered with the Company/ Depository Participants(s), will receive an email from KFin which will include details of E-Voting Event Number (EVEN), User ID and password. They will have to follow the below process:
 - a. Launch internet browser by typing the URL <https://evoting.kfintech.com>.
 - b. Enter the login credentials (i.e. User ID and password). User ID will be your DP ID and Client ID. However, if the member is already registered with KFin for e-voting, the existing User ID and password can be used for casting the vote.
 - c. After entering these details appropriately, click on "LOGIN".
 - d. Thereafter, on the password change Menu, the member will be required to mandatorily change the password. The new password shall comprise of minimum 8 characters with at least one upper case (A-Z), one lower case (a-z), one numeric value (0-9) and a special character (@, #, \$, etc.). The system will prompt to change the password and update the contact details like mobile number, email ID etc. on first login. The member can also enter a secret question and answer thereto to retrieve the password in future. Please do not share the password with any other person and also take utmost care to keep the password confidential.
 - e. Thereafter, the member will need to login again with the new credentials.
 - f. On successful login, the system will prompt you to select the "EVEN" of "Bharti Hexacom Limited" and click on "Submit". Members are requested to select the respective EVEN (i.e. 8663) and vote depending upon their shareholding.
 - g. On the voting page, enter the number of shares (which represents the number of votes) as on the Cut-off date under "FOR/ AGAINST" or alternatively, enter any partial number in "FOR" and any partial number in "AGAINST" but the total number in "FOR/ AGAINST" taken together shall not exceed the total shareholding of the member as on the Cut-off date. The member may also choose the option "ABSTAIN". If the member does not indicate either "FOR" or "AGAINST", it will be treated as "ABSTAIN" and the shares held will not be counted under either head.
 - h. Members holding multiple demat accounts shall complete the voting process separately for each demat accounts.
 - i. Voting has to be done for each item of the notice separately. In case you do not desire to cast your vote on any specific item, it will be treated as abstained.
 - j. The member may then cast the vote by selecting an appropriate option and click on "Submit".
 - k. A confirmation box will be displayed. Click "OK" to confirm else "CANCEL" to modify. Once the member has voted on the resolution, the vote shall not allowed to be modified. During the voting period, members can login any number of times till they have voted on the resolution.
- B. Members whose email addresses are not yet registered with the Company/ DPs and consequently, have not received the email communication from KFin with e-voting login credentials, are requested to get their email addresses and mobile numbers registered by following the procedure laid down in Note no. 5 of this Notice.

Other instructions for remote e-voting

- A. Pursuant to the provisions of Sections 112 and 113 of the Act, representatives of the corporate members may be appointed for the purpose of voting through remote e-voting.

In view of the above, Body corporates/ Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are entitled to appoint authorized representative(s) to cast their votes through remote e-voting. In this regard, such members are required to send a latest certified copy of the Board Resolution/ Authorization Letter/ Power of Attorney authorizing their representative(s) to vote on their behalf through remote e-voting. The said resolution/ letter/ power of attorney shall be sent through registered e-mail ID to the Scrutinizer at support@corp-nexus.com with a copy marked to evoting@kfintech.com.

- B. Any member who has not received/ forgotten the User ID and Password, may obtain/ generate/ retrieve the same from KFin in the manner as mentioned below:

- i. If the mobile number of the member is registered against DP ID Client ID, the member may send SMS: MYEPWD followed by DP ID Client ID to 9212993399.

- Example for NSDL:

MYEPWDIN<SPACE>12345612345678

- Example for CDSL:

MYEPWD<SPACE>1402345612345678

- ii. If email address or mobile number of the member is registered against DP ID Client ID, then on the home page of <https://evoting.kfintech.com/>, the member may click "Forgot Password" and then he/she will be redirected to the webpage <https://evoting.kfintech.com/common/passwordoptions.aspx> and then enter DP ID Client ID and PAN to generate a new password.

- C. It is strongly recommended to members that they do not share their password with any other person and take utmost care to keep the password confidential.

- D. In case of any query, clarification(s) and/ or grievance(s), in respect of remote e-voting, please refer the "Help" and "F.A.Q's" sections available at the bottom of the webpage on KFin's website i.e. <https://evoting.kfintech.com/public/Downloads.aspx> or contact Mr. Gopala Krishna KVS, Assistant Vice President, KFin Technologies Limited at evoting@kfintech.com or call on toll free no. 1800-309-4001 for any further clarification.

10. The Board of Directors has appointed Mr. Harish Chawla (FCS no - 9002; CP no - 15492), Partner, CL & Associates, Company Secretaries ('CLA'), and failing him, Mr. Abhishek Lamba (FCS no - 10489; CP no - 13754), Partner, CLA, as the Scrutinizer to scrutinize the remote e-voting process in a fair and transparent manner and they have communicated their willingness to be appointed and will be available for the said purpose.

11. The Scrutinizer, after scrutinizing the remote e-voting, shall make a report of the votes cast in favour or against, if any, and submit the same to the Chairman or any other person authorised by the Chairman. The Chairman or the Authorized Person shall declare the voting results on or before 5:00 P.M. (IST) on or before Tuesday, March 18, 2025. The voting results and scrutinizer's report shall be available on the website of the Company (www.bhartihexacom.in) and on the website of KFin (<https://evoting.kfintech.com/public/Downloads.aspx>) and shall also be displayed at the registered office and corporate office of the Company. The results shall simultaneously be communicated to the Stock Exchanges viz. NSE and BSE.

12. The resolution, if passed by the requisite majority, shall be deemed to have been passed as if the same has been passed at a general meeting of the members convened in that behalf on the date of end of remote e-voting facility, i.e. on Sunday, March 16, 2025.

13. All documents referred to in the Notice, will be available for inspection electronically, without any fee, by the members from the date of circulation of this Notice up till the date of end of remote e-voting facility i.e. Sunday, March 16, 2025. Members seeking to inspect such document(s) can send an email to bhartihexacom@bharti.in.

14. Please also note that SEBI, vide circular no. SEBI/HO/OIAE/OIAE_IAD-1/P/CIR/2023/131 dated July 31, 2023 read with circular no. SEBI/HO/OIAE/OIAE_IAD-1/P/CIR/2023/135 dated August 4, 2023 and circular no. SEBI/HO/OIAE/OIAE_IAD-3/P/CIR/2023/191 dated December 20, 2023, had issued guidelines towards an additional mechanism for investors to resolve their grievances by way of Online Dispute Resolution ('ODR') through a common ODR portal. Please note, post exhausting the option to resolve their grievance with the Company/RTA directly and through existing SCORES platform, the investors can initiate dispute resolution through the ODR portal (<https://smartodr.in/login>).

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

A. Background

Bharti Hexacom Limited ("Bharti Hexacom" or "Company") is a communications solutions provider offering consumer mobile services, fixed-line telephone and broadband services to customers in the Rajasthan and the Northeast telecommunication circles in India.

Indus Towers Limited (*formerly Bharti Infratel Limited, which was originally incorporated in 2006 to independently own and manage Group's passive infrastructure business and strengthened its position as pan-India tower company after the subsequent merger of Bharti Infratel Limited and Indus Towers Limited in 2019*), is one of the India's leading provider of passive telecom infrastructure, which deploys, owns and manages telecom towers and communication structures, for various telecom operators including Bharti Hexacom under long-term contracts.

Presently, Indus Towers has a portfolio of around 234,643 telecom towers, which make it one of the largest tower infrastructure providers in the Country with presence in all 22 telecom circles. Indus Towers, as a passive infrastructure service provider, has not only helped realizing the Government of India's 'Digital India' vision, but also enabled Bharti Group to focus on its core telecom services while achieving various operational synergies including benefits of scale for capex, both in terms of new tower roll-out and tower maintenance, simplification of the organizational structure and the overall stakeholder value-creation.

B. Proposal

Apart from the passive infrastructure business housed under Indus Towers, Bharti Hexacom also owns and manages a passive infrastructure business undertaking (as define hereinafter).

Considering core expertise of managing the passive infrastructure by Indus Towers, the Company, upon approval of its Audit Committee and the Board of Directors ("Board") on February 06, 2025, has entered into a Business Transfer Agreement ("Agreement") with Indus Towers to sell/ transfer Passive Infrastructure Business Undertaking of the Company comprising of approx. 3,400 Telecom Towers and related infrastructure along with identified and agreed assets and liabilities including but not limited to the concerned licenses, permits, regulatory approvals, consents, employees, contracts and interests as 'going concern' (hereinafter collectively referred to as the "Passive Infrastructure Business Undertaking") by way of a slump sale [as defined under Section 2(42C) of Income Tax Act, 1961] to Indus Towers, on such key terms & conditions as detailed hereunder and subject to agreed closing adjustments, at a consideration upto INR 11,341 Mn. as determined on the basis of fair valuation conducted by an Independent Valuer namely Grant Thornton Bharat LLP.

C. Rationale of the proposed transaction

Telecom Industry plays a pivotal role in India's march towards becoming a digital powerhouse by fueling the growth of many new-age industries, revolutionizing commerce and empowering citizens. To serve the growing customer needs and keep pace with ever-changing technology landscape, telecommunication service providers need to continuously upgrade and expand their networks. Infrastructure providers enable telecommunication service providers to access key infrastructure facilities at reasonable and economical cost. It makes eminent sense for the Company to transfer the Passive Infrastructure Business Undertaking to Indus Towers, which is an entity specialized and focused on providing these passive infrastructure services.

The proposal to sell/transfer Passive Infrastructure Business Undertaking of the Company is consistent with its approach to carve out non-core assets/investments and sharpen focus on its core business. The said proposal will have several benefits to the Company and its stakeholders, including but not limited to the following:

- (a) Enable Bharti Hexacom to fully embrace a business model, that will allow it to have enhanced focus on its core telecom business.
- (b) Assist in bringing in more efficient cost structure driven by scale, improvement of experience and service quality.
- (c) Promote infrastructure sharing as aligned with global industry trends, thereby ensuring that Company remains competitive in the fast-evolving telecom landscape.
- (d) Bring environmental benefits like reduction in diesel consumption, conservation of resources, energy savings and implement sustainable practices etc., due to enhanced sharing, improved tenancy and world-class ESG practices adopted by Indus Towers.

In view of the above, the proposed transaction shall be in the best interests of the Company and its stakeholders including members and shall not, in any manner, be detrimental to the interest of minority shareholders.

D. Well-defined and structured Governance process for related party transactions

In line with Company's well-defined and structured governance process for related party transactions, the transactions are undertaken after review and certification by leading independent global valuation/ accounting firms confirming that the proposed pricing mechanism for a particular transaction meets the arm's length criteria. In

certain cases, the external valuers from the said leading Independent global valuation/ accounting firm(s) also present the valuation report to the Audit Committee. The Audit Committee considers the certifications of leading independent global valuation/ accounting firm and conducts a review before granting approval to any related party transaction. It may be noted that the related party transactions are approved by only non-interested Independent Directors on the Audit Committee.

In view of the aforesaid practices at Bharti Hexacom, the fair valuation of Passive Infrastructure Business Undertaking being transferred to Indus Towers has been conducted by a renowned Independent Valuer namely Grant Thornton Bharat LLP. In addition to the aforesaid fair valuation, the Company has also obtained a report from a leading independent firm namely B S R & Co. LLP, confirming that the proposed transaction is on an arm's length basis.

E. Details of the transactions and other particulars thereof as per SEBI Master Circular no. SEBI/HO/CFD/PoD2/CIR/P/0155 dated November 11, 2024 and other applicable provisions, if any:

S. No.	Particulars	Details
1.	Name of the related party	Indus Towers Limited ('Indus Towers')
2.	Nature of relationship	Indus Towers is a subsidiary of Bharti Airtel Limited, i.e. fellow subsidiary of the Company
3.	Name of Director(s) or Key Managerial Personnel who are related, if any	<ul style="list-style-type: none"> Mr. Jagdish Saksena Deepak, Non-Executive Chairman, Mr. Rakesh Bharti Mittal and Mr. Soumen Ray, Non-Executive Directors of the Company, are the Non-Executive Directors on the Board of Indus Towers. Mr. Rakesh Bharti Mittal and Mr. Rajan Bharti Mittal, Non-Executive Director of Indus Towers are brothers.
4.	Nature, duration/ tenure, material terms, monetary value and particulars of the contract or arrangement	<p>The Company proposes to transfer its Passive Infrastructure Business Undertaking as 'going concern' by way of a slump sale [as defined under Section 2(42C) of Income Tax Act, 1961] to Indus Towers, at a consideration upto 11,341 Mn. as determined on the basis of fair valuation conducted by an Independent Valuer namely Grant Thornton Bharat LLP.</p> <p>The other key commercial terms of the proposed transfer are as under:</p> <ol style="list-style-type: none"> Passive Infrastructure Business Undertaking proposed to be transferred include Macro Sites, Ultra Lean Sites (ULS) and Cell on Wheels (COW) and shall exclude sites under Universal Service Obligation Fund (USOF). Post transfer, the Company will continue to avail passive infrastructure services from Indus Towers under the terms of the existing Master Service Agreement(s). The purchase consideration of the aforesaid transfer shall be payable by Indus Towers upon fulfilment of certain conditions precedent by Bharti Hexacom on a date mutually agreed between the Company and the Indus Towers (i.e. Completion Date) and subject to receipt of statutory/ regulatory approval(s), consent(s), permission(s) etc. as may be required in this regard. The proposed transaction includes subject to agreed closing adjustments and shall include transfer of all identified and agreed assets, rights, title and interests of every kind, nature and character (whether movable or immovable, tangible or intangible), liabilities and employees set out in the Agreement. <p>The proposed transfer of Passive Infrastructure Business Undertaking to Indus Towers, is expected to be completed by March 31, 2025, subject to the conditions as specified above.</p>

S. No.	Particulars	Details												
5.	Value of the transactions during previous financial year (i.e. FY 2023-24)	<div>The details of actual transactions entered into by the Company with Indus Towers during FY 2023-24, are given hereunder for reference of the members:</div> <table><tr><th>Category/ Nature of transactions</th><th>Transaction value (INR/ Crore)</th></tr><tr><td>Availing of services</td><td>722.9</td></tr><tr><td>Rendering of services</td><td>-</td></tr><tr><td>Reimbursements of expenses made or received</td><td>413.6</td></tr><tr><td>Purchase/ sale/ exchange/ transfer/ lease of business asset(s) and/ or equipment(s)</td><td>69.5</td></tr><tr><td>TOTAL</td><td>1206.0</td></tr></table> <div>Notes:<div>1) Above transactions were entered in the ordinary course of business and on arms' length terms after obtaining necessary prior corporate approvals.</div><div>2) The total amount of transactions with Indus Towers as disclosed in the financial statements is INR 1302.2 Crores. The difference is on account of Right of Use Assets and Lease Liabilities accounting in accordance with IND AS 116.</div><div>3) Above figures include applicable GST.</div></div>	Category/ Nature of transactions	Transaction value (INR/ Crore)	Availing of services	722.9	Rendering of services	-	Reimbursements of expenses made or received	413.6	Purchase/ sale/ exchange/ transfer/ lease of business asset(s) and/ or equipment(s)	69.5	TOTAL	1206.0
Category/ Nature of transactions	Transaction value (INR/ Crore)													
Availing of services	722.9													
Rendering of services	-													
Reimbursements of expenses made or received	413.6													
Purchase/ sale/ exchange/ transfer/ lease of business asset(s) and/ or equipment(s)	69.5													
TOTAL	1206.0													
6.	Any advance paid or received for the contract or arrangement, if any	NIL												
7.	The percentage of the annual consolidated turnover of the Company and Indus Towers Limited, for the immediately preceding financial year, that is represented by the value of the proposed transaction	<div>Approx. 16% of the annual turnover of Bharti Hexacom for the financial year 2023-24.</div> <div>Approx. 3.96% of the annual consolidated turnover of Indus Towers for the financial year 2023-24.</div>												
8.	Where the transaction relates to any loans, inter-corporate deposits, advances or investments made or given by the listed entity or its subsidiary, the details placed before the audit committee	Not applicable.												
9.	Details of the valuation or other external party report on arm's length and ordinary course	<div>In line with Company's well-defined and structured governance process for related party transactions, the proposed transaction with Indus Towers is being undertaken on the basis of fair valuation of Passive Infrastructure Business Undertaking conducted by an Independent Valuer namely Grant Thornton Bharat LLP. In addition to the aforesaid fair valuation report, the Company has also obtained a report from a leading independent firm namely B S R & Co. LLP, confirming that the proposed transaction is on an arm's length basis.</div> <div>The Audit Committee and Board of Directors of Bharti Hexacom while reviewing/ approving the proposed related party transaction with Indus Towers considered the aforesaid fair valuation report and arm's length pricing report obtained by the Company. It is worth noting that the related party transactions are approved and recommended for Board approval (if applicable), by only non-interested Independent Directors of the Audit Committee.</div> <div>The proposed arrangement with Indus Towers is in the ordinary course of business of the Company. It is aligned with the global industry trends and is also in line with the Group's approach to carve out its non-core assets/ investments by creating a structure that allows better leverage/ administration of these assets within the group.</div>												

S. No.	Particulars	Details
10.	Rationale/ benefit of the transaction or the justification as to why the transaction is in the interest of the Company	The detailed justification/ rationale of the proposed transaction forms part of the 'Rationale of the proposed transaction' tab as given above.
11.	Any other information relevant or important for the members to take a decision on the proposed resolution/ Any other information that may be relevant	All relevant/ important information form a part of this Explanatory statement setting out material facts pursuant to Section 102(1) of the Act.

None of the promoters/ promoter group entities are interested, directly or indirectly, in the proposed transaction except to the extent of their shareholding in the Company. The proposed transaction is in the best interests of the Company and its stakeholders and is not, in any manner, detrimental to the interest of minority shareholders.

Members may kindly note that the Passive Infrastructure Business Undertaking proposed to be transferred to Indus Towers does not qualify as an 'Undertaking' of the Company in terms of the relevant provisions of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations").

Pursuant to Regulation 23 of SEBI Listing Regulations, members may also note that no related party of the Company shall vote to approve the proposed resolution, whether the entity is a party to the proposed transaction or not.

The Board accordingly recommends the resolution set forth herewith for approval of the members as an Ordinary Resolution.

None of the Directors and/or Key Managerial Personnel of the Company and/or their relatives is deemed to be concerned or interested, financially or otherwise in the said resolution except to the extent of their shareholding interest and common Directorships, if any.

Registered Office:

Bharti Crescent, 1, Nelson Mandela Road,
Vasant Kunj, Phase II, New Delhi - 110070, India

CIN: L74899DL1995PLC067527

Email: bhartihexacom@bharti.in

Date: February 06, 2025

Place: New Delhi

By order of the Board
For **Bharti Hexacom Limited**

Jagdish Saksena Deepak
Chairman

DIN: 02194470

Address: Bharti Crescent, 1, Nelson Mandela Road,
Vasant Kunj, Phase II, New Delhi - 110070, India