



Bharti Hexacom Limited
Annual Report 2024-25

CUSTOMER OBSESSED THE SECURE NETWORK



PERFORMANCE



₹85,479 Mn

Revenue
21% Y-o-Y growth

₹37,789 Mn

EBITDAaL
27% Y-o-Y growth

₹12,810 Mn

Net Profit (before exceptional items)

KPIs



#1

In North East*

#2

In Rajasthan*

28.6 Mn

Customers

₹242

Average Revenue
Per User (Mobile)

NETWORK



2,040 MHz

Unpaired Spectrum Holding

26,497

Network Towers

81,840

Mobile Broadband Base Stations

96.5%

Population Coverage

Customer Obsessed. The Secure Network.

Bharti Hexacom is shaping the digital future of Rajasthan and the North East, empowering individuals, families, and communities to thrive in a connected world. Our obsession is to deliver brilliant customer experience, at home, on the move, and across every touch-point.

Our strategy is simple - win with quality customers, premiumise portfolio, drive digital innovation and deliver secure connectivity.

Our 5G Plus network and Rural Acceleration Program are bridging the digital divide and driving data adoption across communities. Robust Wi-Fi deployments are propelling broadband penetration and unlocking new avenues for growth.

During the year, we turbocharged our network with the deployment of additional spectrum, ensuring faster and more reliable connectivity.

Backed by the strong foundation of Bharti Airtel, we leverage from its strategic partnerships, offer a broad portfolio of digital services, and integrate Digital TV to drive seamless convergence for our customers. By deploying digital tools and harnessing data analytics, we are making our networks smarter, resilient and more intuitive.

We launched industry-first, AI-powered Anti-SPAM solution setting a benchmark of digital security for our customers: proactively identifying spam calls, messages, and malicious links.

Digital-first mindset, prudent capital allocation, and operational excellence are the pillars of our strong balance sheet. Our commitment to responsible and sustainable growth is ingrained in every aspect of our operations.

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**Boundless
Connectivity,
Unmatched Value**

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**Exceptional
Experience,
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**Network Intelligence
meets Artificial
Intelligence**

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**Delivering Value
through Operational
Excellence**

BOUNDLESS CONNECTIVITY, UNMATCHED VALUE



Bharti Hexacom is transforming the digital future across the regions by providing seamless and secure connectivity and fostering digital inclusion.

Our simple and clear strategy is centered on upgrading 2G customers to 4G/5G, accelerating prepaid to postpaid upgrades, data monetisation through contextual marketing and expanding international roaming. Disciplined approach, combined with sharp execution, is the key to our industry-leading ARPU growth and sustained improvements in revenue market share.

Our 5G Plus network continues to deliver ultra fast speeds, low latency and reliable connectivity. The rapid growth of our 5G customer base stands as a strong testament to the superiority of our network. Rural expansion remains a strategic priority, not just to broaden our footprint but for unlocking digital access to over 6 Mn people across 6.4K villages.

45.7%
Mobile RMS
230 bps improvement Y-o-Y

2 Mn
4G/5G net adds

114
Cities with FTTH presence

We are accelerating home broadband expansion by deploying Fibre-to-the-Home (FTTH) and Fixed Wireless Access (FWA) services, taking digital connectivity to millions of new households. FWA is driving strong demand and significantly increasing our addressable market, taking our reach to new heights.

Our bundled offerings - Airtel Black and Family Plans, deliver exceptional value, flexibility and convenience. Our plans seamlessly integrate mobility, Wi-Fi, digital TV, and OTT content through partnerships with 22+ leading OTT platforms and broadcasters. By driving convergence across services, we are deepening customer engagement and building connection for life.

18.4%
Industry leading mobile
ARPU growth

143K
Homes net adds

22+
OTT offered



OVERVIEW AND PERFORMANCE

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Enriching Lives with Seamless Connectivity

Bharti Hexacom is transforming connectivity across Rajasthan and North East with sustained investments in our 5G Plus network deployment, Rural Acceleration Program and home broadband expansion. Backed by the largest mid-band spectrum holding, we deliver blazing-fast speeds and expansive coverage, all at lowest cost of ownership. Our growth is firmly anchored in a strong commitment to sustainability, ensuring we advance responsibly while minimising environmental impact.



Corporate Ethos



Vision

- Enrich the lives of customers
- Win customers for life through an exceptional experience



Values

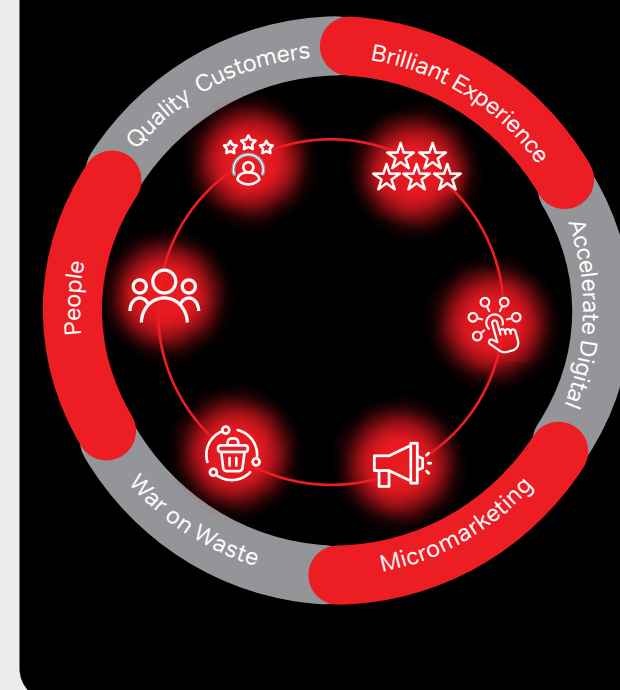
- Alive
- Inclusive
- Respectful



Objectives

- Grow market share
- Grow revenue
- Drive down cost

Strategic Priorities



Risk Management

The Board of Directors maintains an active oversight of key risk areas and approves mitigation strategies, with support from the Risk Management Committee (RMC) and the Chief Risk Officer. Strategic risks are identified by the senior leadership on the basis of internal audits and market intelligence and assessment to ensure a robust, responsive and continuously evolving risk management framework.

 Read more on [Page 54](#)

Business Segments

We provide a comprehensive range of mobile, fixed-line and broadband services across Rajasthan and the North East. Our converged offerings, under Airtel Black, combine these services with Digital TV to deliver convenience and a seamless experience. Driving our postpaid strategy, we offer differentiated family plans that blend convenience with unmatched value. Our Wi-Fi offerings, including FTTH and FWA, are accelerating adoption of home broadband across our operational regions.

Services We Provide



Mobile



Home and Office Broadband



Presence

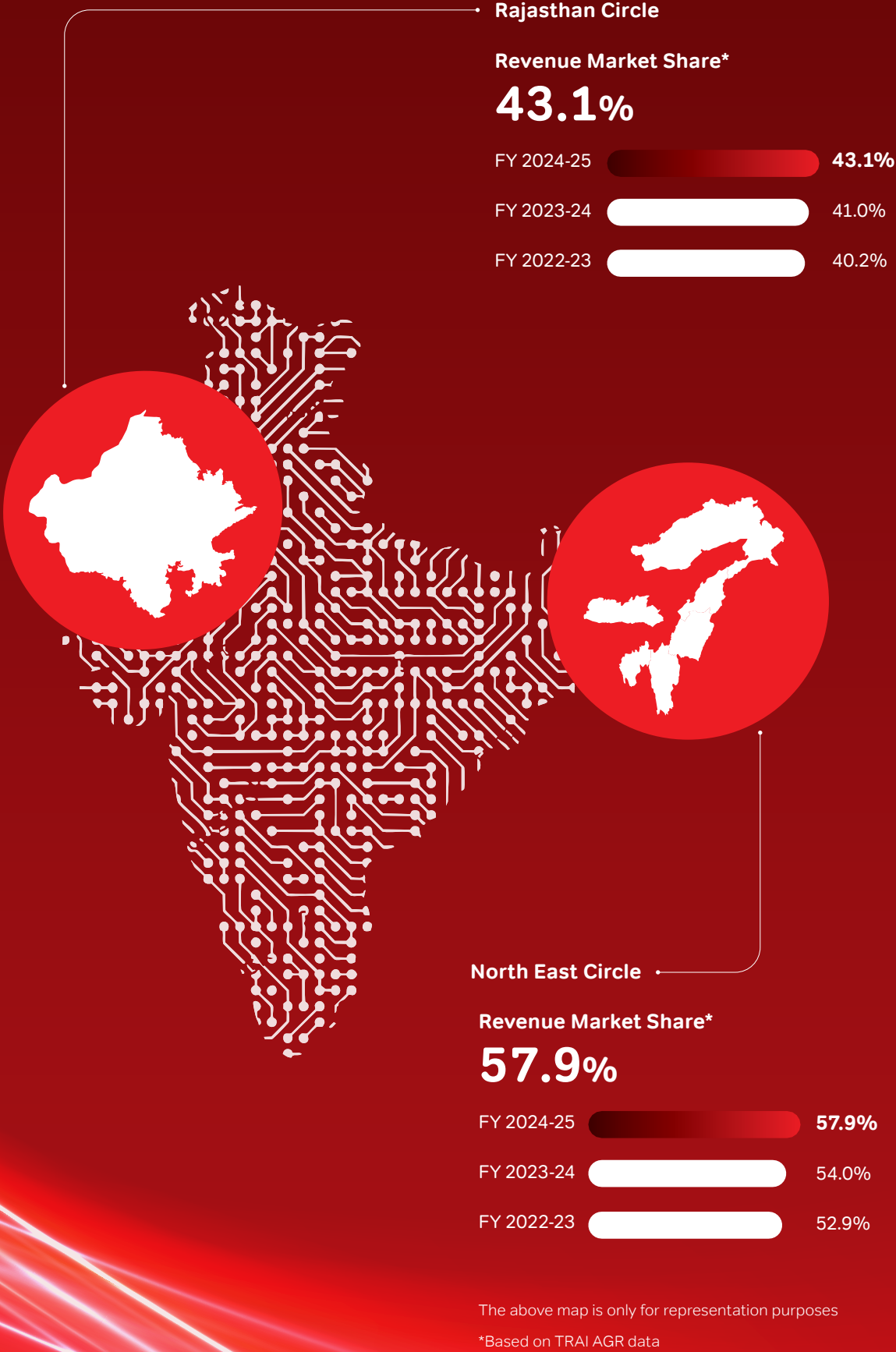
Unlocking Regional Potential

We operate in Rajasthan and North East telecom circles of India. We are actively contributing to the economic growth across the regions with large-scale investments in our digital network and enabling digital inclusion.

85.0%
National tele-density

79.8%
Tele-density in Rajasthan

80.9%
Tele-density in the North East



Chairman's Message

Improving Connectivity and Delivering Value to Shareholders

“

As part of its obsession with improving customer experience, and in close partnership with Airtel, your Company launched India's first AI-powered spam detection tool for its customers.

Dear Shareholders,

The FY 2024-25 was Bharti Hexacom Limited's first year as a listed company and it was marked by phenomenal performance on the stock market. Bharti Hexacom has since delivered a return of 156% on the offer price. It has emerged as a preferred telecom midcap stock with a market capitalisation of ₹72,870 crore on March 31, 2025, nearly a two-fold increase from the time of listing.

On the ground, your Company delivered strong performance with sustained revenue market share improvement in both Rajasthan and the North East. In FY 2024-25, Bharti Hexacom further cemented its leadership in the North East, and made significant gains in Rajasthan, achieving the highest ever revenue market share of 57.9% and 43.1% respectively. This growth was underpinned by well-planned investments, razor-sharp execution of a simple yet focused strategy, and sustained operational excellence.

This has been a year when the Indian economy continued to maintain a strong growth trajectory, as the fastest growing major economy in the world. The growth was supported by improved domestic consumption, structural reforms and an increase in government spending across key sectors including infrastructure, logistics and welfare schemes. In parallel, the Telecom Regulatory Authority of India, the sector regulator, came up with forward looking regulations to make the telecom sector more resilient.

Rajasthan and the North East regions, where Bharti Hexacom operates, have exhibited strong growth momentum, leading to higher than national average growth rates. The Government of Rajasthan outlined a roadmap towards becoming a \$350 billion economy by 2030. The North East, as a special focus area for the Government of India, is emerging as a hub for digital transformation, and with the efforts of state governments, manufacturing and industrial growth is expanding, together with bolstering of infrastructure, connectivity and tourism. To augment digital infrastructure even further, telecom operators, including Bharti Hexacom, have invested heavily in 5G networks, which are expected to revolutionise how individuals and industries operate. The true potential for monetisation of 5G will be driven by emergence of large-scale use cases in the coming years across B2C and B2B segments. Nevertheless, 5G is expanding the addressable market for home connectivity through adoption of FWA. Given the low penetration of fixed line broadband in Rajasthan and the North East, FWA is expected to amplify the adoption of high-speed home internet.

Bharti Hexacom Limited is playing an integral role in the growth of the digital economy in both Rajasthan and the North East telecom circles, with its continued investments in building a future-ready and resilient digital network infrastructure. Under its Rural Acceleration Program, in the last two years, your Company has expanded coverage across 6,000+ villages, bringing to them the benefits of connectivity, digital commerce and payments. To further boost its network coverage and capacity, Bharti Hexacom acquired an additional 15 MHz spectrum in different bands in these circles, thus delivering a superior experience to its customers.

During FY 2024-25, Bharti Hexacom added over 2 million 4G/5G customers, with its total data customers now accounting for 77% of the total base. 5G adoption is picking up, with millions of customers already enjoying our 5G Plus network. Your Company has deepened Wi-Fi coverage with expansion across 200+ cities.

Bharti Hexacom is part of the Bharti Airtel group, an iconic leader in the telecom domain, and benefits greatly from this association. Its obsession with improving customer experience, and in close partnership with Airtel, your Company launched India's first AI-powered spam detection tool for its customers. This tool has identified 1.7 billion calls and 137 million SMS since its launch, translating to an impressive rate of flagging 94 spam calls each second.

Bharti Hexacom's remarkable performance during the year was underpinned by its consistent focus on winning with quality customers, delivering a brilliant experience and driving operational excellence. Through this approach, your Company attained industry leading revenue growth and strong operating leverage, resulting in further strengthening the

balance sheet. To enhance capital efficiency, it pre-paid high-cost debt of ₹858 crore arising from the spectrum auctions of June 2024, to the Government of India. We are well capitalised to seize even more growth opportunities and momentum in the upcoming fiscal year. Keeping in mind the sterling performance of the Company, the Board has recommended a dividend payout of ₹10/- per share of face value of ₹5/- for the FY 2024-25, a two and a half times increase over last year.

We are committed to our vision of keeping customers at the centre of everything we do. Bharti Hexacom is continuously working to further its environmental commitments, reflected in initiatives like greening the network, optimising diesel consumption, and improving site solarisation. Your Company takes pride in integrating best practices across the organisation and maintaining the highest standards of governance and transparency.

I sincerely thank our Board of Directors for their guidance and I am pleased to welcome Mr. Rakesh Bharti Mittal and Mr. Kanwaljit Singh Cheema to the Board. Further, the management team and our dedicated employees deserve recognition for their immense contribution to the Company's performance. I would also like to express my deep gratitude to our loyal customers, partners, suppliers, distributors and valued shareholders for their resolute support and trust.

JS Deepak
Chairman



Board of Directors

Ensuring Resilience through Responsible Oversight



Jagdish Saksena Deepak
Chairperson and Non-Executive Director

Nationality – Indian
Age – 66 years
DIN – 02194470
Date of appointment – May 20, 2022
Tenure on Board – ~3 years
Term ending on – NA

Areas of expertise

Leadership, Financial Expertise, Strategic Management, Industry & Sector Experience, Corporate Governance & Legal, Technology and People Management



Arun Gupta
Independent Director

Nationality – Indian
Age – 49 years
DIN – 00002157
Date of appointment – December 22, 2023
Tenure on Board – ~1.5 years
Term ending on – December 21, 2028

Areas of expertise

Leadership, Strategic Management, ESG Proficiency, Financial Expertise, Corporate Governance & Legal and People Management

S A C



Arvind Kohli
Independent Director

Nationality – Indian
Age – 64 years
DIN – 00001920
Date of appointment – March 22, 2023
Tenure on Board – ~2.2 years
Term ending on – March 21, 2028

Areas of expertise

Leadership, Strategic Management, ESG Proficiency, Financial Expertise, Corporate Governance & Legal and People Management

N R A C



Ashok Tyagi
Independent Director

Nationality – Indian
Age – 71 years
DIN – 00784563
Date of appointment – February 14, 2022
Tenure on Board – ~3.3 years
Term ending on – February 13, 2027

Areas of expertise

Leadership, Strategic Management, ESG Proficiency, Financial Expertise and Corporate Governance & Legal

A R N



Devendra Khanna
Non-Executive Director

Nationality – Indian
Age – 64 years
DIN – 01996768
Date of appointment – August 10, 2013
Tenure on Board – ~12 years
Term ending on – NA

Areas of expertise

Leadership, Financial Expertise, ESG Proficiency, Strategic Management, Industry & Sector Experience, Corporate Governance & Legal, Technology and People Management

Board Committees

- A Audit Committee
- R Risk Management Committee
- N Nomination and Remuneration Committee
- S Stakeholders' Relationship Committee
- C Corporate Social Responsibility Committee

- Chairperson of committees
- Member of committees

~2.7 Years

Average Tenure of the Board as on March 31, 2025

Read more in the Corporate Governance Report on page 114 for more details



Board of Directors



Kanwaljit Singh Cheema
Independent Director

Nationality – **Indian**
Age – **61 years**
DIN – **10655273**
Date of appointment – **November 20, 2024**
Tenure on Board – **5 months**
Term ending on – **November 19, 2029**

Areas of expertise
Leadership, Strategic Management, Corporate Governance & legal, ESG Proficiency, People Management

C



Kapal Kumar Vohra
Independent Director

Nationality – **Indian**
Age – **66 years**
DIN – **07384162**
Date of appointment – **December 22, 2023**
Tenure on Board – **~1.5 years**
Term ending on – **December 21, 2028**

Areas of expertise
Leadership, Financial Expertise, Strategic Management, Corporate Governance & Legal and People Management

A S



Nalina Suresh
Independent Director

Nationality – **Indian**
Age – **54 years**
DIN – **10429755**
Date of appointment – **December 22, 2023**
Tenure on Board – **~1.5 years**
Term ending on – **December 21, 2028**

Areas of expertise
Leadership, ESG Proficiency, Strategic Management, Technology and People Management

N



Rakesh Bharti Mittal
Non-Executive Director

Nationality – **Indian**
Age – **69 years**
DIN – **00042494**
Date of appointment – **October 28, 2024**
Tenure on Board – **6 months**
Term ending on – **NA**

Areas of expertise
Leadership, Strategic Management, Industry & sector experience, Corporate Governance, ESG Proficiency, Technology and Financial Expertise



Soumen Ray
Non-Executive Director

Nationality – **Indian**
Age – **51 years**
DIN – **09484511**
Date of appointment – **February 14, 2022**
Tenure on Board – **~3.3 years**
Term ending on – **NA**

Areas of expertise
Leadership, ESG Proficiency, Financial Expertise, Strategic Management, Industry & Sector Experience, Corporate Governance & Legal, Technology and People Management

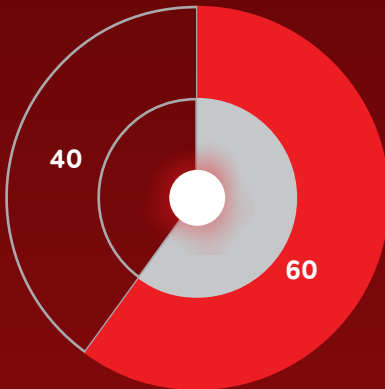
C A S

Board Committees

- A** Audit Committee
- R** Risk Management Committee
- N** Nomination and Remuneration Committee
- S** Stakeholders' Relationship Committee
- C** Corporate Social Responsibility Committee

- Chairperson of committees
- Member of committees

Board Independence (%)



- Non-Executive Directors
- Independent Directors

EXCEPTIONAL EXPERIENCE, DIGITALLY POWERED



We are building a resilient, high-performing network that delivers an exceptional customer experience, powered by robust mid-band spectrum portfolio, Airtel’s digital backbone and cutting edge digital tools.

Through disciplined investments, we continue to strengthen our future-ready digital infrastructure. In FY 2024 -25, we turbocharged our network with additional 15 MHz spectrum in sub-GHz and mid-band frequencies. This strategic enhancement empowers us to deliver ultra-fast speeds, expansive coverage, and consistent high performance.

Over the past three years, we have added 8K network sites and 21K mobile broadband base stations to boost our network.

15 Mhz Spectrum
Acquired in FY 2024-25

8K
Sites deployed over last three years

28GB
Data usage per customer per month

By leveraging digital tools and data analytics, we enable smarter, faster network deployment, intelligent management, and proactive maintenance - ensuring seamless and reliable connectivity for our customers.

Security and trust remain at the heart of our network. We have deployed India’s first AI-powered Anti-SPAM solution, developed by Airtel engineers, which identified spam calls, SMS and malicious links. Since launch, it has flagged 1.5 billion spam calls and 126 million SMS, with these numbers growing.

21K
Mobile broadband base stations deployed over last three years

27%
Increase in data consumption on network



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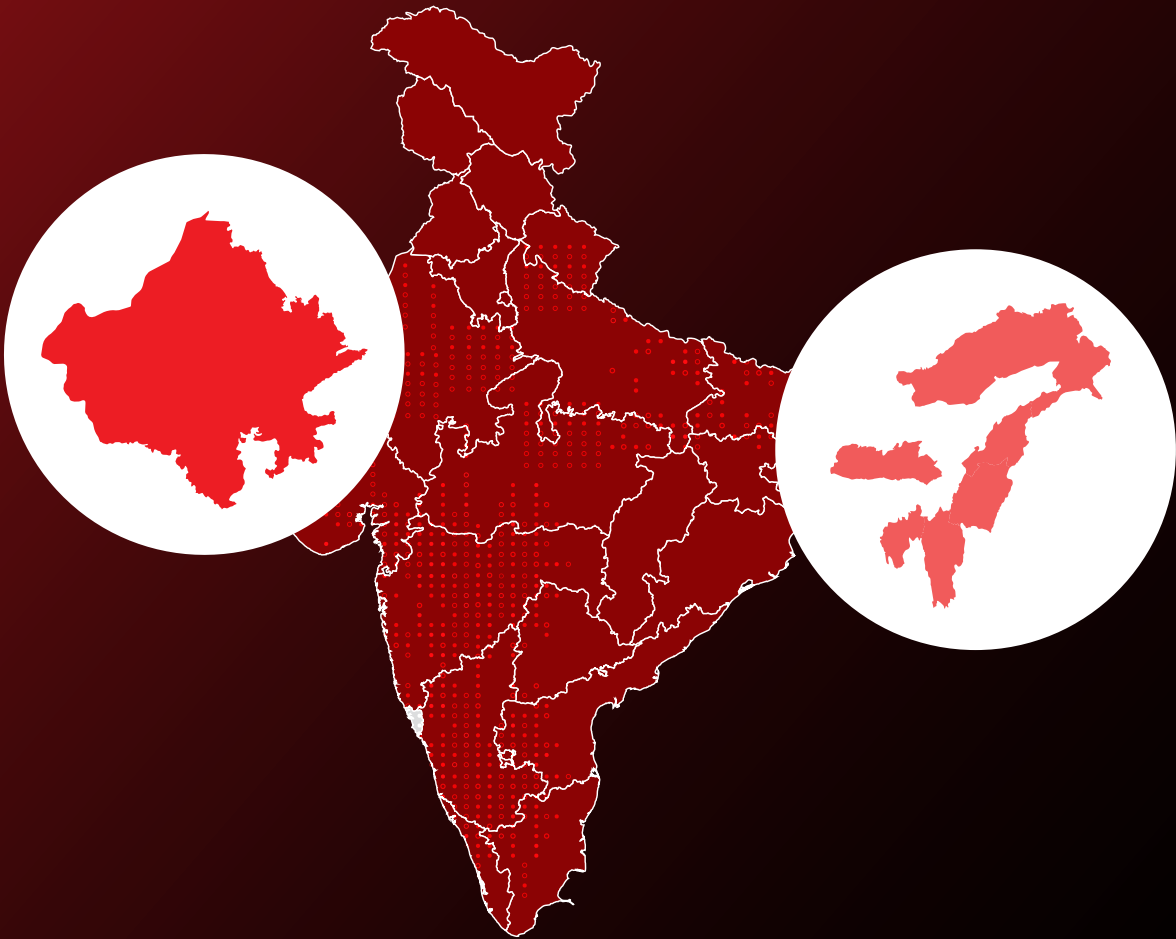
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NETWORK INTELLIGENCE MEETS ARTIFICIAL INTELLIGENCE

We verify, We block, We identify - So that customers don't have to

Every second, our AI-powered Anti-SPAM solution identifies spam calls, SMS and malicious links before they ever reach our customers



The above map is only for representation purposes
Data represented on the map is as of December 2024
All other data points are as of March 2025

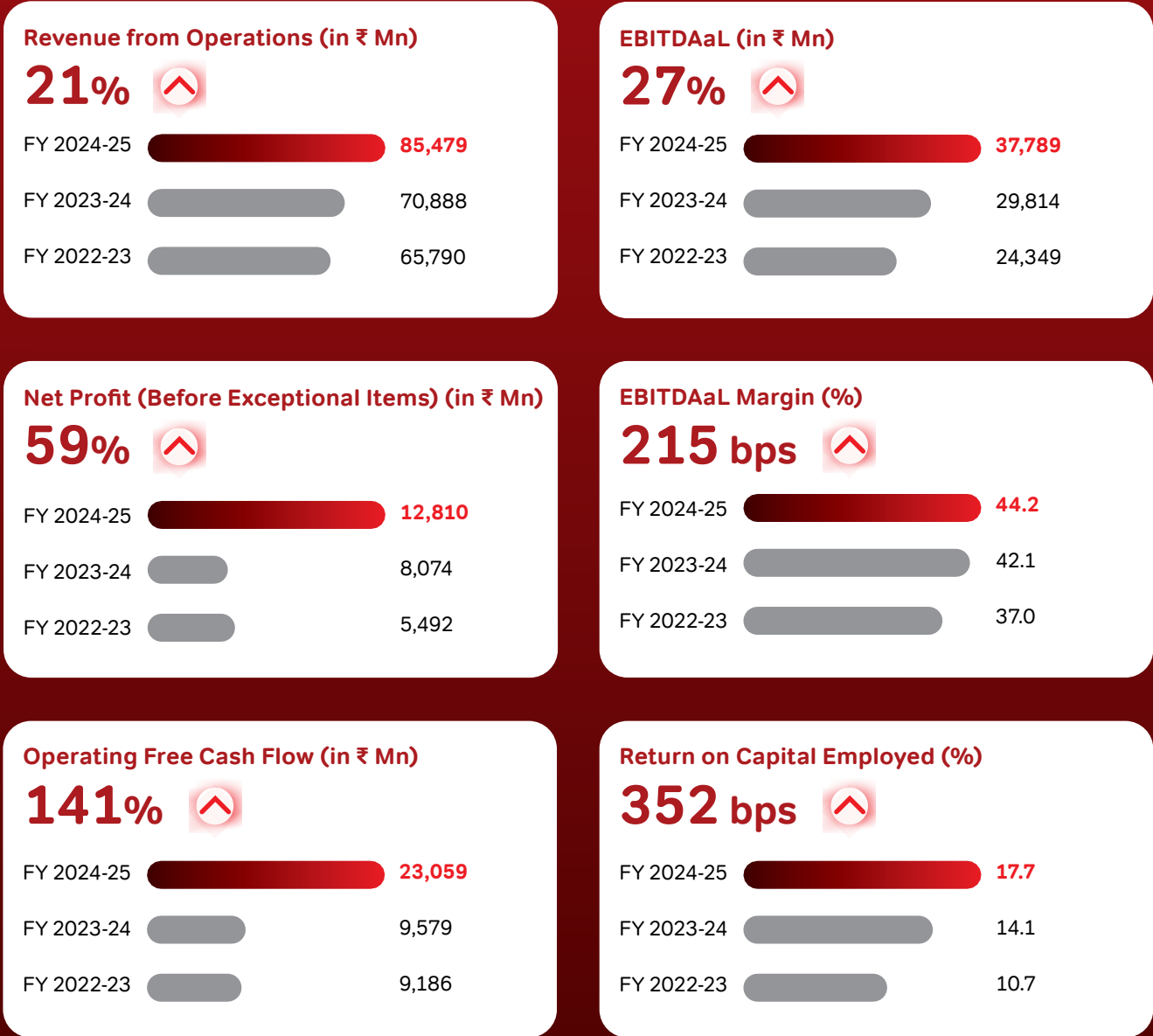


Key Performance Indicators

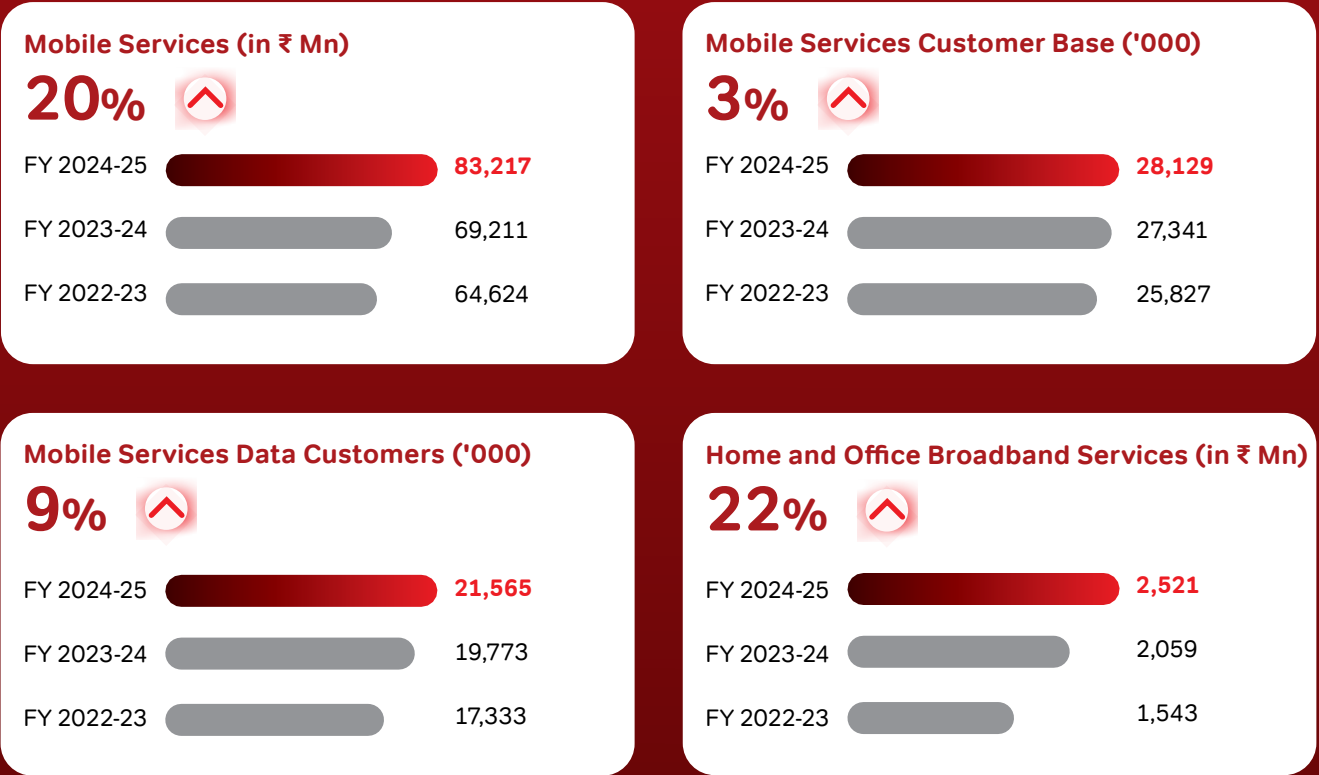
Resilient Execution. Tangible Results.

We have delivered another year of consistent results, achieving 21% increase in revenue and 59% rise in net profit, driven by the robust performance of our business segments.

FINANCIAL PERFORMANCE



SEGMENT-WISE PERFORMANCE



DELIVERING VALUE THROUGH OPERATIONAL EXCELLENCE

Our business model is anchored in industry leading revenue growth, operational excellence and disciplined capital allocation. This ensures sustained performance and long-term value creation.



Through our 'War on Waste' program, we continue to drive efficiency, reset our cost base, and enhance profitability. This focused approach has delivered tangible savings, underscoring our commitment to deliver operational excellence.

Driven by strong revenue growth, operating leverage, and healthy free cash flow generation, we have further strengthened our balance sheet with enhanced ability to deliver greater value to shareholders through dividends. Our consistent financial performance positions us well to capitalise on future growth opportunities and deliver sustained value creation.

16.5%

Three year revenue CAGR

35.9%

Three year EBITDAaL CAGR

₹42 Bn

Operating free cash flow generated in last three years

1x

Net debt-to-EBITDAaL

~₹9 Bn

High Cost spectrum liability prepaid to DoT

₹10/Share

Proposed dividend vs. ₹4/share in FY 2023-24

A1+ from CRISIL and India Ratings and Research

Ratings reaffirmed



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Efficiency with Responsibility

We are strengthening our sustainability agenda by increasing the use of renewable energy, improving energy efficiency through adoption of clean technologies, and promoting circularity. These priorities are deeply embedded in our operations through a strong Environment, Health, and Safety (EHS) program, which drives our efforts to reduce carbon emissions and manage resources responsibly.

Climate Change, Energy Efficiency and Emission Reduction

Our strong network presence across Rajasthan and the North East India ensures seamless digital connectivity to millions of customers. We continue to expand our network, reinforcing our commitment to a connected and sustainable future for everyone.

4,998 Towers*

Solarised till FY 2024-25

7,542 MWh

Renewable energy consumption in own operations

11,424 kWh

Electricity savings through energy conservation measures**

41,522 Litres

Diesel savings through energy conservation measures**

>48%

Green sites

*Across owned and third party sites

**For more information, refer Annexure D on Page 109

Energy Consumption in Own Operations

Renewable Energy Consumption in Own Operations (MWh)



Fuel Consumption (KL)



Grid Electricity Consumption (MWh)



GHG Emissions

Scope 1 Emissions (tCO₂e)



Scope 2 Emissions (tCO₂e)



GHG Emission Intensity (tCO₂e/TB)

(Scope 1 + Scope 2 emissions/ TB of data)



Resource Efficiency and Waste Management

241 Tonnes

E-waste sold to authorised recyclers

760 Tonnes

Battery waste sold to authorised recyclers

We follow a comprehensive 3R strategy: Reduce, Reuse, Recycle, to optimise resource use and minimise waste. Circularity is embedded into our daily operations, fostering responsible consumption and disposal practices across the organisation.

Minimising Paper Usage - Accelerated digitalisation across our business ecosystem has led to a substantial reduction in paper usage. Over the years, we have replaced physical customer bills with e-statements and actively promote online payment methods to support a more sustainable, paperless approach.

99%

Billed transactions are paperless

Water Efficiency

We have implemented various water efficiency measures including wastewater recycling and reuse at its sites and planning to achieve Zero Liquid Discharge (ZLD) in future.

Social: Employees

Driving Growth through People

We are building a future-ready, inclusive, and high-performing workforce by fostering agility, continuous learning, and a culture of collaboration and well-being.

FY 2024-25 highlights

100%
Employees covered on safety training

100%
Return to work rate of employees

19.9%
Employee turnover

100%
Employees and workers covered under well-being measures (Maternity and paternity benefits, accident insurance and health insurance)

Future-proofing talent and skills

We are building a future-ready workforce by enabling continuous learning through functional programmes, academies, and certifications like SCRUM, ITIL, and Python.

At the core of this is iLearn, our award-winning digital platform, now revamped as a unified, AI-powered learning hub offering curated, role-based content across all levels.

Our holistic approach includes Leadership Academies, People Manager Workshops, Learning Shots,

and Limitless Learning for global content access. Airtells, our internal talent marketplace, promotes cross-functional mobility and transparent career pathways.

Integrated Talent and Performance Management

We foster growth through 360-degree feedback, biannual performance reviews, and Talent Council assessments: ensuring fair, future-focused decisions on development, rewards, and succession. Together, these efforts

nurture a culture of continuous learning, agile leadership, and long-term capability building.

Strengthening Organisational Effectiveness

In FY 2024-25, we made strong progress in building a more agile, performance-driven, and future-ready organisation through group-wide initiatives focused on simplification, collaboration, and employee experience.

OUR PEOPLE

Our people strategy for FY 2024-25 was centred on four strategic pillars, each tailored to drive performance and simultaneously equip the organisation for future readiness.

Future-Proofing Talent and Skills

An ecosystem fostering a future ready talent pipeline with limitless learning opportunities and powerful career planning and advancements

Strengthening Organisation Effectiveness

An agile, performance-driven organisation built on simplified operating models and a sharp customer-first focus

Building an Inclusive and Engaged Culture

An environment enabling inclusiveness; cultivating deep employee engagement and a sense of belonging and purpose through targeted interventions and equitable representation

Providing Superlative Employee Experience

World-class technological capabilities, smarter ways of working and seamless processes leading to an exceptional people experience, with employee well-being at the core

Simplifying People Processes

We automated key HR processes for contractual employees – across hiring, compensation, and exits – through our in-house platform, Airtel One HRMS. This has improved transparency, reduced manual effort, and boosted recruiter and manager efficiency.

Driving Agility Through Collaboration

We unified two network teams under one operational framework with shared goals. This integration broke silos, strengthened accountability, and improved service responsiveness – enhancing both employee alignment and customer satisfaction.

Connected Homes Transformation

We transitioned from a broadband-only model to an integrated Connected Homes approach – combining broadband and entertainment. A unified, customer-backed team structure now drives end-to-end execution, enabling faster innovation and greater customer value.

Career Pathway Realignment

We undertook a group-wide nomenclature restructuring across all bands to align with market standards. This initiative offers clearer, growth-oriented career paths, enhancing employee engagement and long-term retention.

Together, these actions strengthen organisational agility, talent focus, and our ability to deliver superior customer outcomes across a dynamic digital landscape.

Building an Inclusive and Engaged Culture

We are committed to creating a workplace where diversity is celebrated, inclusion is intentional, and every employee is empowered to grow and thrive. Our group-wide initiatives span the entire employee journey – from hiring to leadership development and retention.

Key Enablers of Our Inclusive Culture

- WeLead**
Our leadership development programme for women focuses on skill-building, mentorship, and mindset coaching, building a strong pipeline of women leaders across the organisation.
- Embracing Womanhood**
A monthly webinar series supporting women's mental, physical, and financial well-being, led by experts and senior leaders to foster holistic growth and community.
- You're Covered**
We support employees through key life stages with enhanced policies including fertility treatment coverage, safe late-night travel, and emergency travel support for caregivers and children.
- Promoting Respect and Safety**
We reinforced our POSH framework through IC capability building, awareness workshops, and a system-led training model, ensuring consistent compliance and a safe, respectful workplace for all.

Providing a Superlative Employee Experience

We continue to elevate employee experience by embedding digital tools and AI-driven platforms that enable smarter, faster, and more intuitive ways of working. Our tech ecosystem simplifies workflows, reduces friction, and empowers our teams to focus on high-impact outcomes.

Employee well-being and safety remain core to our people-first approach. We support flexible work models, provide data-driven insights, and continuously evolve to meet the changing needs of our workforce.

Key group-level initiatives include:

- Streamlining processes through automation and AI to boost productivity
- Launching Alum Hub, Intern Portal, and AirCare Plus wellness wallet to enhance engagement and self-service
- Upgrading office infrastructure with modern, collaborative spaces and enhanced safety protocols

Together, these efforts create a human-centred, digitally enabled experience that drives performance, connection, and long-term growth.



Social: Corporate Social Responsibility

Nurturing Potential, Enabling a Brighter Future

Through our CSR efforts, implemented by the Bharti Airtel Foundation (the Foundation), we take a focused, education-led approach to drive long-term social impact by empowering underprivileged communities with access, opportunity, and equity. The Foundation through various initiatives support children and youth – particularly girl child– through the flagship Satya Bharti School Program, support to Government Schools, Higher education programs, scholarships, and digital initiatives like TheTeacherApp, positively impacting nearly 4 million children across India.

Bharti Airtel Foundation

The philanthropic arm of Bharti Enterprises, continues to uplift the lives of disadvantaged communities by providing quality education to children and youth. Placing a strong emphasis on empowering the girl child, the Foundation actively promotes access to higher education in collaboration with leading academic institutions.

The Foundation's flagship Satya Bharti School Program currently offers free, high-quality education to more than 37,000 students, more than half of whom are girls, across 164 rural schools in four states. Through the Quality Support Program, the Foundation partners with 1,000 government schools across 12 states and union territories, working to enhance the overall learning experience.

Encouraged by the program's positive outcomes, the Foundation

is now expanding select initiatives, identified jointly with the education departments of respective districts and states, to bolster the implementation of the National Education Policy 2020.

Notably, in 2024, the Foundation introduced TheTeacherApp, a NEP 2020-aligned digital platform equipping educators with resources, foundational literacy and numeracy (FLN) courses, and pedagogical tools.

The Foundation's Bharti Scholars umbrella includes scholarships for students from Satya Bharti Adarsh Sr Sec Schools, the Bharti Airtel Scholarship Program, and other partner institutions, enabling over 700 deserving students — particularly young women — to pursue higher education with dignity and opportunity.

To date, the Foundation has impacted nearly 4 million children through its various programs and initiatives.

37,000

Students, more than half of them girls, benefitted by the Satya Bharti School Program

1,000

Government schools are partnering with the Foundation for the Quality Support Program

700+

Students, many of them girls, benefitted by various Scholarship Programs

Bringing Tangible Economic Relief to Rural Families

Since its inception, the Satya Bharti School Program has delivered meaningful financial support to rural households. Based on National Sample Survey (NSS) data, it is estimated that families of enrolled students have collectively saved approximately ₹400 crores, underscoring the positive economic impact of the initiative. The calculation, drawing from NSS data and adjusted for inflation rates applicable to rural India, ensures the estimates reflect the true extent of financial relief.

The program offers free education, uniforms, textbooks, notebooks, and mid-day meals to students. From FY 2024-25, this support was further extended to include free shoes, socks, and school bags. Together, these measures significantly ease household expenditure in rural areas and ensure quality education remains within the reach of children from disadvantaged families.

Partnership with the Foundation in FY 2024-25

Launched in July 2024, the Bharti Airtel Scholarship Program is a transformative initiative designed to support talented students from a wide range of socio-economic backgrounds, particularly young women, to become tomorrow's technology leaders. This merit-cum-means-based scholarship scheme targets students enrolled in undergraduate and integrated technology-based engineering programs in the top 50 NIRF-ranked engineering institutes across India.

Recipients, known as Bharti Scholars, benefit from comprehensive financial assistance that covers tuition fees, hostel and mess charges. The scholars are also provided a laptop to support their academic journey. The program is pivotal in opening doors and creating life-changing opportunities for high-potential students who might otherwise face barriers to achieving their dreams.

Currently, with the backing of Bharti Hexacom, 247 Bharti Scholars are reaping the rewards of this program, approximately 20% of them young women. To mark the beginning of this

new chapter, investiture ceremonies were held across Airtel offices, where scholar kits and individual laptops were presented to the scholars.

247

Bharti Scholars benefiting from the Bharti Airtel Scholarship Program in collaboration with Bharti Hexacom

~20%

Of Bharti Scholars are young, talented women from underprivileged backgrounds



Engagement Activities with Bharti Scholars



The 'Learning with Leaders Series' is designed to offer valuable opportunities for students to engage with pre-eminent industry leaders. This series of webinars revolves around select themes, such as emerging technology trends, and the impact and future of Artificial Intelligence (AI). During FY 2024-25, Bharti Scholars from Chandigarh University took part in an interactive session with Mr. Rakesh Bharti Mittal at Plaksha University in Mohali.

Interactive sessions were conducted with 200+ students from partnered government schools in Delhi, facilitated by Bharti Scholars from IIT Delhi and Delhi Technological University. These sessions offered practical advice on managing exam stress, preparing for board examinations and career guidance.

Bharti Scholars from IIT Jodhpur and Chandigarh University visited our partnered government school in Jodhpur and the Satya Bharti Adarsh Senior Secondary School in Rauni, Punjab. During their visit, they shared personal stories about the challenges they faced, and how their hard work and determination propelled them to success.

Bharti Scholars from the following aspirational districts were covered from 10 states in FY 2024-25:

- Baran
- Begusarai
- Dhenkanal
- Fatehpur
- Gaya
- Jamui
- Nandurbar
- Raichur
- Sitamarhi
- Udham Singh Nagar
- Visakhapatnam
- Y.S.R. Kadapa
- Dholpur
- Purnia
- Ranchi
- Sonbhadra
- Vidisha

Governance

Integrity in Action

Our corporate governance philosophy is rooted in integrity, transparency and accountability – principles that define us. Guided by our core values, we see governance as a vital enabler of our vision, ensuring legal compliance, transparency and ethical conduct while safeguarding the interests of all stakeholders at every step.

Approach

Our governance approach is anchored by our Code of Conduct, which shapes our policies, processes, and business decisions. It reflects our unwavering commitment to ethical practices, accountability, and transparency across all levels of the organisation.

We believe Corporate Governance goes beyond systems and structures – it defines the way we operate today and the role we aspire to play in the future. We implement it through a clear tone at the top, a strong Board and Committee framework, effective internal controls, and a robust risk management system. We continuously benchmark ourselves against global best practices to ensure sustainable and responsible growth for all our stakeholders.

Codes, Policies and Frameworks

Code of Conduct

Our Code of Conduct sets the foundation for ethical, transparent, and legally compliant business practices. It applies to the Board, Senior Management, and all employees, promoting integrity, fairness, and a harassment-free workplace. Annual and quarterly declarations ensure adherence, with no conflicts reported in FY 2024–25. Regular training, audits, and updates

aligned with the Bharti Group Code reinforce compliance. The Code also embeds our Vigil Mechanism.

We also follow a Code of Conduct for Business Associates (COC-BA), mandating high standards of ethics, ESG alignment, and anti-corruption practices. Business Associates are regularly evaluated, with actions taken based on findings.

Whistleblower Policy/Vigil Mechanism

Our Vigil Mechanism enables anonymous, retaliation-free reporting of unethical conduct by employees and stakeholders. Managed by an independent Ombudsperson and overseen by the Audit Committee, all concerns are handled confidentially, with investigations typically completed within 90 days.

Prohibition of Insider Trading

We have implemented a stringent PIT Code in line with SEBI regulations to govern trading by Designated Persons (DPs), their relatives, and others.

Going beyond regulatory requirements where we have voluntarily adopted a regime, which is stricter than what is statutorily prescribed, to comply with Insider Trading Regulations in letter and its spirit.

To strengthen implementation and governance around PIT Code, the Board has also constituted Monitoring Committee which is governed by a comprehensive charter outlining the responsibilities. The Monitoring Committee reviews the list of DPs, conduct appropriate inquiries/ investigations regarding alleged violations of the PIT Code, decide upon the penal consequences to be imposed for contravention of the same. Regular awareness sessions and a secure digital system ensure effective handling of UPSI.

Risk Management Framework

We have established a comprehensive Enterprise Risk Management (ERM) Framework to proactively identify, assess, and mitigate key risks across the organisation. This enables strategic alignment and informed decision-making to stay ahead of emerging challenges.

Details on the risk governance structure, framework elements, and strategic risk mitigation are outlined in the 'Risk and Mitigation Framework' section of this Annual Report.

Strengthening our Supplier Ecosystem

Our suppliers are a critical part of our value chain, enabling us to deliver cost-effective, high-quality products and services to our valued customers. We prioritise strong partnerships with suppliers who share our commitment to excellence and responsible business practices, ensuring mutual success. Through active collaboration with our supply chain partners, we aim to enhance innovation, supply chain agility, customer experience, cost-efficiency and risk management.

Our Supply Chain Priorities

We focus on:

- 1. Partnering with suppliers who provide goods/services of quality
- 2. Procuring goods and services at competitive costs
- 3. Ensuring short lead times to meet business requirements
- 4. Maintaining a strong focus on innovation and sustainability
- 5. Risk mitigation and agility to evolve with rapidly evolving customer needs

Driven by our core priorities, we build partnerships with suppliers that uphold efficiency and responsibility, reinforcing our competitiveness. Procurement activities are designed to ensure regulatory compliance and operational excellence.

Supplier Selection and Evaluation

Supplier registration is the minimum qualifying criteria for participating in our procurement process. This includes verification of required documentation, assessment of requisite qualifications and acceptance of applicable Company policies. Further depending on the type of procurement, the supplier selection process also involves a comprehensive evaluation of technical capabilities, operational capacity, commercial terms and compliance with relevant standards and regulations.

Embedding ESG in Our Supply Chain

We are committed to integrating Environmental, Social and Governance (ESG) principles across our supply chain as part of our broader sustainability agenda. Sustainability considerations are taken into account during supplier selection, deciding the procurement criteria, supplier governance, waste management practices and various other procurement-related activities. Through these initiatives, we promote transparent communication, encourage eco-friendly practices and strengthen the alignment of our supply chain with our sustainability goals. Our ESG strategy focuses on the development of policies & procedures and implementing initiatives.

ESG-focused Policies

We have developed clear, actionable policies to guide our suppliers:

- **Code of Conduct** – Sets expectations on ethics, integrity, and sustainability
- **Human Rights Policy** – Upholds labour rights in line with ILO conventions
- **Sustainable Procurement Policy** – Outlines sustainability criteria and certifications
- **Supplier Suraksha Policy** – Establishes safety responsibilities
- **Information Security & Privacy Policy** – Safeguards data and information assets

Engaging and Enabling our Partners

We actively engage suppliers to build ESG capabilities and ensure consistent alignment:

- **Awareness Sessions** – Educate partners on responsible business conduct and our ESG expectations
- **Capacity-building** – Train network and critical suppliers on foundational ESG and safety practices
- **BRSR Core Preparation** – Support suppliers in meeting SEBI BRSR Core disclosure readiness
- **Sustainability Dialogue** – Collaborate with partners on renewable energy, green products, packaging, and workplace safety

We assess key suppliers on ESG parameters such as labour rights, safety, environmental impact, ethics, and data security through a digital tool that ensures transparency. Additional steps include:

- Mandatory acceptance and annual reaffirmation of our ESG policies
- ESG clauses embedded in contracts and purchase orders
- Risk-based supplier evaluations by business type, geography, and industry
- We also encourage certifications aligned with global standards such as ISO 14001, ISO 45001, and ISO 27001

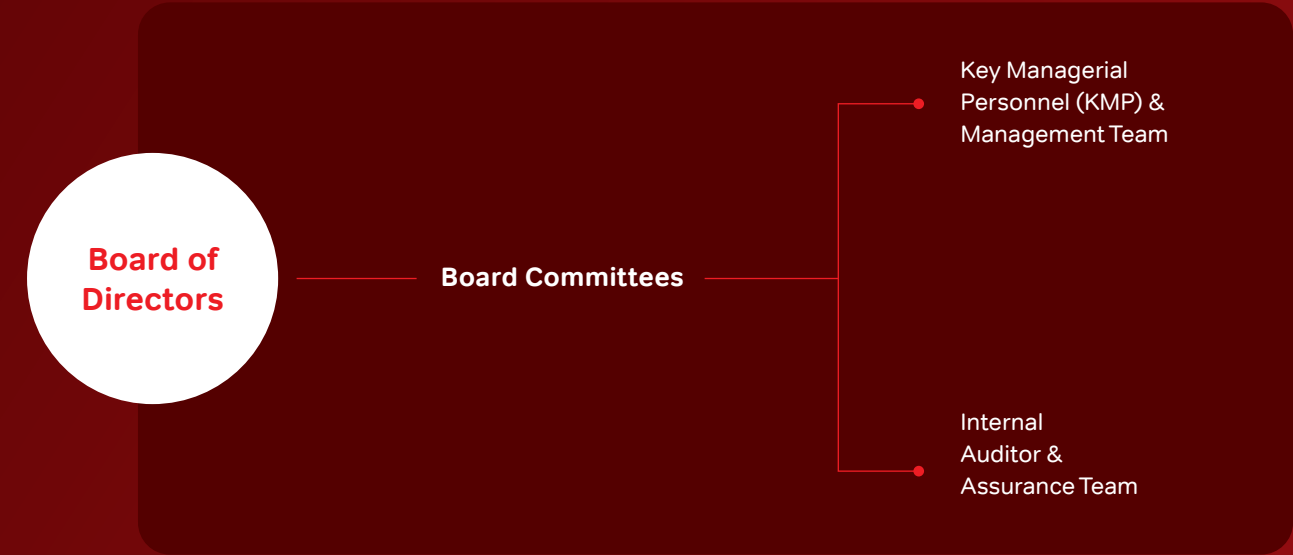
Governance

Governance Structure

We follow a robust governance framework that ensures ethical, transparent, and compliant operations. Our Board, supported by specialised Committees, provides strategic oversight, while Senior Management drives execution across financial, operational, and ESG priorities.

Shareholders approve key decisions as per regulatory requirements. The Company Secretary ensures smooth Board functioning and legal compliance. Independent auditors and internal assurance partners strengthen transparency, risk management, and stakeholder trust.

For more details on the governance structure, please refer to the 'Corporate governance philosophy and governance structure' section of the Annual Report on [page 114](#).



Board Composition

Our Board consists of 10 members, including 4 Non-Executive Directors (including the Chairman) and 6 Independent Directors, offering a balanced mix of experience and perspectives. The composition fully complies with the Companies Act, 2013 and SEBI Listing Regulations.

Board appointments, including rotational reappointments, are approved by shareholders, with no permanent seats. Composition is periodically reviewed to align with business and regulatory needs.

Detailed profiles of Directors are available in our Annual Report. All Directors comply with SEBI norms on committee memberships – none chair more than five or serve on more than ten committees across companies.

Performance Evaluation

The Board performance evaluation, overseen by the Nomination and Remuneration Committee, follows a structured framework aligned with global best practices. It assesses the effectiveness of the Board,

Committees, Individual Directors, Independent Directors, and the Chairperson across parameters such as strategic contribution, governance, preparedness, and leadership. The FY 2024–25 evaluation confirmed the Board's diverse expertise, effective information flow, and well-structured meetings that balance strategic and compliance priorities. The Board also reviewed progress on prior recommendations and expressed satisfaction with strengthened governance practices and enhanced engagement with management.

Board Committees

Audit Committee

Our Audit Committee plays a pivotal role in overseeing the financial reporting process, ensuring disclosures are accurate, timely and transparent. It upholds the integrity and quality of financial reporting, creating trust through vigilant supervision and promoting clarity in our Company's financial statements and results.

Nomination and Remuneration Committee

The Nomination and Remuneration Committee (NRC) was established to align leadership rewards with the Board's vision and business goals. The NRC ensures policies attract, motivate, and help retain Executive Directors, Key Managerial Personnel (KMPs) and the Senior Management, fostering long-term growth through performance-linked strategies rooted in the Company's values and objectives.

Stakeholders' Relationship Committee

Our Company has constituted a Stakeholders' Relationship Committee (SRC) to address shareholder grievances and uphold service standards. The SRC reviews voting rights measures, registrar services and initiatives to minimise unclaimed dividends. It also ensures timely delivery of key communications and undertakes additional functions as directed by the Board or regulators.

Risk Management Committee

We have established a dedicated Risk Management Committee (RMC) to oversee key risk-related functions, including defining risk appetite, tolerance and conducting regular assessments involving risk identification, quantification and evaluation. Our Company Secretary serves as the Committee's Secretary, ensuring seamless coordination and compliance with governance standards.

Corporate Social Responsibility Committee

The Corporate Social Responsibility Committee reviews and recommends CSR initiatives and the Annual CSR Report for Board approval. Our Company Secretary serves as the Committee's Secretary, ensuring smooth coordination and adherence to statutory responsibilities.





Management Discussion & Analysis

Overview

The telecom sector is a vital force in India's economic and digital transformation. It supports the country's rise as one of the world's most digitalised economies, propelling India toward its vision of a trillion-dollar digital economy. With the second-largest base of mobile connections globally, the sector is instrumental in advancing financial inclusion, enabling e-governance and empowering industries and enterprises to scale. Telecom sector has become essential across diverse sectors, transforming education through remote learning, healthcare via telemedicine, financial services with online banking and payments, and the retail sector through e-commerce.

The telecom sector is playing an instrumental role in bridging the rural-urban digital divide, opening new avenues for inclusive growth. Underscoring the strong momentum in digital adoption beyond urban centres. Tele-density in Rajasthan and the North East is below the national average, presenting continued growth potential. These regions also have a higher proportion of rural population than the national average. Government initiatives like BharatNet and the 4G saturation project are expanding connectivity in rural and remote areas. Across Rajasthan and North East, continued government support and large-scale investments by telecom operators will further accelerate digital participation and economic development. The Atmanirbhar Bharat vision is also steering India's telecom sector toward increased self-reliance, with initiatives like the Production Linked Incentive scheme promoting domestic manufacturing of network equipment and devices.

Rajasthan is actively advancing its digital agenda through targeted government initiatives, positioning cities like Jaipur as emerging IT hubs. The launch of the Rajasthan Data Centre Policy - 2025 reflects the state's efforts to encourage data centre development and strengthen its position as a potential hub for data infrastructure. This policy will likely amplify investments and drive demand for high-speed internet in various areas. Last-mile connectivity projects like RajSWAN strengthen digital infrastructure across the state, supporting the seamless delivery of e-governance and service connectivity even in remote areas. These efforts collectively lay the groundwork for Rajasthan's transition to a more service-oriented digital economy.

Similar initiatives have been taken in the North East to advance the region's economic growth and improve quality of life. Programmes like the Comprehensive Telecom Development Plan and the 4G saturation initiative have driven telecom infrastructure rollout, improving coverage in remote and border areas. As the region lags behind the national average in digital adoption, concerted efforts to improve rural connectivity and digital literacy are helping narrow the gap.



As mobile tariffs in India are among the lowest globally despite the country being one of the highest data-consuming markets, private telecom operators initiated a round of tariff correction during the year. To support the adoption of technological advancements and enable ongoing investments, an improved tariff structure is essential to maintain the financial health of the industry. Given the telecom sector is among the heavily taxed, the sector needs continued government support on policy and regulatory framework to encourage sustained investment towards forging a resilient digital backbone that will empower India's journey into a technologically advanced and inclusive future.

During FY 2024-25, private telecom operators initiated a round of tariff repair as mobile tariffs in India remain among the lowest globally, in contrast to the country's position as one of the highest data-consuming markets. The improved tariff structure is critical for the sustainable financial health of the industry to adopt technological advancements and continued investments.

The Department of Telecommunications successfully conducted spectrum auction in June 2024. Operators are focused on renewing existing licences and selectively adding spectrum to enhance their spectrum portfolio. Bharti Hexacom purchased 15 Mhz of spectrum with a total outlay of ~₹10 billion.

Bharti Hexacom is strategically investing in expanding network coverage and boosting data capacity to capitalise on growth opportunities.

The Company invested nearly ₹15 billion in capex during FY 2024-25 towards enhancing its digital infrastructure, adding 793 network towers and 2005 mobile broadband base stations. The home broadband footprint has advanced through an asset-light partnership model with local cable operators, while the rollout of FWA has enabled reliable high-speed internet in areas with low fiber penetration, helping bridge the digital divide. During the year, Bharti Hexacom stepped up Wi-Fi rollout, with offering Wi-Fi in over 200 cities.



Management Discussion & Analysis

Guided by a simple and clear strategy - premiumising portfolio with 2G to 4G/5G upgrades, prepaid to postpaid upgrades, international roaming expansion and data monetisation, Bharti Hexacom has consistently delivered strong performance. Through its partnership with Bharti Airtel, the Company offers bundled services under Airtel Black - offering customers mobility, Wi-Fi and digital TV services to deliver greater value and convenience. Bharti Hexacom also leverages advanced digital tools developed by Bharti Airtel, including ACS for enhanced network experience, ASON for proactive network optimisation, and other tools for efficient data processing and analytics. Bharti Hexacom also deployed Bharti Airtel's industry-first AI-powered anti-SPAM tool, providing customers with a secure network. It has identified 1.5 billion calls and 126 million SMS since its launch, to March 31, 2025, translating to an impressive 93 spam calls every second. With spammers increasingly targeting customers via international routes, Airtel's AI-powered tool has evolved to screen and alert customers to spam calls and SMS from international numbers.

Bharti Hexacom's mobile network served 28 million customers as of March 31, 2025, with a growing footprint across its operating regions. The data customer base increased to ~22 million in FY 2024-25. The Company has improved its mobile revenue market share in Rajasthan by 5% between FY 2021-22 and FY 2024-25 while solidifying its leadership in the North East. It has consistently delivered industry-leading ARPU growth in FY 2024-25. With the largest pool of mid-band spectrum holding, Bharti Hexacom holds a distinctive advantage in delivering superior experiences to customers.

ESG is central to the Company's strategic vision. The Company leverages cutting-edge digital tools developed by Bharti Airtel to enhance operational efficiency, including solutions that reduce power consumption and drive sustainability. During the year, Bharti Hexacom expanded solar energy access to 1,732 sites and had 48% green sites as of March 31, 2025. The Company continues to strengthen financial disclosures, as demonstrated by the reporting of Earnings before Interest, Tax, Depreciation, Amortisation, and after Leases (EBITDAaL), which reflects the core operating performance.

Bharti Hexacom has established itself as a leading telecommunications provider in Rajasthan and the North East, supported by significant investments in digital infrastructure and being part of Bharti Airtel group. Its sizeable market share, expanding customer base, and focus on differentiated offerings underscore its competitive strengths and sharp execution. These factors position the Company as a key player in its operating regions, providing a solid foundation for sustained performance.

Indian Economic Review

India is estimated to grow by 6.5% in FY 2024-25 as per the Reserve Bank of India (RBI). The performance is underpinned by robust economic fundamentals and easing inflation during the end of FY 2024-25. Positive trends in the services and agriculture sectors supported growth. The manufacturing sector saw headwinds due to global and seasonal factors, and weaker investments. However, its impact on the overall economic momentum was only partial. An above-normal monsoon supported recovery in the agricultural sector and improving rural incomes compared to last year. As a result, overall private consumption remained resilient and stable. The Indian economy, supported by strong domestic consumption, is relatively shielded from external shocks.

The average inflation rate trended downward with food inflation cooling off towards the end of 2024 owing to falling vegetable prices and record wheat production. This enabled the RBI to change its monetary policy stance to accommodative from neutral. The services trade surplus coupled with a healthy growth in remittances helped contain current account deficit and led to healthy foreign exchange reserves. The overall fiscal deficit is estimated to decline with growth in tax revenues and the government's focus on fiscal consolidation.



In FY 2024-25, Foreign Institutional Investors were net sellers in cash equities to the tune of \$47 billion, this was more than offset by robust Domestic Institutional Investor inflows of \$72 billion underscoring the active participation from domestic investors. Overall Foreign Portfolio Investor

inflows stood at \$1.7 billion, driven by debt inflows as equities saw outflows. However, net Foreign Direct Investment dropped to \$1.5 billion due to increased repatriation and outward investments. External commercial borrowings and non-resident deposits saw stronger inflows.

Outlook

Riding on its robust economic fundamentals, India is projected to remain the world's fastest-growing major economies, with an estimated 6.5% growth in FY 2025-26. The key drivers for this growth include strong private sector consumption along with a steady services sector and investment growth. Government capex is expected to stay strong, however, fiscal prudence is likely to entail limited government consumption growth. Inflation is likely to further soften with the easing of commodity prices. However, global trade policy changes could impact this trend owing to imported inflation and subsequently leading to a less

accommodative policy stance. Merchandise exports are also expected to be weighed down by uncertainties while service exports are projected to stay resilient. India's low external vulnerability, reflected in a modest 19% external debt-to-GDP ratio and forex reserves, continues to support macroeconomic stability. The financial sector remains resilient, with banks and NBFCs well-buffered against macro financial shocks. A forecast of an above-normal southwest monsoon in 2025 bodes well for rural demand and food price stability. Meanwhile, headline inflation eased to 3.3% in March 2025, led by cooling food prices.

*Source: RBI Press Releases; and Economic Survey 2024-25

Outlook

India is solidifying its place as one of the world's largest digital economies, with GDP growth estimated at 6.5%, according to the RBI's Second Advance Estimates. The country's economic resilience, robust domestic demand, and supportive policy framework underpin this performance. The telecom industry will continue to play a pivotal role in Rajasthan and North East to drive rural connectivity and digital adoption. The government continues to make digital inclusion a national priority, aiming to bring these regions at par with the rest of the country in terms of urbanisation and digital inclusion, and unlock their economic potential.

The telecom sector stands as an multiplier to this growth and at forefront of digital inclusion. In Rajasthan, the state's focus on digital adoption is reinforced by a robust IT and higher education infrastructure, including initiatives such as the RajNet. In the North East, targeted projects under the Digital North East Vision have brought high-speed internet to remote areas. These efforts are laying the groundwork for inclusive digital growth, opening new opportunities for individuals and businesses.

Smartphone adoption demonstrates the trend in digital inclusion, with 5G devices making up 79% of smartphone shipments in 2024*. With the continued adoption of 5G and the growing accessibility of affordable smartphones, 5G device shipments are expected to maintain their upward momentum. Digital payments continue to accelerate; UPI transactions reached a record high nationwide in 2024, increasing 9x by volume since 2020 and have become the preferred mode of payment in both

Rajasthan and the North East. These trends highlight the pace of data adoption and ease of digital access, driving deeper digital inclusion across the country, especially in rural and underserved regions.

5G has enabled the introduction of technologies like FWA, which leverages cellular infrastructure to provide high-speed, cost-effective internet access in fiber-dark areas. The enhanced speeds and low latency of 5G are expected to open up new opportunities. The emergence of satellite communication will likely extend connectivity to even the most geographically challenging regions.

Bharti Hexacom continues to address evolving customer needs and capitalise on new opportunities by investing in infrastructure and expanding service offerings. The Company has robust 5G coverage, leveraging the largest mid-band spectrum holding to deliver superior connectivity and network experience. These advancements reinforce the Company's position as a leading provider of integrated digital services tailored to changing customer preferences.

With a continued focus on network expansion, razor-sharp execution, differentiated service offerings, Bharti Hexacom is well positioned to meet evolving customer needs. It's prudent investment strategy and robust balance sheet enables company to consistently strengthen its network, enhance coverage, and boost data capacity. The Company remains committed to delivering exceptional services to its customers and is well-placed to maximise growth potential in Rajasthan and the North East.

Source: IDC

Management Discussion & Analysis

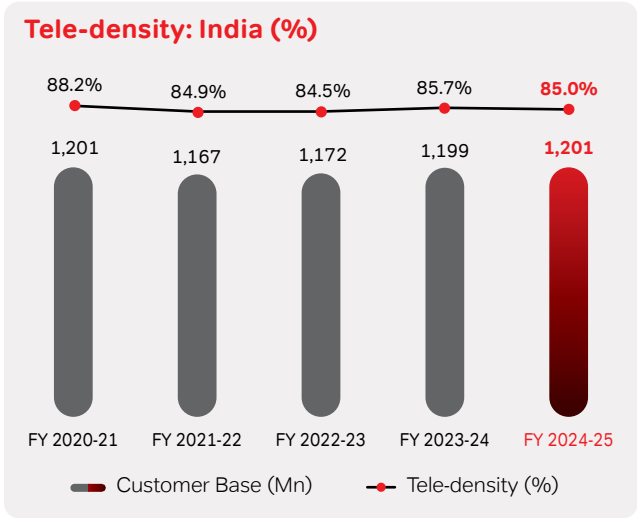
Industry Overview

Indian Telecom Sector

As of March 31, 2025, India's total telecom user base reached 1,200.8 million, an increase of 1.52 million (~13 basis points). Overall tele-density stood at 85.04%, with Urban tele-density at 131.45% and Rural tele-density at 59.06%.

Rajasthan has a tele-density of 79.83% and the North-Eastern region has 80.92%.

The industry has witnessed consistent growth in fixed broadband over the last few years, with the number of customers increasing from 40.85 million as of March 31, 2024, to 46.28 million as of March 31, 2025. Growth in this segment has been propelled by smart TV penetration, changing content consumption habits and concurrent usage across devices.



Source: Telecom Regulatory Authority of India report as on March 31, 2025

Development in regulations

A. Telecommunications Act, 2023

- It was officially released through a notification in the Gazette on December 24, 2023.
- Certain provisions of the Act, like those related to Right of Way, Universal Service Obligation Fund (now Digital Bharat Nidhi), National security, etc., have come into force with effect from June 26, 2024. Certain other provisions, like those relating to technologically neutral use of spectrum, optimal utilisation of spectrum, prohibition on unauthorised jammers etc., have come into force with effect from July 05, 2024.
- Department of Telecommunications is now in the process of framing rules under the Act, through public consultations.

- Post conclusion of the consultation process, the following rules have been notified:
 - Telecommunications (Administration of Digital Bharat Nidhi) Rules, 2024 dated August 30, 2024.
 - Telecommunications (Right of Way) Rules, 2024 dated September 17, 2024.
 - Telecommunications (Telecom Cyber Security) Rules, 2024 dated November 21, 2024.
 - Telecommunications (Critical Telecommunication Infrastructure) Rules, 2024 dated November 22, 2024.
 - Telecommunications (Temporary Suspension of Services) Rules, 2024 dated November 22, 2024.
 - Telecommunications (Procedures and Safeguards for Lawful Interception of Messages) Rules, 2024 dated December 06, 2024.

B. Telecommunications (Administration of Digital Bharat Nidhi) Rules, 2024 dated August 30, 2024

- The Digital Bharat Nidhi (DBN) replaces the Universal Service Obligation Fund (USOF).
- The new rules will not override the existing arrangements until their date of expiry.
- Key powers and functions of DBN Administrator:**
 - Formulating procedure of selection of Implementers for DBN schemes/projects, and entering into agreements with the selected Implementers.
 - Disbursing funds from DBN to Implementers.
 - Monitoring/evaluating/verifying the work done by Implementers, including through third-party agencies.
- DBN implementers will be selected through bidding – in cases of projects for delivery of telecom services in underserved rural, remote and urban areas, or through inviting applications – in cases of projects for research and development of new telecom technologies, products or services.
- Funding for schemes/projects can be in the form of funding, partial funding, co-funding, market risk mitigation, risk capital, etc.
- Funding would also be extended to providing targeted access to telecom service for underserved groups like women, persons with disabilities, and economically and socially weaker sections.

- Key criteria for undertaking schemes and projects under DBN:
 - Provision of telecom services, creation of telecom network, introduction of next generation telecom technologies, improving affordability of telecom services, in underserved rural, remote and urban areas.
 - Promotion of innovation, R&D, indigenous technology, encouraging start-ups.
 - Developing standards to meet national requirements and their standardisation in international bodies.
 - Promotion of sustainable and green technologies.
- The rules have mandated sharing of telecom networks established under DBN in an open and non-discriminatory manner.

C. Telecommunication (Right of Way) Rules, 2024 dated September 17, 2024

- Notable changes include amendments in definition of “mobile tower”, inclusion of submarine cables as “underground telecommunications network”, changes to process for grant of permission, 90% refund to be given in case right of way (RoW) application is denied; timeline for return of bank guarantee (BG) specified (15 days).
- RoW permission is now time bound, with milestone-based tracking such as seeking any clarification/additional document, comments etc. The final approval or rejection shall be granted within 67 days, failing which the application is considered deemed approved.
- Rules also provide for setting up temporary networks, establishment of network on property other than public property (private property), Common Ducts and Cable Corridors, removal/relocation/alteration of telecom network, damage to network.
- No increase in RoW costs (application fee, compensation for restoration and RoW) as compared to 2016 Rules and amendments. Also, submarine cable included in Fee Schedule and compensation for pits only specified for horizontal drilling method.
- The Government continues to actively work towards ensuring the seamless deployment of telecom infrastructure across the country. The recently announced Right of Way Rules, 2024,

- aimed at simplifying the process for obtaining Right of Way (RoW) permissions among other things, came into force from January 1, 2025 and have to be mandatorily followed by the states. The Central Government continues to engage with multiple stakeholders including State Governments and industry bodies to provide support for the resolution of initial teething issues.
- Additionally, the composite billing scheme, launched with the objective of streamlining the billing process has now been implemented in 11 states including the likes of Rajasthan, Madhya Pradesh and Maharashtra. The Green Energy Open Access policy, aimed at incentivising the use of renewable sources of energy has now been notified in almost 24 states.

D. Telecommunications (Telecom Cyber Security) Rules, 2024 dated November 21, 2024

- Applicability: Rules to be applicable to ‘Telecom Entities’ – both authorised entities (licensees) as well as those which have been granted exemption from authorisation (license) under the Telecom Act.
- Traffic Data:**
 - Central Government may seek traffic data from Telecom Entities or direct Telecom Entities to set up necessary infrastructure for collection of traffic data from designated points.
 - Analysis of such traffic data may be shared with entities engaged in law enforcement and security related activities, Telecom Entities or users – for the purpose of ensuring cyber security of telecom networks.
- Obligations of Telecom Entities:**
 - Appointment of a Chief Telecommunications Security Officer.
 - Adoption of a telecom cyber security policy.
 - Reporting of security incidents to Central Government within 6 hours of becoming aware of such incident (with additional details like no. of users and geographical area affected, proposed remedial measures, etc. to be submitted within 24 hours).
 - Timely response to security incidents.
 - Periodic telecom cyber security audits.
 - Setting up of Security Operations Centre (either by itself or in collaboration with other Telecom Entities).

Management Discussion & Analysis

- **Powers of Central Government:**
 - Any person may report any act endangering telecom cyber security to the Central Government.
 - Based on its assessment, Central Government may direct the Telecom Entity to temporarily suspend or permanently disconnect the relevant telecom identifier as well as other telecom identifiers or telecom equipment linked to that person.
 - The person to whom such telecom identifier is allotted may represent within 30 calendar days against an order for temporary suspension or termination.
 - Central Government may maintain a repository of persons and telecom identifiers acted upon, and prohibit Telecom Entities from providing telecom services to such persons for up to 3 years.
 - Central Government may also prohibit other persons (providing services linked to telecom identifiers) from using such telecom identifiers for identification of their customers or for delivery of their services.
 - **Telecom Equipment Identification No. (IMEI/ ESN etc.):**
 - OEM/Importer to register IMEI No. of telecom equipment with the Central Government, prior to first sale/import into India.
 - No person to intentionally remove/change the unique telecom equipment identification no.
 - **Digital implementation of these rules:** Central government shall notify a portal for digital implementation of these rules.
- E. Telecommunications (Critical Telecommunication Infrastructure) Rules, 2024 dated November 22, 2024**
- **Applicability:**
 - Rules to be applicable to 'Telecom Entities' – both authorised entities (licensees) as well as those which have been granted exemption from authorisation (license) under the Telecom Act.
 - Such entities shall provide details of telecom network, services, elements of such network and services, etc.
 - **Notification of Critical Telecom Infrastructure:**
 - Telecom Entities to provide details of their networks and services to the Central Government.
 - Such network or part thereof will be notified as Critical Telecom Infrastructure ("CTI"), the disruption of which will have a debilitating impact on national security, economy, public health or safety of the nation.
 - **Obligations and Compliance of Telecom Entities:**
 - Compliance of CTI with specifications (ERs, IRs, ITSARs etc.), testing requirements etc., as well as NSDTS and directives on comms security certification.
 - Maintaining complete list of CTI with hardware/software details, and dependencies on such CTI.
 - Securely preserving logs and documentation of CTI network architecture for at least 2 years.
 - Maintaining records of supply chain of telecom/ other equipment deployed in CTI, till such infrastructure is in use.
 - Annual vulnerability/threat/risk analysis for CTI network architecture.
 - Intimation of security incidents to Central Government within 6 hours of occurrence.
 - Maintaining a risk register with potential and severity of risks and mitigation solutions.
 - Remote access to CTI for repair/maintenance to be undertaken only from pre-approved foreign locations, every instance of such RA to be intimated to the Central Government, and logs to be maintained for at least 1 year.
 - Allowing inspection by Central Government personnel, of hardware, software and data pertaining to CTI.
 - Upgradation of CTI (except routine software updates) to be undertaken only after prior written approval of Central Government.

- F. Telecommunications (Temporary Suspension of Services) Rules, 2024 dated November 22, 2024**
- **Applicability:** To suspend any telecommunication service or any class of telecommunication services.
 - No suspension order shall be made, unless the authority issuing such order has considered that the objectives set forth, cannot be achieved by any other reasonable means.
 - **Procedure:**
 - Suspension order to be issued, and reasons to be recorded in writing by a competent authority.
 - Competent authority defined – Union Home Secretary; or the Secretary to the State Government, Home Department.

- In case it is not feasible for a suspension order to be issued by the competent authority, such suspension order may be issued by an officer of Joint Secretary or above rank, who has been duly authorised by the competent authority. Such suspension orders shall be subject to confirmation (ratification) by the competent authority, within 24 hours of issuance of such order, failing which the suspension order shall cease to exist.
- **Contents of Suspension Orders:**
 - Reason for such order – the order to be limited to addressing the specific reason.
 - Clearly defined geographical area and type of telecommunication service required to be suspended.
 - Duration of suspension order shall not exceed 15 calendar days.
- A copy of the suspension order, shall be forwarded to the concerned review committee within a period of 24 hours from the issuance of such order.
- **Review Committee:**
 - **Composition:**
 - Central Review Committee – Cabinet Secretary (Chairman); Secretary, Department of Legal Affairs (Member); and Secretary-T, DoT (Member)
 - State Review Committee – State Chief Secretary (Chairman); Secretary Law or Legal Remembrancer In-Charge; Legal Affairs (Member); and Secretary to State Government, other than the State Home Secretary (Member)
 - Review committee shall meet within 5 calendar days of issuance of such orders to examine adherence to the act/rules and record its findings. In case the committee is of the opinion that the suspension order does not adhere to the act/rule, such orders can be set aside.

- G. Telecommunications (Procedures and Safeguards for Lawful Interception of Messages) Rules, 2024 dated December 06, 2024**
- These rules shall replace Rule 419 and 419A of the Indian Telegraph Rules, 1951, without affecting existing interception orders issued until their expiry.
 - **Applicability:**
 - Rules to be applicable to 'Telecom Entities' – both authorised entities (licensees) as well as those which have been granted exemption from authorisation (license) under the Telecom Act.
 - Rules to not apply to LIM demos.

- **Who can issue Interception Orders?**
 - 'Competent Authority' – Union/State Home Secretary.
 - In unavoidable circumstances – Officer specially authorised for the purpose, not below the rank of Joint Secretary to Central Government.
 - In remote areas or for operational reasons, where it is not feasible for the above persons to issue an interception order – Head/second senior most officer of authorised LEA (not below rank of IGP at State level) – but the same will have to be confirmed by the Competent Authority within 7 working days.
- **Procedure for Implementation of Interception Orders:**
 - Every LEA to have 2 nodal officers not below the rank of Superintendent of Police.
 - Both DoT and Telecom Entities to have 2 nodal officers in each LSA.
 - LEA's nodal officer to convey the Interception Order to nodal officer of DoT/ Telecom Entity – Latter to acknowledge within 2 hours.
 - Nodal officer of DoT/Telecom Entity to submit fortnightly report to LEAs of all Interception Orders received.
 - Validity – 60 calendar days, can be renewed but cannot go beyond 180 calendar days.
 - Competent Authority and LEAs to destroy records of Interception Orders every 6 months, unless required for functional requirements or under Court directions.
 - DoT and Telecom Entities to destroy records of Interception Orders within 2 months of discontinuation of interception.
 - Telecom Entity to be responsible for any actions of its employees and vendors leading to unauthorised interception.
- **Review Committee:**
 - Constitution of Review Committee:
 - Central Government: Chairman – Cabinet Secretary; Members – Legal Affairs Secretary & DoT Secretary
 - State Government: Chairman – Chief Secretary; Members – Legal Affairs Secretary & a Secretary to the State Government other than Home Secretary
 - **All Interception Orders to be forwarded to Review Committee within 7 working days**
 - Review Committee to meet every 2 months and review all Interception Orders.

Management Discussion & Analysis



H. TRAI Standards of Quality of Service of Access (Wireline and Wireless) and Broadband (Wireline And Wireless) Service Regulations, 2024 dated August 02, 2024

- TRAI has issued new regulations regarding quality of service, for Fixed, Mobile and Broadband services. They have come into force from October 01, 2024. Salient features are as under:
 - QoS performance of mobile service to be monitored on monthly instead of quarterly basis – To be effective from April 01, 2025.
 - Certain parameters like network availability, call drop, voice packet drop rate in uplink and downlink etc. – To be reported on Cell level instead of BTS level.
 - Benchmarks tightened for some key parameters like network availability (cumulative downtime and worst affected Cells due to downtime), call drop rate, packet drop rate, latency etc. – To be implemented in a graded manner over the next 2.5 years.
 - Measurement methodology for some key parameters like Downlink and Uplink Packet Drop Rate, Latency, PoI Congestion, Download and upload speed, Maximum Bandwidth utilisation between radio and core network during busy hour etc. changed from average to percentile basis.
 - New parameters introduced like reporting of significant network outages, jitter, maximum bandwidth utilisation between radio and core network during busy hour and SMS delivery success rate etc.
 - Graded financial disincentives increasing with continued non-compliance.

I. Rating of Properties for Digital Connectivity Regulations, 2024 dated October 25, 2024

- **These regulations shall apply to:**
 - Property Managers who intend to get their property, of minimum specified size, rated for digital connectivity, either voluntarily or under the provisions of applicable laws, rules or regulations.
 - Digital Connectivity Rating Agency (DCRA), who may evaluate and award ratings for property under these regulations.
 - The service providers, who may enter an arrangement with the property manager for development or access of digital connectivity or digital connectivity infrastructure.
- **Key highlights:**
 - A Rating platform, an information technology system and associated applications shall be set up or authorised by TRAI for the purpose of managing rating of properties for digital connectivity as per provisions of the regulations. The rating process shall be implemented through the rating platform only.
 - Any entity fulfilling the eligibility criteria intending to commence activity as Digital Connectivity Rating Agency (DCRA) shall be empanelled by the Authority through registration on the rating platform.
 - Property manager, who intends to apply for the rating of his/her property of minimum specified size, shall register on the rating platform, in such manner and format and upon payment of such fees, as may be specified by the Authority.

- The properties, for the purpose of rating for digital connectivity, are classified in the different categories namely - Residential, Government Properties, Commercial Establishments, Other private or public areas, Stadiums or Sport Arenas or spaces of frequent gathering and Transport corridors.
- The DCRA shall disclose the fee to be charged and other terms and conditions, if any, to the property manager and get their acceptance before commencement of any rating activity.
- The fees charged by DCRA shall be based on the category and classification of properties, the responsibility of DCRA under the provisions of these regulations, the complexity involved, the area of the property, etc.
- No TSP shall enter into an exclusive arrangement or tie-up arrangement with any property manager for development or access of digital connectivity or digital connectivity infrastructure in their property.
- For the purposes of rating for digital connectivity, Model Building Bye Laws (MBBL) issued by Ministry of Housing and Urban Affairs (MoHUA) shall be referred to in cases where MBBL of State or Union Territory do not have provisions for digital connectivity infrastructure.
- DCRA shall evaluate the property and assign scores, on the rating platform, against each rating criteria and sub-criteria. Digital Connectivity Rating shall be awarded to the property starting from one star to five star. The detailed guidelines for award of score and process shall be issued separately as per provisions of these regulations.
- TRAI shall notify the date on which the rating platform shall be made live. Further, TRAI may, till the development of online rating platform, provide an alternate mechanism for rating of property.

J. Telecom Consumers Protection (Twelfth Amendment) Regulations, 2024 dated December 23, 2024

- A separate Special Tariff Voucher (STV) for Voice and SMS (with a validity period not exceeding 365 days) to be launched by TSPs, in addition to existing Data-only STV and bundled offers.
- The cap on the validity period for STV and Combo Vouchers (CV) has been increased from the existing 90 days to 365 days.
- A mandatory top-up of ₹10, with the rest of price points in multiples of ₹10, allowed for STV/CV/PV/Top-Up vouchers.

- Colour coding of vouchers, as it exists in the physical form, has been discontinued.
- This has come into force, with effect from January 22, 2025.

K. Telecom Commercial Communications Customer Preference (Second Amendment) Regulations, 2025 dated February 12, 2025

- **Revamped Complaint Reporting mechanism for Subscribers:**
 - No need of registration of preferences before logging complaint against UCC.
 - TSPs to provide facility on mobile app to auto-capture call logs/SMS details for complaint registration, and also, facility to register complaints through screenshots.
 - Time period for making complaints increased from 3 days to 7 days.
 - Time period for TSPs to take action reduced from 30 days to 5 days.
 - Trigger for action by TSPs changed from “having 10 complaints against the sender in last 7 days” to “having 5 complaints against the sender in last 10 days”.
- **Introduced Option for Opt-out:**
 - TSPs to provide a mandatory opt-out option in promotional messages.
 - Standardised identifiers in messages – “-P”, “-S”, “-T”, and “-G” to be suffixed to promotional, service, transactional, and government messages, respectively.
 - Consent given for completing any ongoing transaction to be valid only for 7 days.
 - Implicit consent in case of transactional and service commercial communications to be valid only for the duration or discharge of the contract between customer and sender.
 - Disclosure of the use of auto-dialers/robo calls.
- **Measures against Spammers/Senders of UCC:**
 - For the first violation, outgoing services of all telecom resources of the sender to be barred for 15 days.
 - For subsequent violations, all telecom resources of the sender, including PRE/SIP trunks, to be disconnected across all access providers for 1 year, and the sender to be blacklisted.
 - 140 series to continue to be used for promotional calls, and the newly allocated 1600 series designated for transactional and service calls.

Management Discussion & Analysis

- **Restrictions on TSPs for implementing new measures for identification of spam:**
 - Mandate on TSPs to analyse call and SMS patterns based on parameters such as unusually high call volumes, short call durations, and low incoming-to-outgoing call ratios.
 - TSPs to deploy honeypots to analyse emerging spam trends and take pre-emptive action against suspected spammers.
 - Limits on the number of intermediaries between the Principal Entity (PE) and the Telemarketer (TM) to ensure full traceability of messages.
 - Senders and TMs to undergo physical verification, biometric authentication, and unique mobile number linking during registration.
- **Introduction of graded FDs for TSPs:**
 - FD of ₹2 lakhs for first instance of violation, ₹5 lakhs for second instance, and ₹10 lakhs per instance for subsequent instances, to be imposed on TSPs in case of misreporting of the count of UCC – to be imposed separately for registered and unregistered senders.
 - TSPs to have agreements with all registered senders and telemarketers – option for TSPs to prescribe a security deposit which may be forfeited in case of violation by senders and telemarketers.

L. Spectrum Auctions 2024

- Department of Telecom (DoT), on March 08, 2024, issued the Notice Inviting Applications (NIA) for auction of all the available spectrum in 800 MHz, 900 MHz, 1800 MHz, 2100 MHz, 2300 MHz, 2500 MHz, 3300 MHz, and 26 GHz bands.
- The cumulative reserve price of the 10523.15 MHz spectrum put to auction was ₹ 96,317.65 crores.
- The auction started on June 25, 2024 and concluded on June 26, 2024.
- A total quantum of 141.4 MHz of spectrum was sold, for a total value of ₹ 11,340.78 crores.
- Bharti Hexacom Ltd. has acquired 15 MHz with an outlay of ₹ 1,001 crores.

M. TRAI Recommendations on “Telecommunication Infrastructure Sharing, Spectrum Sharing and Spectrum Leasing” dated April 24, 2024

- **Telecom Infrastructure Sharing**
 - Permit TSPs to share all types of passive and active infrastructure.

- Core network elements can be shared subject to the condition that there are at least two independent core networks.
- Allow sharing of Lawful Interception System (LIS) with DoT approval.
- **Inter-band Spectrum Sharing:**
 - Allow inter-band spectrum sharing among TSPs in an LSA, (either by pooling of spectrum in different bands or using RANs of each other in shared bands) for below bands:

Category-1	Category-2	Category-3	Category-4
600 MHz, 700 MHz, 800 MHz and 900 MHz	1800 MHz and 2100 MHz	2300 MHz, 2500 MHz and 3300-3670 MHz	26 GHz, 37-37.5 GHz, 37.5-40 GHz, 42.5-43.5 GHz

- A TSP should not enter into inter-band spectrum sharing with more than one TSP in a spectrum band category in an LSA.
- Sharing is permitted only after 2 years from the date of spectrum acquisition.
- Sharing fee: 0.5% of the applicable market price, prorated for sharing period.
- **Authorised Shared Access (ASA) of Spectrum:**
 - DoT to explore implementing ASA: IMT spectrum assigned to Government or other users to be assigned to TSPs as secondary users.
 - A field trial of ASA should be conducted.
- **Leasing of Spectrum:**
 - TSPs can lease their auctioned access spectrum with other TSPs, after 2 years from the date of acquisition, with prior joint intimation to DoT.
 - TSP cannot lease more than 50% of its qualifying spectrum holding (i.e., after the lock-in period) in a band in an LSA.
 - Leasing fee: 1% of the applicable market price, prorated for relevant period.
 - The lessee cannot lease out the leased spectrum to any other TSP.
 - In case a TSP has taken spectrum on lease in a particular band, a lock-in period of two years from the effective date of spectrum leasing will be applicable, before becoming eligible to surrender the qualifying spectrum in that band acquired earlier.
- However, as per the provisions of the Telecom Regulatory Authority of India Act, 1997, TRAI's recommendations are not binding upon the Central Government.

N. TRAI Recommendations on the “Connectivity to Access Service VNOs From More Than one NSO” dated 13.09.2024

- There should be no cap on the number of NSOs from whom a VNO can take connectivity for providing wireline access service in an LSA, provided that measures like logical/virtual partitioning at the EPABX are ensured. The Access Service VNO shall duly inform its NSO(s) and the Central Government regarding connectivity of more than one NSO at a particular EPABX.
- An Access Service VNO intending to provide both wireless and wireline access services in an LSA, should be permitted to take connectivity from one NSO for wireless access service and other NSO(s) for wireline access service in the LSA. However, they need to ensure that the network resources taken from different NSOs for wireless and wireline services are not integrated in any manner.
- However, as per the provisions of the Telecom Regulatory Authority of India Act, 1997, TRAI's recommendations are not binding upon the Central Government.

O. TRAI Recommendations on the “Framework for Service Authorisations to be Granted Under the Telecommunications Act, 2023” dated September 18, 2024

- DoT should grant service authorisations in the form of permissions, instead of entering into license agreements with TSPs.
 - Detailed terms & conditions should form part of rules under the Telecom Act.
 - To maintain regulatory stability, TRAI's recommendations should be sought in case of any change in terms & conditions (except in case of change in the interests of security of State).
- **There should be 3 broad categories of service authorisations:**
 - Main: Would include Access Services, Internet Services, Long Distance Services, Satellite-based Telecom Services, M2M WAN Services (Can be granted in the sub-categories of NSO or VNO).
 - Auxiliary: Would include PMRTS, PM-WANI, M2M Service, Enterprise Communication Services, IFMC, Data Communication Service between Aircraft and Ground Stations, etc.
 - Captive: Would include CMRTS, CNPN, Captive VSAT CUG etc.

- **There should be 2 broad categories of rules:**
 - Telecommunication (Grant of service Authorisations) Rules: To provide for broad conditions like eligibility, validity etc.
 - Different rules providing for detailed terms & conditions for different categories of service authorisations:
 - Telecommunication (Main Service Authorisations) Rules – ① Part-I to cover common terms & conditions for all Main Services, ② Part-II to cover specific terms & conditions for each Main Service separately.
 - Auxiliary Service Authorisations – Separate rules for each Auxiliary Service.
 - Captive Service Authorisations – Separate rules for each Captive Service.
- **A Unified Service Authorisation for National Service Area** should be introduced:
 - Scope: All 'Main' telecom services (Access, Internet, Long Distance, Satellite-based, M2M WAN).
 - Can deploy any equipment anywhere in India, except LIM facilities and connectivity to disaster management platform to be at State/UT level.
 - Interconnect: Can be at any mutually agreed location, failing which it has be at the Pols specified in TRAI's Interconnection Regulations.
 - Assignment of spectrum (access & backhaul) & numbering resources: To continue at LSA level for now.
 - DoT should provide a roadmap for financial accounting & reporting, assignment of numbering resources, and assignment of spectrum at National level.
- NLD & ILD Authorisations should be merged into a single Long-Distance Service Authorisation.
 - Requirement of having international gateways and related security conditions will continue to apply only to entities providing ILD services – No additional compliance burden on operators offering only NLD service.
- GMPCS & Commercial VSAT CUG Authorisations should be merged into a single Satellite-based Telecommunication Service Authorisation.
 - Scope: Both GMPCS and VSAT based FSS.
- No need of separate ISP Authorisation for providing internet services, but will have to comply with same conditions as applicable to ISP operators (as opposed to the current requirement

Management Discussion & Analysis

where a VSAT operator needs to have an ISP Authorisation also, to be able to provide internet service).

Also clarified that emergency SOS messaging via satellite using MSS frequencies is already covered under GMPCS.

- Satellite Earth Station Gateways established in India should be allowed to be used to provide service in foreign countries, with DoT's permission, subject to fulfilling the relevant jurisdiction's regulatory requirements (it should not be construed as provision of service under Indian regime).
- Additional SUC may be levied in such case.
- In case internet bandwidth is used to carry the foreign traffic, traffic of Indian and foreign users should be segregated.
- Scope of ISP Authorisation should be enhanced to include provision of domestic leased circuits and VPN services.
- **Migration:**
 - TSP with Access Licenses/Authorisations in at least 50% of LSAs should be allowed to migrate to Unified Service Authorisation.
 - Validity period of the Authorisation would start afresh upon migration (However, spectrum would continue on the same terms).

• Miscellaneous:

- Use of Non-Terrestrial Network (NTN) should be allowed under Access Service Authorisation.
- DoT should explore a mechanism to compensate TSPs for additional security related requirements.
- Government agencies should compensate TSPs for public broadcast messages (except disaster related).
- TSPs may take telecom network resources on lease/hire from cloud service providers, which are either empanelled by MeitY or authorised by DoT – Cloud and associated data to be located/ stored in India.

• Changes in VNO Regime:

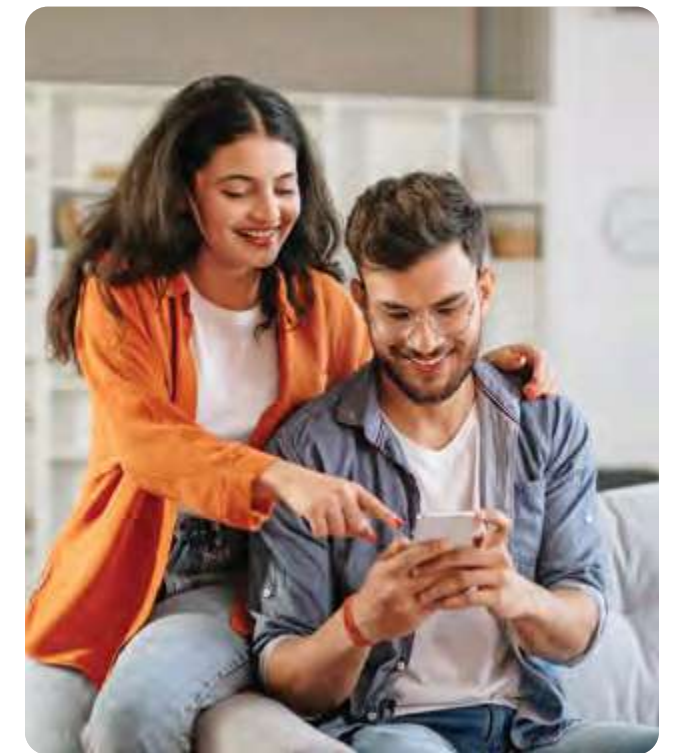
- Multi-parenting allowed in case of all services, except wireless access service.
- Service-specific parenting allowed instead of extant practice of authorisation-specific parenting (e.g. an ISP VNO may now tie up with Access VNO as well).
- However, as per the provisions of the Telecom Regulatory Authority of India Act, 1997, TRAI's recommendations are not binding upon the Central Government.

P. TRAI Recommendations on the “Definition of International Traffic” dated December 10, 2024

- Definition of International Traffic: The traffic originating in one country and terminating in another country, where one of the countries is India.
- Definition of International SMS: The international traffic delivered using SMS.
- A2P SMS: Any incoming application-to-person SMS shall be treated as an international SMS, if it cannot be generated, transmitted or received without the use or intervention of any electronic device, computer system or computer application located outside India.
- Definition of Domestic Traffic: The traffic originating and terminating within India.
- Definition of Domestic SMS: The domestic traffic delivered using SMS.
- However, as per the provisions of the Telecom Regulatory Authority of India Act, 1997, TRAI's recommendations are not binding upon the Central Government.

Q. TRAI Recommendations on the “Frequency Spectrum in 37-37.5 GHz, 37.5-40 GHz, and 42.5-43.5 GHz bands Identified for IMT” dated February 04, 2025

- Spectrum in ranges 37-37.5 GHz and 37.5-40 GHz should be put to auction in the next auctions.
- Spectrum in the range 42.5-43.5 GHz should not be put to auction in the next auctions, due to non-availability of the device ecosystem.
- Valuation of 37-40 GHz band should be based on average of different approaches, including auction determined price of 26 GHz band duly indexed at MCLR and international auction determined price ratios.
- Apart from Access Service providers, Internet service providers (ISPs) and entities holding M2M service authorisation should also be allowed participate in the auctions for 37-40 GHz band.
- However, as per the provisions of the Telecom Regulatory Authority of India Act, 1997, TRAI's recommendations are not binding upon the Central Government.



R. TRAI Recommendations on “Revision of National Numbering Plan” dated February 06, 2025

- **Measures to address fixed-line Telecommunication Identifier (TI) resource constraints:**
 - Short-term: Continue allocating SDCA-specific spare sub-levels to TSPs.
 - Long-term: Migration from SDCA-based to LSA-based 10-digit closed numbering scheme, within 6 months.
 - All fixed-line to fixed line calls (even within same SDCA) to be dialled with prefix '0' followed by SDCA code and the subscriber number.
 - Post migration, TI resources generated using SDCA codes with spare sub-levels to be used across the LSA rather than being confined to the specific SDCA.
 - Thereafter, a Fixed-line Location Routing Number (FLRN) should be adopted, preferably within 5 years, to facilitate fixed-line number portability.



Management Discussion & Analysis

- Charges/Withdrawal of TIs:
 - No need for imposition of any additional charges for allocation of TI resources.
 - No need for imposition of financial disincentive on non-utilisation of TI resources.
 - However, unutilised TI resources may be withdrawn by DoT on the basis of annual usage.
 - Mandatory Deactivation on Non-Usage: All inactive mobile & fixed-line connections to be mandatorily deactivated after 365 days post 90 days of non-usage period.
 - Measures in respect of TI resources for SIP/PRI connections:
 - Submission of SIP/PRI voice traffic report to DoT field units for examination for misuse for UCC.
 - Implementation of CLI authentication framework while extending SIP/PRI trunks to non-TSPs.
 - However, as per the provisions of the Telecom Regulatory Authority of India Act, 1997, TRAI's recommendations are not binding upon the Central Government.

- Internet Exchange Point (IXP) Authorisation: for peering and exchange of internet traffic, originated & destined within India, among TSPs/ISPs and CDNs (On the lines of TRAI Recommendations on IXP Authorisation under UL).
 - Satellite Earth Station Gateway (SESG) Authorisation: for establishment & operation of SESGs (On the lines of TRAI Recommendations on separate SESG License).

However, Satellite Control Centre (SCC), Mission Control Centre (MCC), Telemetry, Tracking & Control (TT&C) Stations, Remote Sensing Stations, and Ground Stations for supporting space-based services like Space Situational Awareness or navigation missions etc. to be exempt from requirement of Authorisation.

 - Cloud-hosted Telecommunication Network (CTN) Authorisation: for provision of cloud-hosted telecom network-as-a-service (CTNaas) to TSPs.
 - CNPN Provider Authorisation: for establishing, maintaining, operating, and expanding CNPN networks for enterprises.
 - Cable Landing Station (CLS) Provider Authorisation: for provision of access and co-location at CLS.

- Following to be exempted from requirement of Authorisation:
 - Installation of In-Building Solution (IBS) by Property Managers, within their properties.
 - Establishment & operation of Content Delivery Networks (CDNs).
 - However, as per the provisions of the Telecom Regulatory Authority of India Act, 1997, TRAI's recommendations are not binding upon the Central Government.

TRAI Directions under Telecom Commercial Communications Customer Preference Regulations (TCCCPR), 2018

 - TRAI, on 20.08.2024, issued a direction for implementation of various provisions under TCCCPR, 2018, such as DLT Voice Solution, Whitelisting of APKs/URLs/OTT Links/Call-back numbers and PE-TM Chain Binding and end-to end implementation of 140xxx on DLT platform.



Financial Review

	FY 2024-25		FY 2023-24	
	₹ Mn	USD Mn*	₹ Mn	USD Mn*
Gross revenue	85,479	1,012	70,888	857
EBITDA	43,721	518	34,905	422
EBITDAaL	37,789	447	29,814	360
Interest, Depreciation & Others before exceptional items	27,760	329	22,642	274
Profit before exceptional items and tax	15,962	189	12,263	148
Profit before tax	18,088	214	9,233	112
Tax expense	3,152	37	4,189	51
Profit for the year	14,936	177	5,044	61
Earnings per share (in ₹/USD)	29.87	0.35	10.09	0.12

*1 USD = ₹84.46 Exchange Rate for financial year ended March 31, 2025 (1 USD = ₹82.74 for financial year ended March 31, 2024)

The Company reported revenues of ₹85,479 million for the year ended March 31, 2025, from ₹70,888 million in the previous year, indicating a growth rate of 20.6%. The increase was attributed to the emphasis on delivering an exceptional network and experience for customers, which resulted in high-quality customer acquisitions and a steady improvement in Average Revenue Per User (ARPU).

The Company incurred operating expenditure (excluding access charges, cost of goods sold, license fees and Charity and Donation costs) of ₹26,093 million representing an increase of 13.0% over the previous year.

EBITDA amounted to ₹43,721 million, representing an increase of 25.3% over the previous year on a reported basis. The Company's EBITDA margin for the year was 51.1%, compared to 49.2% in the previous year, indicating an emphasis on cost optimisation and operational efficiencies.

EBITDAaL amounted to ₹37,789 million, representing an increase of 26.7% over the previous year on a reported basis. The Company's EBITDAaL margin for the year was 44.2%, compared to 42.1% in the previous year.

Depreciation and amortisation expenses for the year increased by 20.4% to ₹20,945 million as we continue to enhance our network coverage and ensure ubiquitous connectivity.

Consequently, EBIT for the year was ₹22,653 million, showing an increase of 29.3%. This resulted in a margin of 26.5%, compared to 24.7% in the previous year.

Net finance costs at ₹6,691 million were higher by ₹1,441 million compared to previous year mainly due to lower interest & investment income in current year.

The profit before taxes and exceptional items amounted to ₹15,962 million, compared to ₹12,263 million for the previous year.

Exceptional gain (net of tax) during the year accounted for impact of ₹3,041 million.

After accounting for exceptional items and taxes, the net profit for the year ending March 31, 2025, was ₹14,936 million, compared to ₹5,044 million in the previous year.

The capital expenditure for the financial year ending March 31, 2025 was ₹14,730 million.

Management Discussion & Analysis

The following table shows a summary of sector specific key ratios:

Key Ratios	Units	FY 2024-25	FY 2023-24	Y-o-Y %
Capex Productivity	%	63.84	56.55	7.3
Opex Productivity	%	30.67	32.58	-1.9
Interest Coverage Ratio	Times	7.23	6.23	1.0
Net Debt to Shareholders' Equity	Times	1.22	1.69	-0.47
EBITDA Margin	%	51.15	49.24	1.9
Net Profit Margin	%	17.47	7.11	10.4
Return on Shareholders' Equity	%	28.26	11.40	16.9

Liquidity & Funding and Ratings

As on March 31, 2025, the Company had cash and cash equivalents of ₹171 million and short-term investments of ₹739 million. During the year ended March 31, 2025, the Company generated operating free cash flow of ₹23,059 million. The net debt excluding lease obligations for the Company stands at ₹36,890 million as on March 31, 2025. The net debt for the Company including the impact of leases stood at ₹72,619 million as on March 31, 2025 compared to ₹78,273 Mn as on March 31, 2024. The Net Debt-EBITDA ratio including the impact of leases as on March 31, 2025 was at 1.66 times as compared to 2.24 times as on March 31, 2024. The Net Debt-EBITDAaL ratio excluding the impact of leases as on March 31, 2025 was at 0.98 times. The Net Debt-Equity ratio was at 1.22 times as on March 31, 2025 as compared to 1.69 times as on March 31, 2024.

The Company has prepaid ₹8,576 million to the Department of Telecom for the spectrum acquired in auction of year 2024. The Company has now fully prepaid all deferred liabilities pertaining to spectrum acquired in auction of year 2024.

The Company has redeemed 20,000 listed, unsecured non-convertible debentures of face value of ₹1 million each aggregating to ₹20,000 million with interest on April 30, 2024.

Segment-wise Performance

Mobile Services

Overview

Our consistent performance is underpinned by three strategic pillars: acquiring quality customers, premiumising the portfolio and providing exceptional experiences. Our rural expansion, combined with investments in 5G technology and digital capabilities over the past few years, and an emphasis on customer experience have contributed to growth in our mobile services customer base. We continue to gain revenue market share,

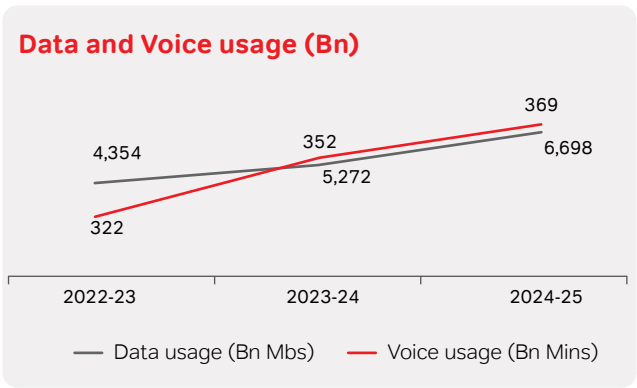
with strong momentum in data customer acquisition and leading ARPU growth, highlighting the success of our strategies and focus on delivering superior value and experience to our customers.

As of March 31, 2025, our customer base reached 28 million. Network usage minutes increased by 5% to 369 billion. The Company had 21.57 million data customers at the end of March 31, 2025, with 21.49 million being mobile smartphone users. Additionally, total network data usage grew by 27% to 6,238 petabytes.

During the year, revenues grew by 20.2% to ₹83,217 million, compared to ₹69,211 million in the previous year, due to a focus on acquiring quality customers and premiumisation. The segment experienced an increase in the EBITDA margin to 51.6%, from 49.4% in the previous year. Furthermore, the EBIT margin for the year rose to 27.0%, compared to 25.0% in the prior year.

The Company closed the year at 26,497 network towers, compared to 25,704 network towers in the last year. Mobile broadband base stations stood at 81,840 at the end of the year, compared to 79,835 at the end of last year.

Particulars	FY 2024-25 ₹ Mn	FY 2023-24 ₹ Mn	Y-o-Y Growth %
Gross Revenue	83,217	69,211	20.2%
EBIT	22,496	17,307	30.0%



Homes and Offices

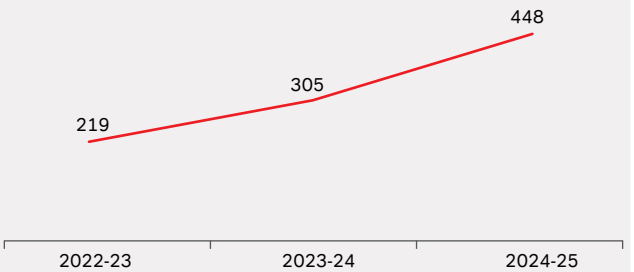
Overview

Homes Business continue to accelerate rollouts on the back of innovative asset light local cable operator (LCO) partnership model, now present in 114 cities. Customer base stands at 448 thousand customers as compared to 305 thousand at the end of previous year. Over the past year, we expanded our operations by launching Airtel Fiber in 200+ new towns and enhancing our network footprint through extensive fiber rollouts across key urban centres. These efforts support the Government's Digital India vision and aim to drive inclusive digital growth.

Revenues from Homes services reached ₹2,521 million for the year ended March 31, 2025, up 22.4% from ₹2,059 million in the previous year. The EBITDA margin for the year stood at 32.0%.

Particulars	FY 2024-25 ₹ Mn	FY 2023-24 ₹ Mn	Y-o-Y Growth %
Gross revenue	2,521	2,059	22.4%
EBIT	156	205	-23.9%

Homes Subscribers: ('000)



Management Discussion & Analysis

SCOT Analysis



Strengths

- **Leading player:** The Company is among the leading mobile operator with strong revenue market share in the areas where it operates.
- **Premium brand:** The Company offers services under the ‘Airtel’ brand, which is a well-known brand globally.
- **Service portfolio:** The Company provides mobility, fixed line and Wi-Fi services (FTTH + FWA) in Rajasthan and the North East region.
- **Convergence play:** The Company delivers comprehensive B2C offerings, including mobility and Wi-Fi. Attracting high value homes with a wide range of bundled offerings, in partnership with Bharti Airtel, including linear TV content and OTT apps with mobile and Wi-Fi.
- **Future ready network:** Over the years, the Company has deployed an expansive digital network infrastructure and continuously expands it to meet the growing demand for connectivity and high-speed data. By leveraging digital tools and data science for end-to-end management of networks, Bharti Hexacom has simplified network complexity and brought in significant efficiencies.
- **Leverage from the parent:** The Company’s relationship with Bharti Airtel Limited yields significant synergies, including access to digital infrastructure, an experienced management team and more.
- **Strong balance sheet:** The Company generated healthy operating cash flow despite capex intensive nature of the business. Consequently, it has a strong debt and rating profile.



Challenges

- **Supply chain limitations:** Network and non-network deployments may face delays due to shortage of required materials, exacerbated by global disruptions which may lead to cost inflation.
- **Low tariffs:** The telecom industry inherently requires sustained investments, which needs an appropriate pricing structure for long term financial stability.
- **5G monetisation:** Despite substantial investments in spectrum and network rollout, monetising these investments is challenging in the absence of prominent use cases for customers; currently, 5G data is free for all post-paid customers and prepaid customers with unlimited packs starting from certain price points.



Opportunities

- **Industry structure:** In an already consolidated industry in terms of operators, there remains growth potential as operating regions have relatively lower tele-density compared to the national average.
- **Tariff Improvement:** India’s mobile ARPU is significantly lower than its global counterparts, despite having one of the highest data usage. Considering evolving customer needs and the continued need for investments in networks and technological advancements.
- **Smartphone penetration:** Higher smartphone adoption presents opportunities for incremental revenue as customers transition from feature phones to smartphones.
- **Post-paid penetration:** Post-paid customers constitute less than 6% of India’s total mobile customer base. Bharti Hexacom’s family plan offerings and converged plans under Airtel Black have the potential to improve post-paid penetration and drive revenue growth.
- **Home broadband landscape:** Fixed line penetration remains in low single digits in the Company’s operating regions. Furthermore, growing demand for ultrafast internet and connected devices offers long-term growth opportunities.



Threats

- **Intense competition:** The entry of disruptive players can lead to significant price erosion, adversely impacting the Company’s profitability.
- **Adverse regulatory framework:** Changes in regulations, policies that are unfavourable for the industry can affect the Company’s operations. Political instability, which leads to economic uncertainty, can negatively impact business.
- **Currency exposures:** Global macroeconomic uncertainties, trade tensions and commodity headwinds may pose a risk of currency fluctuations.
- **Pandemic/Disaster/War:** Adverse situations such as war, civil unrest, natural disasters, pandemics or other unforeseen phenomena can disrupt the Company’s operations.

Management Discussion & Analysis

Risk and Mitigation Framework

Risk management is embedded in Bharti Hexacom’s operating framework. The Company believes that risk resilience is the key to achieve long term sustainable growth. To this effect, there is a robust framework in place to enable well-defined and institutionalised approach towards the risk management and lay down broad guidelines for timely identification, assessment, mitigation, monitoring and governance of key strategic risks including sectoral risk, privacy & data security risk, cybersecurity risk etc.

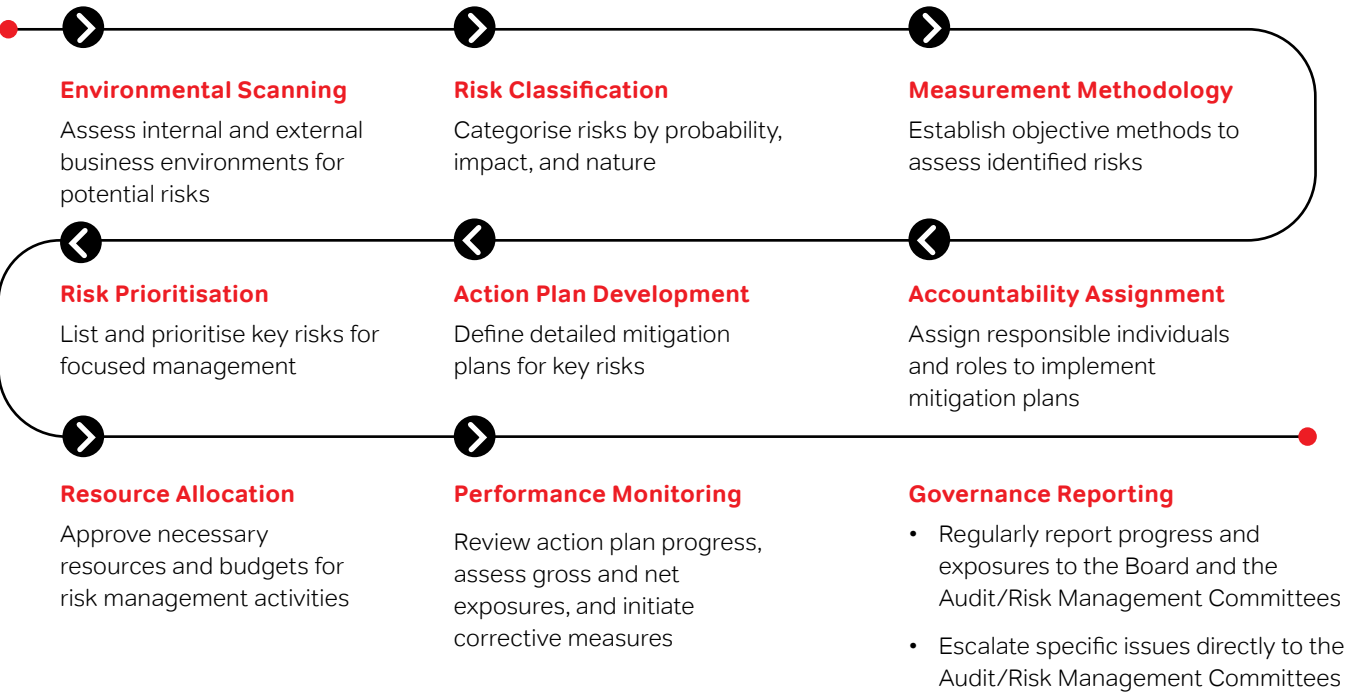
To have a sharper focus, the Company has constituted a Risk Management Committee to focus on risk management including determination of Company’s risk appetite, risk tolerance, regular risk assessments and risk mitigation strategies (risk identification, risk quantification and risk evaluation) etc.

Key initiatives on risk management includes War on Waste programme, AI-driven customer engagement, network densification, and climate-proofing infrastructure. As data demand and competition increase, Bharti Hexacom prioritises network quality, digital transformation, and enhanced governance to create sustainable value.

Responsibility and Accountability

- The Board of Directors:** The Board of Directors is the apex body that reviews critical risks and deliberates and approves action plans to mitigate those risks effectively. The Board conducts an annual evaluation of Bharti Hexacom’s risk management framework. This approach is complemented by periodical evaluation and assessment by the Risk Management Committee (RMC). The RMC formulates a detailed risk management policy and monitors its implementation. The Chief Risk Officer, while working closely with the RMC, independently conducts a complete review of the risk assessments and associated management action plans.
- The Company’s Management:** The circle heads of Bharti Hexacom’s businesses manage the strategic risks that may impact their operations. The management team draws on internal audit reports to identify risks and scans internal and external environments to ascertain developments that could pose material risks to the Company.
- Operational Teams:** The Executive Committees (EC) of Rajasthan and the North Eastern Telecommunication Circles manage risks at the operational level. The EC has representation from all functions, including central functions such as finance, supply chain, legal and regulatory and customer-facing functions such as Customer Service, Sales and Distribution and Networks. The Circle CEO is responsible for engaging with functional leaders and partnering with them to manage risks. They also identify risks and escalate them to the central teams for agreement on mitigation plans.

Risk Identification and Management Process



Top Risks



Regulatory and Political Uncertainties (Legal and Compliance)

Context

The Company majorly operates in Rajasthan and North-eastern regions. Some regions are prone to political instability, civil unrest and other social tensions.

Impact

Regulatory uncertainties and changes, including escalating spectrum prices, subscriber verification norms and penalties and SACFA (Standing Advisory Committee on Frequency Allocation) and EMF (Electromagnetic Field) norms , among others, are potential risks to the business.

Mitigating Actions

The Company proactively engages with key stakeholders in the states where it operates while continuously assessing the impact of the changing political and social scenario. It maintains cordial relationships with government authorities like TRAI (Telecom Regulatory Authority of India), USO (Universal Service Obligation), Municipal Pollution Control Boards and other stakeholders. The Circle CEOs carry direct accountability to maintain neutral government relations. The Company supports quality education across communities where the Bharti Airtel Foundation operates. The Company, along with its parent, Bharti Airtel Limited, works with industry bodies, including the Cellular Operators Association of India (COAI), Confederation of Indian Industry (CII), Associated Chambers of Commerce of India (ASSOCHAM), Global System for Mobile Communications Association (GSMA), Internet Service Providers Association of India (ISPAI) and Federation of Indian Chambers of Commerce and Industry (FICCI), on espousing industry issues like penalties, right of way and tower sealing, among others. The Company keeps a close watch on compliance with applicable regulations and bylaws, besides ensuring that the operations of the Company are within the prescribed framework, and that a business continuity plan (BCP) is in place that can be implemented wherever required.

Capitals Impacted

- Manufactured capital
- Social and relationship capital
- Human capital
- Financial capital

Material Issues for the Company

- Regulatory and statutory compliance
- Corporate governance and business ethics



Economic Uncertainties (Operational)

Context

The Company focuses on growth opportunities in Rajasthan and North-Eastern regions, which are characterised by lower-than-average mobile penetration, low internet penetration and relatively lower per capita incomes.

Impact

Slowing economic growth tends to affect consumer spending and might cause a slowdown in the telecom sector. Supply chain disruptions due to geopolitical issues may hamper timely deployment and expansion.

Mitigating Actions

- As a regional player with a presence across seven states, the Company has diversified its risks and opportunities across markets.
- The Company follows a prudent cash management policy, including currency hedging and regular upstreaming of surplus cash to minimise risks during challenging periods.
 - Its supply chain strategy aims to ensure optimum and timely supplies through a comprehensive policy framework and various digital systems to manage global supply disruptions promptly, by collaborating with its long-term business partners. The Company is also increasing its reliance on indigenous manufactures to address this problem.
 - The Company’s pricing strategy, based on principles of mark-to-market, profitability and affordability, protects margins during cost inflation and maintains market share during market contraction.

Capital Impacted

- Financial capital

Material Issue for the Company

- Sustainable supply chain management
- Regulatory compliance

Management Discussion & Analysis

 Poor Quality of Networks and Information Technology including redundancies and disaster recoveries (Operational)

Context

Telecom networks are subject to risks of technical failures, partner failures, human errors, wilful acts or natural disasters. Equipment delays and failures, lack of spare parts, energy or fuel shortages, software errors, fiber cuts, lack of redundancy paths, weak disaster recovery and partner staff absenteeism, among others, could lead to disrupted services or network failure.

Impact

The Company's IT systems are critical to running its customer-facing and market-facing operations, besides running internal systems. In some geographies, the quality of last-mile IT connectivity is sometimes erratic or unreliable, which affects service delivery. The quality of IT staff and the ever-changing systems landscape also add risk to the quality and continuity of service.

Mitigating Actions

The Company operates a state-of-the-art Network Operations Centre (NOC) to monitor real-time network activity and take proactive action to ensure maximum network uptime. Network Planning is increasingly being done in-house to retain architecture control. The Company continuously addresses congestion, indoor coverage, call drops, data speed upgrades and other causes of network failure through systematic quality improvement programmes and by embedding redundancies. Internal checks help maintain network availability and quality, with Network Team performance being measured on network stability parameters, customer experience and competitor benchmarking. Disaster management guidelines and Network Recovery Plan (NRPs) are in place across all circles as per the Business Continuity Plan (BCP) guidelines. Spare management and repair processes are also streamlined to ensure no spare shortages.

The Company promotes infrastructure-sharing with other operators through partnerships across towers, fiber, very small aperture terminal (VSAT), data centres and outsourcing arrangements based on service-level agreements (SLAs). The Company has implemented redundancy plans for power outages, fiber cuts, VSAT breakdowns and so on through appropriate backups. Similar approaches are deployed for IT hardware and software capacities; internal IT architecture teams continuously reassess the effectiveness of IT systems.

Operational activities like alarm management, preventive maintenance, and acceptance testing are constantly automated with the vision of moving towards zero-touch operations.

The Company continuously removes single points of failure (SPOF) on fiber routes. Base station controllers (BSCs), core nodes, interconnectivity, and signalling links are being shifted on the multiprotocol label switching (MPLS) network to improve transport resiliency.

The Company continues to work towards climate-proofing the infrastructure by building geographical redundancies and resilience, creating multiple fiber paths for critical sites and strengthening tower infrastructure in cyclone and flood-prone regions.

Capitals Impacted

- Manufactured capital
- Intellectual capital
- Social and relationship capital
- Natural capital

Material Issue for the Company

- Network quality, expansion and satisfaction

 Fiercely Competitive Battleground (Operational)

Context

The market remains competitive in the acquisition space, with all operators trying to garner quality, high-value customers for their networks. Competition is steadily advancing in 5G and broadband, with growing investments in network rollout, new access technologies, and digital services to enhance customer experience and differentiation.

Impact

Focusing on cross-selling to gain a higher wallet share will still play a major role. Understanding changing needs to win and keep high-value homes has now become important. A high-quality network and unique product offerings are the key factors that influence customers when selecting a network. It is also important to stand out with unique digital services and keep up with the latest tech innovations.

Mitigating Actions

Personalised recommendations catering to the everyday evolving needs of the consumer become critical. To address this, the Company focuses on AI/ML-based systems offering personalised recommendations. With an omni-channel network powered by client lifecycle management (CLM), we ensure the right product reaches the right customer.

With growing competition, one crucial factor will be the choice of network. To achieve this, the Company is working towards building differentiation with innovations for customer safety (Spam Protection), unlimited 5G for high-value customers, solving for network quality with the proper tooling, and improving customer experience with seamless digital journeys.

There has been a strong focus on expanding the Wi-Fi customer base post-unlock through fixed wireless access (FWA), along with launching tech-driven innovations like IPTV, supported by differentiated content offerings, with the agenda of attracting high-value customers and improving customer loyalty.

Capitals Impacted

- Intellectual capital
- Social and relationship capital
- Financial capital

Material Issue for the Company

- Innovation of products and services
- Enhancing customer experience and satisfaction

 Increase in Cost Structures ahead of Revenues, thereby impacting Liquidity (Operational/ Strategic)

Context

Cost structures have been increasing due to both volume (new site rollouts, capacity) and/or rate increases (inflation, wage hikes, energy, and more).

Impact

This may pressure margins and cash flows, leading to a debt burden (leverage). Investment in the network to ensure quality of service, spending on distribution and world-class customer service are expected to continue.

Mitigating Actions

The Company has institutionalised the War on Waste (WoW) programme, an enterprise-wide cost-reduction programme. All functions/business units target cost reductions and cost efficiencies for operating and capital expenses. The Company continues to focus on capex optimisation through various programmes like tower-sharing and entering long-term contracts with strategic partners for better pricing. Digitisation and automation with significant programmes on self-care, paperless acquisition, e-bill penetration, online recharge, transitioning to green energy sources, indoor-to-outdoor conversion, eco-friendly and cost-effective SIM cards, AI/ML-based energy savings and digital customer interactions are continuously monitored through the WoW initiatives. The Company has strategically managed debt composition and quantum to keep leverage under acceptable levels.

Capital Impacted

- Financial capital

Material Issues for the Company

- Innovation in product and services
- Network quality, expansion and transformation

Management Discussion & Analysis



Gaps in prevention of data loss (Operational)

Context

Personal data refers to any information about an individual that can be used to identify them. In the online environment, where vast amounts of personal data are shared and transferred around the globe instantaneously, it is increasingly complex for people to maintain control of their personal information. Data protection refers to the practices and safeguards put in place to protect personal information, that ensure an individual can decide if, how, and with whom they share their information, who has access to it, for how long and for what purpose, while retaining the right to modify and control the flow of this information. Data protection must balance using personal data for business purposes and ensuring compliance with applicable data privacy regulations.

Impact

Several countries have passed data privacy regulations, most notably the European Union, which passed the General Data Protection Regulation (GDPR) in 2018. India also passed the Digital Personal Data Protection Act in August 2023. The Company has already initiated its efforts to ensure compliance with the Act.

Mitigating Actions

The Company's privacy policy ensures that personal data collected by the company is processed, retained, shared, and disposed of in accordance with the applicable data privacy regulations and contractual obligations. The Data Loss Prevention (DLP) strategy has been designed to protect information at their most vulnerable points, i.e., at the endpoint, at the web layer, and at the email layer.

All endpoints are equipped with specialised DLP software, which helps monitor various channels for potential data leaks, triggering an alert if this happens and sounding off for a potential incident investigation. Similar solutions are deployed at the email and web gateway. A centralised monitoring team reviews the alerts and tracks the incidents till closure in a time-bound manner. Monthly reviews of all incidents and their closure enable the organisation to refine policies. The Company continuously explores new and innovative technologies to further strengthen data security.

Capitals Impacted

- Human capital
- Intellectual capital
- Social and relationship capital

Material Issues for the Company

- Information security and customer data privacy



Inability to provide High Quality Network Experience with Exponential Growth in Data Demand (Strategic)

Context

To keep pace with rising customer data demand and ensure competitive parity in traffic, telecom companies are required to invest heavily in building data capacities and expanding broadband coverage.

Impact

Customers looking for a seamless mobile internet experience that is technology agnostic. Failure to keep up may result in customers moving to competitors' networks.

Mitigating Actions

In FY 2024-25, the Company aggressively densified its network by deploying small cells, Massive multiple-input multiple-output (MIMO), and new macro sites across high-traffic urban zones to enhance spectral efficiency. This initiative was supported by a substantial backhaul upgrade. The Company also expanded its fiber-to-the-home (FTTH) footprint by adding 4 lakhs home passes, leveraging both its infrastructure and that of local cable operators (LCOs). On the spectrum front, the Company acquired 15 MHz and completed refarming to maximise spectrum utilisation through carrier aggregation and dynamic spectrum sharing. Deployment across geographies reflected this push – continuous investment in new 4G sites, with a significant chunk of them in rural areas and more than 2,000 new 5G sites rolled out during the year.

Capitals Impacted

- Financial capital
- Manufactured capital
- Social and relationship capital

Material Issues for the Company

- Innovation in product and services
- Enhancing customer experience and satisfaction



Gaps in Internal Controls (Financial and Non-financial) (Operational)

Context

The Company manages its networks' substantial voice and data traffic transmission. It also regularly accounts for and manages high volumes of financial transactions.

Impact

Gaps in internal controls and/or process compliance not only lead to waste, fraud and losses but can also adversely impact the Company's brand. Any gaps in compliance with laws, regulations or contractual obligations may result in penal consequences, work disruptions or reputational damage.

Mitigating Actions

The Company proactively ensures compliance with all accounting, legal and regulatory requirements, with meticulous monitoring across operations. Substantial investments in IT systems and automated workflow processes help minimise human errors.

Besides internal audits, self-validation of checklists and compliances along with a 'maker-checker' system, help identify and rectify deviations early. A 'Compliance Tool', owned by respective function heads and overseen by the Compliance team, tracks function-wise external compliances. Internal Financial Controls are tested by the Risk and Compliance Team, which ensures that adequate tools, procedures and policies are in place to support orderly and efficient operations, policy adherence, asset protection, and fraud and error detection. The Corporate Financial Reporting team ensures the accuracy of reports and timely and reliable financial reporting.

Capitals Impacted

- Financial capital
- Manufactured capital
- Social and relationship capital
- Intellectual capital
- Human capital
- Natural capital

Material Issue for the Company

- Corporate governance and business ethics



Lack of Digitisation and Innovations (Strategic)

Context

The telecom sector is undergoing rapid digital transformation, with technology deciding the competitive edge beyond basic connectivity. Customer expectations now include digital content, apps, and mobile financial services. With a growing demand for digital content, apps and mobile financial services, customer expectations have shifted. AI-powered solutions, ultra-low-latency edge solutions, innovative digital tools for everyday tasks, sovereignty needs, software-as-a-service (SaaS) and other platform-based products are rapidly evolving. With the advent of Generative AI, it is evident how quickly technological evolution impacts existing functionalities, potentially rendering existing infrastructure obsolete and making agility critical.

Impact

Internal business processes need to quickly adopt digital transformation to cater to changing customer needs. A slower pace of internal transformation could prevent a company from keeping up with fast-changing customer preferences and requirements.

Mitigating Actions

Digitisation for customers remains a key focus for the Company, powered by an agile, innovation-driven operating model. To enable purposeful and impactful digital transformation, the Company has developed strong organisational capability to attract, retain and develop talent at par with digital native firms.

The Company's digital strategy of has three key pillars:

- Launch of new products with a digital-first approach, ensuring consistent and seamless experience across touchpoints
- Simplify customers' lifecycle with self-service and omnichannel capabilities
- Make the core of business digital to improve experience and efficiency

Capitals Impacted

- Financial capital
- Manufactured capital
- Social and relationship capital
- Intellectual capital
- Human capital

Material Issue for the Company

- Digital inclusion and enhanced access to ICT

Management Discussion & Analysis

Climate Change and Energy Management (Strategic)

Context

Natural disasters have severely impacted livelihoods and infrastructure, including that of telecom. Telecommunication plays a pivotal role at each stage of disaster management, from early warning and mitigation to response, extending to post-disaster recovery and rehabilitation.

Impact

Climate-related risks may degrade telecom infrastructure, adversely affect service availability and quality, increase business costs, impact maintenance and repair operations and pose health and safety risks to personnel.

Mitigating Actions

The Company has devised a climate-proof plan to build resilient infrastructure, including re-engineering of telecom infrastructure.

Design Criteria for Flood-prone Areas

- Adopt lean tower designs with elevated platform foundations (EPF) at 3-5 metres in areas prone to heavy flooding, especially near riverbanks or dam discharge zones
- Installation of equipment preferably at elevated areas
- Maintain higher plinth levels in coastal and flood-prone areas
- Ensure ToCo partners build site based on historical flood data and Central Water Commission (CWC) reports and maintain appropriate plinth height (2 metres)
- Relocate passive infrastructure from ground level to raised platforms in flood-prone areas
- Develop secure and elevated access pathways to passive infrastructure in low-lying areas
- Relocate active infrastructure above recorded flood levels in flood-prone areas
- Use flood-resistant building materials to implement swales and efficient drainage systems
- Deploy early flood warning systems
- Retrofit critical infrastructure or assets vulnerable to flooding (e.g., electrical equipment)

Design Criteria for Water-scarce Areas

- Put in place blue roofs, rainwater harvesting and reuse, greywater recycling and wastewater heat recovery systems

- Install water efficient fixtures and appliances
 - Implement leak detection systems and conduct regular inspections
- Design Criteria for Cyclone- and Wind-prone Areas**
- Consider factor of safety (as per IS codes) while designing telecom infrastructure
 - Undertake periodic check-ups and maintenance of mechanical parts
 - Remove Cells on Wheels (COW), microwave and unsafe towers from coastal belts and build permanent structures
 - Install RRUs behind base station antenna to reduce wind exposure area
 - Avoid microwave of >1.2 metre diameter
 - Install microwave with supporting rod to avoid misalignment
 - Install V-clamp instead of U-clamp for improved grip
 - Undertake tower loading in terms of antennas and other equipment loads as per design document
 - Carry out regular preventive maintenance and health check-up for active and passive infrastructure
 - Design the base for roof top tower (RTT) adequately in order to transfer the tower load onto the building's reinforced cement grid (RCC) grid, ensuring compliance with relevant Indian Standard (IS) codes
 - Design towers as per provisions of the latest Bureau of Indian Standards (BIS) codes of practice governing the design to ensure safety of towers during any disaster
 - Obtain a structural safety certificate from a qualified structural engineer

Temperature-related Design Criteria

- Put in place white roofs or use light/highly reflective colours to bounce back solar radiation and reduce heat absorption
- Incorporate green roofs and vegetation to improve building's insulation and aid heat dissipation
- Improve glazing performance and install blinds/fixed external shading devices
- Use heat-resistant materials

Capitals Impacted

- Social and relationship capital
- Natural capital
- Financial capital

Material Issues for the Company

- Climate change and energy management
- Sustainable supply chain management

Business Responsibility & Sustainability Reporting

SECTION A: GENERAL DISCLOSURES

I. Details of the listed entity

1. Corporate Identity Number (CIN) of the Listed Entity	L74899HR1995PLC132187
2. Name of the Listed Entity	Bharti Hexacom Limited ('Bharti Hexacom' or 'Hexacom' or 'Company')
3. Year of incorporation	1995
4. Registered office address	Airtel Center, Plot No. 16, Udyog Vihar, Phase-IV, Gurugram - 122015, India
5. Corporate address	Bharti Crescent, 1, Nelson Mandela Road, Vasant Kunj, Phase II, New Delhi - 110070, India
6. E-mail	bhartihexacom@bharti.in
7. Telephone	+91-0124-4222222, +91-011-4666 6100
8. Website	www.bhartihexacom.in
9. Financial year for which reporting is being done	FY 2024-25
10. Name of the Stock Exchange(s) where shares are listed	BSE Limited (BSE), National Stock Exchange of India Limited (NSE)
11. Paid-up Capital	₹2,500 million
12. Name and contact details (telephone, email address) of the person who may be contacted in case of any queries on the BRSR Report	Amit Chaturvedi, Company Secretary and Compliance Officer Telephone Number: +91-11-4666 6100 Email ID: bhartihexacom@bharti.in
13. Reporting boundary - Are the disclosures under this report made on a standalone basis (i.e., only for the entity) or on a consolidated basis (i.e., for the entity and all the entities which form a part of its consolidated financial statements, taken together)	Standalone basis - Bharti Hexacom Limited, unless otherwise specified
14. Name of assurance provider	DNV Business Assurance India Private Limited
15. Type of assurance obtained	Reasonable Assurance (for BRSR core indicators) and Limited Assurance (for other indicators)

II. Products/services

16. Details of business activities (accounting for 90% of the turnover):

Sr. No.	Description of Main Activity	Description of Business Activity	% of Turnover of the Entity
1.	Information and Communication	Wired, wireless or satellite telecommunication activities	100

17. Products/Services sold by the entity (accounting for 90% of the entity's turnover):

Sr. No.	Product/Service	NIC Code	% of total Turnover Contributed
1.	Wireless Telecommunication Activities • Activities of Internet access by the operator of the wireless infrastructure (61201) • Activities of maintaining and operating cellular and other telecommunication networks (61202) • Activities of other wireless telecommunications activities (61209)	612	97.05
2.	Wired Telecommunication Activities • Activities of basic telecom services: telephone, telex and telegraph (includes the activities of STD/ISD booths) (61101) • Activities of providing internet access by the operator of the wired infrastructure (61104)	611	2.95

III. Operations

18. Number of locations where plants and/or operations/offices of the entity are situated:

Location	Number of plants*	Number of offices	Total
National	Not applicable	12	12
International**	Not applicable	Not applicable	Not applicable

* Mobile towers are not included.

** Bharti Hexacom has no international operations.

19. Markets served by the entity:

a. Number of locations

Locations	Number
National (No. of States)	7
International (No. of States)*	Not applicable

* Bharti Hexacom has no international operations.

b. What is the contribution of exports as a percentage of total turnover of the entity? 0.15%

c. A brief on types of customers - End consumers (B2C)

IV. Employees

20. Details as at the end of financial year i.e. as on March 31, 2025

a. Employees and workers (including differently abled):

Sr. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B / A)	No. (C)	% (C / A)
Employees						
1.	Permanent (D)	569	501	88	68	12
2.	Other than Permanent (E)	-	-	-	-	-
3.	Total employees (D + E)	569	501	88	68	12
Workers						
4.	Permanent (F)	-	-	-	-	-
5.	Other than Permanent (G)	2,068	2,036	98	32	2
6.	Total workers (F + G)	2,068	2,036	98	32	2

b. Differently abled Employees and workers:

Sr. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B / A)	No. (C)	% (C / A)
Differently abled employees						
1.	Permanent (D)					
2.	Total differently abled employees (D)			Nil		
Differently abled workers						
3.	Other than permanent (G)					
4.	Total differently abled workers (G)			Nil		

21. Participation/inclusion/representation of women:

	Total (A)	No. and percentage of Females	
		No. (B)	% (B/A)
Board of Directors	10	1	10
Key Management Personnel	3	0	0

22. Turnover rate for permanent employees and workers (Disclose trends for the past 3 years):

	FY 2024-25 (In %)			FY 2023-24 (In %)			FY 2022-23 (In %)		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Permanent Employees	18.8	28.6	19.9	19.6	18.2	19.3	25.1	35.5	26.1

V. Holding, Subsidiary and Associate Companies (including joint venture)

23. (a) Names of holding / subsidiary / associate companies / joint ventures:

Name of the holding/subsidiary/associate companies/joint ventures (A)	Indicate whether holding/subsidiary/Associate/Joint Venture	% of shares held by listed entity	Does the entity indicated at column A, participate in the Business Responsibility initiatives of the listed entity? (Yes/No)
Bharti Airtel Limited*	Holding company	70	Yes

*Bharti Airtel Limited ('Bharti Airtel' or 'Airtel') is the holding company of Bharti Hexacom Limited.

VI. CSR details

24. (i) Whether CSR is applicable as per Section 135 of Companies Act, 2013: Yes

(ii) **Turnover:** ₹85,479 million

(iii) **Net worth:** ₹58,448 million

VII. Transparency and Disclosures Compliances

25. Complaints/Grievances on any of the principles (Principles 1 to 9) under the National Guidelines on Responsible Business Conduct (NGRBC):

Stakeholder group from whom complaint is received	Grievance Redressal Mechanism in Place (Yes/No) (If yes, then provide web-link for grievance redress policy)	FY 2024-25			FY 2023-24		
		Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks	Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks
Communities & NGOs	Yes, Communities & NGOs Grievance Redressal Policy	0	0	-	0	0	-
Shareholders/ Investors	Yes, Investors and Shareholders	7	0	-	0	0	-
Employees and workers	Yes	2	0	-	1	0	-
Customers	Yes, Telecom Customer Charter	Customer complaints are resolved as per applicable legislations, including sector specific regulatory provisions under the Telecom Consumers Complaint Redressal Regulation, 2012 issued by TRAI and to the extent applicable, are also reported to the regulator as per the reporting requirement prescribed thereunder.					
Value chain partner – suppliers	Yes, Airtel Partner World	0	0	-	0	0	-
Others (Channel partners)	Yes, Anmol Ratna Portal	10	0	-	11	0	-

26. Overview of the entity's material responsible business conduct issues

Please indicate material responsible business conduct and sustainability issues pertaining to environmental and social matters that present a risk or an opportunity to your business, rationale for identifying the same, approach to adapt or mitigate the risk along-with its financial implications, as per the following format:

For relevant details, please refer 'SCOT Analysis' on [page 52](#) and 'Risk and Opportunities' on [page 54](#) of this Annual Report.

SECTION B: MANAGEMENT AND PROCESS DISCLOSURES

This section is aimed at helping businesses demonstrate the structures, policies and processes put in place towards adopting the NGRBC Principles and Core Elements.

Disclosure Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9									
1. Policy and management processes																		
a. Whether your entity's policy/ policies cover each principle and its core elements of the NGRBCs. (Yes/No)	Y	Y	Y	Y	Y	Y	Y	Y	Y									
b. Has the policy been approved by the Board? (Yes/No)*	Y	Y	Y	Y	Y	Y	Y	Y	Y									
c. Web link of the Policies, if available	Refer Table 1 below																	
2. Whether the entity has translated the policy into procedures. (Yes /No)	Y	Y	Y	Y	Y	Y	Y	Y	Y									
3. Do the enlisted policies extend to your value chain partners? (Yes/ No)	Y	Y	Y	Y	Y	Y	Y	Y	Y									
4. Name the national and international codes/certifications/ labels/ standards (e.g., Forest Stewardship Council, Fairtrade, Rainforest Alliance, Trustee) standards (e.g., SA 8000, OHSAS, ISO, BIS) adopted by your entity and mapped to each principle.	Refer Table 2 below																	
5. Specific commitments, goals and targets set by the entity with defined timelines, if any	Refer Table 3 below																	
6. Performance of the entity against the specific commitments, goals, and targets along-with reasons in case the same are not met.	Refer Table 3 below																	
Governance, leadership, and oversight																		
7. Statement by director responsible for the business responsibility report, highlighting ESG-related challenges, targets, and achievements (listed entity has flexibility regarding the placement of this disclosure)	Refer 'Chairman message' section of the Annual Report on page 10 .																	
8. Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy (ies)	The Board holds the highest position within Bharti Hexacom's Governance Framework, providing ultimate oversight on all Environmental, Social, and Governance (ESG) matters and related initiatives.																	
9. Does the entity have a specified Committee of the Board/Director responsible for decision making on sustainability related issues? (Yes/No). If yes, provide details.	ESG regime of Bharti Hexacom operates under group-wide regime of Bharti Airtel (holding company).																	
10. Details of Review of NGRBCs by the Company:																		
Subject for Review	Indicate whether review was undertaken by Director / Committee of the Board / Any other Committee									Frequency (Annually/ Half yearly/ Quarterly/ Any other – please specify)								
	P1	P2	P3	P4	P5	P6	P7	P8	P9	P1	P2	P3	P4	P5	P6	P7	P8	P9
Performance against above policies and follow up action	Y	Y	Y	Y	Y	Y	Y	Y	Y	Annually								
Compliance with statutory requirements of relevance to the principles, and rectification of any non-compliances	Y	Y	Y	Y	Y	Y	Y	Y	Y	Quarterly								
11. Has the entity carried out independent assessment/ evaluation of the working of its policies by an external agency? (Yes/No). If yes, provide name of the agency**										P1	P2	P3	P4	P5	P6	P7	P8	P9
										Y	Y	Y	Y	Y	Y	Y	Y	Y
12. If answer to question (1) above is “No” i.e., not all Principles are covered by a policy, reasons to be stated:																		
Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9									
The entity does not consider the principles material to its business (Yes/No)																		
The entity is not at a stage where it is in a position to formulate and implement the policies on specified principles (Yes/No)																		
The entity does not have the financial or/human and technical resources available for the task (Yes/No)										Not applicable								
It is planned to be done in the next financial year (Yes/No)																		
Any other reason (please specify)																		
* Bharti Hexacom operates under group-wide policies, procedures and practices of holding company i.e. Bharti Airtel Limited.																		
** The Company has in place a robust Internal Assurance Group, led by the Chief Internal Auditor and ably supported by reputed independent firms as the Internal Assurance Partners, which serves as a mechanism for assessment/evaluation of the working of all its key policies.																		

Table 1 - NGBRC principle wise policy mapping*:

Principle	Principle description	Policy
P1	Ethics, Transparency and Accountability: Businesses should conduct and govern themselves with integrity, and in a manner that is Ethical, Transparent and Accountable	Bharti Hexacom Code of Conduct Ombudsperson Policy and Process Code of Conduct for Business Associates Tax Policy
P2	Product Lifecycle Sustainability: Businesses should provide goods and services in a manner that is sustainable and safe	Code of Conduct for Business Associates Environment, Health and Safety Policy
P3	Employee Well-being: Businesses should respect and promote the well-being of all employees, including those in their value chains	Human Rights Policy Ombudsperson Policy and Process Environment, Health and Safety Policy
P4	Stakeholder Engagement: Businesses should respect the interests of and be responsive to all its stakeholders	Stakeholder Engagement Framework Ombudsperson Policy and Process
P5	Promoting Human Rights: Businesses should respect and promote human rights	Human Rights Policy Code of Conduct for Business Associates Ombudsperson Policy and Process POSH Policy
P6	Protection of Environment: Businesses should respect and make efforts to protect and restore the environment	Code of Conduct for Business Associates Environment, Health and Safety Policy
P7	Responsible Policy Advocacy: Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent	Bharti Hexacom Code of Conduct
P8	Support Inclusive Growth: Businesses should promote inclusive growth and equitable development	Bharti Hexacom Code of Conduct Corporate Social Responsibility Policy Stakeholder Engagement Framework
P9	Providing Customer Value: Businesses should engage with and provide value to their consumers in a responsible manner	Bharti Hexacom Code of Conduct Environment, Health and Safety Policy Stakeholder Engagement Framework

* Bharti Hexacom operates under group-wide policies, procedures and practices of holding company i.e. Bharti Airtel Limited.

Table 2 - National and International standards*:

Principle	Principle description	Name of the national and international codes/certifications/labels/ standards
P1	Ethics, Transparency and Accountability: Businesses should conduct and govern themselves with integrity, and in a manner that is Ethical, Transparent and Accountable	i. Reporting in reference to GRI standards and International Integrated Reporting Framework ii. Independent assurance of non-financial information as per ISAE 3000 Assurance Standard iii. Signatory to United Nations Global Compact
P2	Product Lifecycle Sustainability: Businesses should provide goods and services in a manner that is sustainable and safe	i. Science Based Targets initiative (SBTi) ii. Compliance with EMF radiation levels set by local regulations in line with ICNIRP (International Commission on Non-Ionising Radiation Protection) iii. ISO 14001: 2015 Environment Management System (EMS)
P3	Employee Well-being: Businesses should respect and promote the well-being of all employees, including those in their value chains	i. Signatory to United Nations Global Compact ii. ISO 45001: 2018 Occupational Health and Safety Management System (OHS MS)
P4	Stakeholder Engagement: Businesses should respect the interests of and be responsive to all its stakeholders	i. Materiality assessment and stakeholder engagement in reference to GRI Standards and AccountAbility AA1000 principles
P5	Promoting Human Rights: Businesses should respect and promote human rights	i. Signatory to United Nations Global Compact
P6	Protection of Environment: Businesses should respect and make efforts to protect and restore the environment	i. Science Based Targets initiative (SBTi) ii. Compliance with EMF radiation levels set by local regulations in line with ICNIRP (International Commission on Non-Ionising Radiation Protection) iii. ISO 14001: 2015 Environment Management System (EMS)
P7	Responsible Policy Advocacy: Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent	i. Signatory to United Nations Global Compact ii. Board Membership (through holding company) of GSMA - Leading international telecom association
P8	Support Inclusive Growth: Businesses should promote inclusive growth and equitable development	i. CSR disclosures pursuant to Section 135 of the Companies Act, 2013 ii. Follow the guidance provided by ISO 26000
P9	Providing Customer Value: Businesses should engage with and provide value to their consumers in a responsible manner	i. ISO 27001: 2013 Information Security Management System (ISMS) ii. ISO 22301: 2019 Business Continuity Management System (BCMS) iii. TL9000: Quality Management System

* Bharti Hexacom operates under group-wide policies, procedures and practices of holding company i.e. Bharti Airtel Limited.

Table 3 - Specific commitments, goals, and targets*:

Status Legend			
	Target achieved		Over-achieved
	In-Progress		Not achieved

Specific commitments, goals and targets set by the entity	Performance	Mapped NGBRC Principle ¹	Status
Climate Change and Energy Management To reduce carbon emissions (Scope 1 and 2) by 50.2% by FY ending March 2031, using FY 2021-22 as baseline as per science-based targets initiative and GSMA pact	Reported 1,102,249 tCO ₂ e of carbon emissions (Scope 1 and 2) in FY 2024-25	P2 and P6	
To reduce absolute Scope 3 GHG emissions by 42% by FY ending 2031, using FY 2020-21 as baseline, per SBTi	Reported 6,698,692 tCO ₂ e of carbon emissions (Scope 3) in FY 2024-25	P2 and P6	
In line with target set by GSMA under Carbon Action Plan for telecom industry, achieve net zero carbon emissions by 2050	We plan to get the long-term (net zero) targets validated by SBTi within 2 years	P2 and P6	
Resource Efficiency Ensuring e-waste is sold to authorised recyclers/refurbishers to ensure environmentally sound waste management	E-waste is sold to authorised recyclers/refurbishers	P2 and P6	
Sustaining ISO 14001 certification (for environment management system)**	Successfully completed surveillance audit	P6	
Digital Inclusion The Company is committed to positively impact 150 million lives by 2025 by promoting digital inclusivity through extending high-speed 4G/5G data connectivity to data-starved regions and accelerating upgradation of feature phone users to smartphones, making device ownership affordable for low-income groups	Enabled 4G/5G network connections and covered an additional population of 158 million between January 2021 and March 2025	P8	
Diversity, Inclusion, Equity and Belonging Ensuring at least 20% women employees by FY ending March 2025	18.5% women employees in workforce as on March 31, 2025	P3 and P5	
Employee Health and Well-being Sustaining ISO 45001 certification (for occupational health and safety management system)**	Successfully completed surveillance audit	P3 and P5	
Community Stewardship*** To contribute 2% of the average net profit of the preceding three financial years, in CSR and social development activities each year	₹ 74 Mn contributed to CSR and charitable activities in FY 2024-25	P8	
Enhancing Customer Experience and Satisfaction To reduce B2C customer interactions by 20% by FY ending March 2025, using FY ended March 2023 as baseline	>17% reduction in overall B2C customer interactions from FY 2022-23	P9	
Maintain compliance with EMF radiation levels set by local regulations in line with ICNIRP Standards (International Commission on Non-Ionising Radiation Protection)**	No non-compliances were observed for all the base stations audited by DoT in FY 2024-25	P9	
Data Protection and Cybersecurity Maintain zero data breaches	Zero cases for data breaches in FY 2024-25	P9	
Human Capital Development To increase average training hours per employee by 15%	29 training hours per employee, against a target of 17 hours per employee	P3	
Sustainable Supply Chain Management Implement an ESG engagement programme with 75% of suppliers (based on expenditure value) by 2025	Implemented ESG engagement programmes with 75% of suppliers	P2 and P8	
Corporate Governance Periodically conduct materiality assessment through formal stakeholder engagement to prioritise ESG focus areas	Revisited materiality assessment to ensure continued applicability	P1 and P4	

* Bharti Hexacom operates under group wide targets of holding company i.e. Bharti Airtel Limited.
** The scope of targets and performance is limited to Bharti Airtel Limited and Bharti Hexacom Limited.
*** The scope of targets and performance is limited to Bharti Hexacom Limited.



SECTION C: PRINCIPLE-WISE PERFORMANCE DISCLOSURE

PRINCIPLE 1: Businesses should conduct and govern themselves with integrity, and in a manner that is Ethical, Transparent and Accountable

ESSENTIAL INDICATORS

1. Percentage coverage by training and awareness programmes on any of the principles during the financial year

Segment	Total number of training and awareness programmes held	Topics/principles covered under the training and its impact	% of persons in respective category covered by the awareness programmes*
Board of Directors	Refer to the Report on Corporate Governance forming part of this Annual Report on page 114 .		
Key Managerial Personnel (KMP)			
Employees other than Board of Directors or KMPs	12	Code of Conduct, Prevention of Sexual Harassment, ESG aspects, Safety (Road Safety, Women Safety, Electrical Safety, etc.), information security, business continuity including privacy awareness. Additionally, all the employees go through the above-mentioned training sessions at the time Joining and annually thereafter.	100
Workers	5	Code of Conduct, safety (road safety, women safety, electrical safety, etc.), Prevention of Sexual Harassment, Conflict of Interest, insurance benefits, Airtel Suraksha.	100

* Percentage indicates details of trainings extended.

2. Details of fines/penalties/punishment/award/compounding fees/settlement amount paid in proceedings (by the entity or by directors/KMPs) with regulators/law enforcement agencies/judicial institutions, in the financial year, in the following format (Note: The entity shall make disclosures on the basis of materiality as specified in Regulation 30 of SEBI (Listing Obligations and Disclosure Obligations) Regulations, 2015 and as disclosed on the entity’s website): None.
3. Of the instances disclosed in Question 2 above, details of the Appeal/Revision preferred in cases where monetary or non-monetary action has been appealed: Not applicable.
4. Does the entity have an anti-corruption or anti-bribery policy? If yes, provide details in brief and if available, provide a web-link to the policy: The Company has a zero-tolerance approach towards bribery and corruption and is committed towards acting transparently, ethically and with integrity in all its business dealings and relationships wherever the Company operates. Further, the Company has in place a robust group-wide Anti-Bribery and Anti-Corruption Policy (ABAC). This policy extends to all employees of the Company and its holding company and is subject to all local legal/regulatory requirements and amendments from time to time. Brief details of the ABAC Policy form part of the Code of Conduct of the Company which is available on the website ([click here](#)).
5. Number of Directors/KMPs/employees/workers against whom disciplinary action was taken by any law enforcement agency for the charges of bribery/corruption: Nil.
6. Details of complaints with regard to conflict-of-interest: No complaints were received with regard to conflict of interest of the directors and KMPs.
7. Provide details of any corrective action taken or under way on issues related to fines/penalties/ action taken by regulators/law enforcement agencies/judicial institutions, on cases of corruption and conflicts of interest: Not applicable.



8. Number of days of accounts payables ((Accounts payable *365) / Cost of goods/services procured) in the following format:

	FY 2024-25	FY 2023-24
Number of days of accounts payables	63	74

9. Open-ness of business

Provide details of concentration of purchases and sales with trading houses, dealers, and related parties along-with loans and advances & investments, with related parties, in the following format:

Parameters	Metrics	FY 2024-25	FY 2023-24
Concentration of Purchases	a. Purchases from trading houses as % of total purchases	Not applicable	Not applicable
	b. Number of trading houses where purchases are made from	Not applicable	Not applicable
	c. Purchases from top 10 trading houses as % of total purchases from trading houses	Not applicable	Not applicable
Concentration of Sales	a. Sales to dealers/ distributors as % of total sales	75.48	63.16
	b. Number of dealers/ distributors to whom sales are made	1,031	977
	c. Sales to top 10 dealers/ distributors as % of total sales to dealers/ distributors	72.45	72.42
Share of Related Party Transactions ('RPTs')	a. Purchases (Purchases with related parties/ Total Purchases*)	60	54
	b. Sales (Sales to related parties/ Total Sales**)	11	10
	c. Loans & advances (Loans & advances given to related parties/ Total loans & advances)	0	0
	d. Investments (Investments in related parties/ Total Investments made)	0	0

* Total operational expenditure.
** Total revenue from operations.

LEADERSHIP INDICATORS

1. Awareness programmes conducted for value chain partners on any of the principles during the financial year:

Total number of awareness programmes held	Topics / principles covered under the training	% Age of value chain partners covered (by value of business done with such partners) under the awareness programmes
13	ESG awareness and expectations, NGRBC Principles, Group ESG policies (Code of Conduct, Human Rights, Safety), key focus areas (emissions, safety, packaging, etc.), value chain reporting requirements, and handholding/capacity-building sessions	93.83

2. Does the entity have processes in place to avoid/manage conflict of interests involving members of the board? (Yes/No) If yes, provide details of the same:

Yes, Bharti Hexacom Limited has robust policies and processes in place, including the Code of Conduct and Policy on Related Party Transactions ('RPT Policy') to prevent any conflicts of interest involving directors and/or Key Managerial Personnel ('KMP'). Confirmation with regard to adherence to the Code of Conduct is obtained from all the directors and KMPs at the time of joining and thereafter, on an annual basis. In terms of the RPT Policy, a related party transaction in which any of the directors or the KMPs is concerned or interested requires prior approval of the Board in addition to the prior Audit Committee approval for all related party transactions. The concerned/interested Director recuses himself/ herself and abstain from discussion and voting on such proposal for approval of the said transaction at the meeting of Audit Committee and Board, as applicable.

PRINCIPLE 2: Businesses should provide goods and services in a manner that is sustainable and safe

ESSENTIAL INDICATORS

1. Percentage of R&D and capital expenditure (capex) investments in specific technologies to improve the environmental and social impacts of product and processes to total R&D and capex investments made by the entity, respectively.

	FY 2024-25	FY 2023-24	Details of improvements in environmental and social impacts
Capex	1.44	1.20	To improve energy efficiency and reduce environmental impact, The company has implemented the following initiatives: - Transitioned from bridge-based calls to link-based calls, significantly lowering emissions - Installed battery banks and solar panels to reduce diesel dependency and further cut the carbon footprint

2. a. Does the entity have procedures in place for sustainable sourcing? Yes
- b. If yes, what percentage of inputs were sourced sustainably? 92.17%
3. Describe the processes in place to safely reclaim your products for reusing, recycling, and disposing at the end of life, for: (a) Plastics (including packaging), (b) E-waste, (c) Hazardous waste, and (d) other waste: Bharti Hexacom is committed to reusing, reducing, and recycling waste to promote a circular economy and ensure efficient resource utilisation. Company's processes include multiple evaluations to assess the potential of products for repair or refurbishment for reuse. The Company further ensures the sustainable recycling of waste, including e-waste, battery waste, and plastic waste, through government-authorised recyclers. In addition, the company, in accordance with Extended Producer Responsibility (EPR) guidelines collaborates with service providers to responsibly collect electronic products and plastic packaging for sustainable recycling.

4. Whether Extended Producer Responsibility (EPR) is applicable to the entity's activities (Yes / No). If yes, whether the waste collection plan is in line with the Extended Producer Responsibility (EPR) plan submitted to Pollution Control Boards? If not, provide steps taken to address the same:

Yes, Extended Producer Responsibility (EPR) is applicable to Hexacom under the plastic waste category. The Company collaborates with service providers to ensure execution of waste collection plan in line with collection target issued to them by Central Pollution Control Board (CPCB).

PRINCIPLE 3:

Businesses should respect and promote the well-being of all employees, including those in their value chain

ESSENTIAL INDICATORS

1. a. Details of measures for the well-being of employees:

Category	Total (A)	% of employees covered by									
		Health insurance		Accident insurance		Maternity benefits		Paternity benefits		Day care facilities	
		No. (B)	% (B/A)	No. (C)	% (C/A)	No. (D)	% (D/A)	No. (E)	% (E/A)	No. (F)	% (F/A)
Permanent employees											
Male	501	501	100	501	100	-	-	501	100	501	100
Female	68	68	100	68	100	68	100	-	-	68	100
Total	569	569	100	569	100	68	100	501	100	569	100

b. Details of measures for the well-being of workers:

Category	Total (A)	% of workers covered by									
		Health insurance		Accident insurance		Maternity benefits		Paternity benefits		Day care facilities	
		No. (B)	% (B/A)	No. (C)	% (C/A)	No. (D)	% (D/A)	No. (E)	% (E/A)	No. (F)	% (F/A)
Other than Permanent workers											
Male	2,036	2,036	100	2,036	100	-	-	2,036	100		
Female	32	32	100	32	100	32	100	-	-		
Total	2,068	2,068	100	2,068	100	32	100	2,036	100		

c. Spending on measures towards well-being of employees and workers (including permanent and other than permanent) in the following format:

	FY 2024-25	FY 2023-24
Cost incurred on well-being measures as a % of total revenue of the Company	0.05	0.05

*The cost of well-being includes staff welfare expenses, salaries paid during maternity and paternity leave, and insurance benefits provided to employees.

2. Details of retirement benefits, for the Current and Previous Financial Year:

Benefits*	FY 2024-25			FY 2023-24		
	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/NA)	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/NA)
PF	100	100	Y	100	100	Y
Gratuity	100	100	As and when applicable	100	100	As and when applicable
ESI	0.35	59	Y	0.23	59	Y
Others – please specify			NA			

*All statutory dues were provided to employees and workers as per applicable legislations.

3. Accessibility of workplaces

Are the premises/offices of the entity accessible to differently abled employees, as per the requirements of the Rights of Persons with Disabilities Act, 2016? If not, whether any steps are being taken by the entity in this regard: The Company has made all endeavours to meet the requirements of PWD Act. The Company has wheelchairs, dedicated car parking, elevators etc. for the convenience of disabled person(s).

4. Does the entity have an equal opportunity policy as per the Rights of Persons with Disabilities Act, 2016? If so, provide a web-link to the policy: Yes, the policy is available via company's intranet.

5. Return to work and Retention rates of permanent employees that took parental leave.

Gender	Permanent Employees	
	Return to work rate	Retention rate
Male	100%	100%
Female	100%	0%
Total	100%	91%

6. Is there a mechanism available to receive and redress grievances for the following categories of employees and workers? If yes, give details of the mechanism in brief:

Yes/No (If yes, then give details of the mechanism in brief)	
Permanent Employees	Yes, the Company has 'Employee Resolution Query Management System', administered by human resource function, which addresses issues such as service conditions, organisational policies, performance evaluations and various operational matters. In addition to the above, the Company has a 'Code of Conduct' covering 'Whistle Blower Policy' that allows employees including contractual workers, to report concerns with reference to the Code of Conduct without any fear of retaliation. The Ombudsperson administers the whistle blower/vigil mechanism which allows employees to report any threatened or actual breach of the 'Code of Conduct'.
Other than Permanent Workers	

7. Membership of employees and worker in association(s) or Unions recognised by the listed entity: Nil, as the Company does not have any employee association or union.

8. Details of training given to employees and workers:

Category	FY 2024-25*					FY 2023-24*				
	Total (A)	On Health and safety measures		On Skill upgradation		Total (D)	On Health and safety measures		On Skill upgradation	
		No. (B)	% (B/A)	No. (C)	% (C/A)		No. (E)	% (E/D)	No. (F)	% (F/D)
Employees										
Male	501	501	100	501	100	370	370	100	370	100
Female	68	68	100	68	100	54	54	100	54	100
Total	569	569	100	569	100	424	424	100	424	100
Workers										
Male	2,036	2,036	100	2,036	100	1,097	1,097	100	1,097	100
Female	32	32	100	32	100	13	13	100	13	100
Total	2,068	2,068	100	2,068	100	1,110	1,110	100	1,110	100

* Percentage indicates details of trainings extended.

9. Details of performance and career development reviews of employees and workers:

Category	FY 2024-25			FY 2023-24		
	Total (A)	No (B)	% (B/A)	Total (C)	No (D)	% (D/C)
Employees						
Male	501	501	100	370	370	100
Female	68	68	100	54	54	100
Total	569	569	100	424	424	100
Workers						
Male	2,036	803	39	1,097	364	33
Female	32	5	16	13	0	0
Total	2,068	808	39	1,110	364	33

* 100% of eligible employees have undergone performance and career development reviews.

10. Health and safety management system:

- a. **Whether an occupational health and safety management system has been implemented by the entity? (Yes/No). If yes, the coverage of such system?** Yes, the company has a comprehensive Occupational Health and Safety Management System (OHS MS) and is ISO 45001 certified. The Company has a safety charter called 'Airtel Suraksha Programme' and various policies/manuals like group level 'Bharti Airtel Workplace Safety Policy', 'Infrastructure and Safety Policy', 'Supplier Safety Policy', 'Women Safety Policy' and Environment, Health and Safety Policy (EHS) Policy are in place to ensure safety at workplace. In addition, launched a safety incident reporting app 'AirtelShield'. The Company implemented a robust awareness campaign on OHS MS and its initiatives through training sessions, newsletters and workshops. Health & safety committees are established at both central and circle levels to ensure strict implementation of such policies.
- b. **What are the processes used to identify work-related hazards and assess risks on a routine and non-routine basis by the entity?**

The company recognises and accords highest priority to safety and well-being of its employees and other stakeholders. To identify work-related hazards, the Company has implemented a robust Hazard Identification and Risk Assessment System (HIRA) to undertake safety audits and identify work related hazards in its operations.

Health and safety audit:

- i. Conducting annual review of Occupational Health and Safety Management System.
- ii. Stakeholder consultation to understand and evaluate current operating procedures and identifying any gaps in the system.
- iii. Control-focused recommendations to define management action plans, including responsibilities and timelines for implementation.

Health and safety performance review:

- i. Monthly review of health and safety performance by management on pre-defined KPIs.
- ii. Review of reported incidents, audit findings, progress on Health, Safety and Environment (HSE) goals, and changes to service line and operations.
- iii. Based on the above review, improvement areas are identified followed by strengthening of internal controls for health and safety risk management.

Incident investigation and risk analysis:

- i. All reported incidents are investigated from the policy compliance and risk assessment point of view.
- ii. Deep root cause analysis of incidents and ensuring corrective and preventive actions.
- iii. Proactive reporting of unsafe acts and conditions when observed by employees and associates.

c. **Whether you have processes for workers to report the work-related hazards and to remove themselves from such risks. (Y/N):**

Yes, the company has implemented procedures that allow its workers to report work-related hazards and be cautious of potential risks. Workers can utilise the following channels to report any work-related hazards:

- i. Toll-free number on ID card to report risks/hazards.
- ii. Central generic Email ID to report risks/hazards.
- iii. Local Email ID to report risks/hazards.
- iv. Incident reporting app: AirtelShield (to report safety incidents and violation of Safety Policy).

d. **Do the employees/workers of the entity have access to non-occupational medical and healthcare services? (Yes/No)** Yes, the company provides access to non-occupational medical and healthcare services to its employees and workers.

11. Details of safety-related incidents:

Safety Incident/Number	Category	FY 2024-25	FY 2023-24*
Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked)	Employees	0	-
	Workers	0.73	-
Total recordable work-related injuries	Employees	0	-
	Workers	4	-
No. of fatalities (safety incident)	Employees	0	-
	Workers	1	-
High consequence work-related injury or ill-health (excluding fatalities)	Employees	0	-
	Workers	0	-

* The company did not report safety incidents in FY 2023-24.

12. Describe the measures taken by the entity to ensure a safe and healthy workplace:

At Hexacom, ensuring a safe and healthy workplace is top priority. The Company has adopted a comprehensive and proactive approach to occupational health and safety through the Airtel Suraksha Programme. The key initiatives and measures undertaken or proposed include:

Strategic Measures and Initiatives

- i. **Launch of AirtelShield App:** A new safety incident reporting app, AirtelShield, was launched in December 2024 to streamline reporting and resolution of safety incidents.
- ii. **Airtel Suraksha Safety Awards:** Instituted on a monthly and quarterly basis to recognise and encourage best safety practices across teams.
- iii. **Strict Disciplinary Action:** Disciplinary actions including issuance of warning letters and termination action against violators with regard to safety violations during the year.
- iv. **Targeted Awareness Campaigns:** A focused safety governance drive was launched for the D2C and MR cohorts in the last quarter to increase awareness and compliance.
- v. **Engaging Safety Events:** Regular safety awareness activities and competitions are conducted for employees, associates, and their families.
- vi. **Safety Communication:** Positive safety stories under the banners #AirtelInspire and #SafetyHeroes are featured in the monthly Airtel Suraksha Newsletter.
- vii. **Internal Communication Integration:** A dedicated Airtel Suraksha section has been created in the Connected Airtel monthly newsletter to reinforce the importance of workplace safety.
- viii. **Mandatory Training:** Workplace Safety Policy training is now a compulsory part of the annual Code of Conduct (COC) training module.
- ix. **Strengthening Safety Teams:** Safety resources have been onboarded at all circles, and a robust Team #AirtelSuraksha is being built to drive safety culture on the ground.
- x. **Monthly Themed Activities:** Monthly safety-themed events and campaigns are organised to maintain engagement and awareness, along with the continued publication of the Airtel Suraksha Newsletter.

- Institutionalised Safety Framework**
- i. **Comprehensive Health & Safety Policy:** A detailed policy and operational manual guide safe practices, including health promotion and disease prevention.
 - ii. **Safety Committees:** Safety Committees formed at Centre and Circles to drive safety policies, to enhance safety awareness, incident management and effective governance.
 - iii. **Risk Assessments & Training:** Regular risk assessments and safety training sessions are conducted to identify and mitigate workplace hazards.
 - iv. **Fire Safety & Security Protocols:** Fire evacuation drills are conducted quarterly, supported by standardised security systems across all business units.
 - v. **Incident Management:** All safety incidents are promptly reported, investigated, and addressed to prevent recurrence.
 - vi. **Induction & Refresher Training:** Safety induction and regular refresher programs are mandatory for employees, partners and associates.
 - vii. **Employee Perception Surveys:** These are conducted periodically to evaluate employee satisfaction with safety practices and identify areas for improvement.
 - viii. **Health & Wellness Initiatives:** On-site medical facilities, free diagnostics, gym access, and road safety awareness programs are part of Company's ongoing efforts to promote overall employee well-being.

13. Number of Complaints on the following made by employees and workers:

	FY 2024-25			FY 2023-24		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Working Conditions	Nil	Nil	-	Nil	Nil	-
Health & Safety	Nil	Nil	-	Nil	Nil	-

14. Assessments for the year:

% of your plants and offices that were assessed (by entity or statutory authorities or third parties)	
Health and safety practices	100
Working Conditions	100

15. Provide details of any corrective action taken or underway to address safety-related incidents (if any) and on significant risks / concerns arising from assessments of health & safety practices and working conditions: The company has implemented the following measures to address safety-related risks and hazards:
- New safety incident reporting app "AirtelShield" has been rolled out in December '24.
 - Airtel Suraksha Safety Awards being rolled out on monthly & quarterly basis.
 - Focussed approach on D2C and MR cohort in last quarter to increase safety awareness and governance.
 - Safety awareness activities & competitions for employees, associates and families being regularly held at circles.
 - Positive Safety stories #Airtel Inspire #Safety Heroes are being published in Airtel Suraksha Monthly Newsletter.
 - Dedicated Airtel-Suraksha corner in monthly Connected Airtel newsletter.
 - Training on Workplace Safety Policy made mandatory as part of annual Code of Conduct training module.
 - Safety resources hired at all circles, building of potent Team #AirtelSuraksha in progress.
 - Safety theme-based activities and events being organised each month including the Airtel Suraksha Monthly Newsletter being published.

LEADERSHIP INDICATORS

1. Does the entity extend any life insurance or any compensatory package in the event of death of:
- | | (Yes/No) |
|-----------|----------|
| Employees | Yes |
| Workers | Yes |
2. Provide the measures undertaken by the entity to ensure that statutory dues have been deducted and deposited by the value chain partners: Bharti Hexacom has defined guidelines for value chain partners as part of its Code of Conduct for Business Associates to pay remuneration to their employees in compliance with the applicable laws and regulations which includes minimum wages, deduction from wages, overtime hours and associated applicable benefits. In addition, the company has below measures in place to ascertain compliance.
- Established a framework to ensure regulatory compliance by suppliers falling under the Contract Labour Regulation and Abolition Act (CLRA) including, PF, ESIC, Professional tax etc.
 - Conducts self-assessment surveys for suppliers with significant procurement value to confirm their compliance with statutory requirements, including PF, ESIC, Professional tax etc.
3. Does the entity provide transition assistance programs to facilitate continued employability and the management of career endings resulting from retirement or termination of employment? (Yes/No):
- To support employees approaching retirement, the Company launched 'Limitless Horizons' - a dedicated three-month transition assistance programme - offering both virtual and in-person sessions led by subject matter experts. The programme covers purpose discovery, psychological and physical well-being, emotional resilience, financial security, and post-retirement planning. It concludes with a personalised closing ceremony to honour retirees, as well as expert sessions on managing financial risk and building sustainable post-retirement plans - ensuring a respectful and well-supported transition into the new chapter of life.
4. Details on assessment of value chain partners:
- | % of value chain partners (by value of business done with such partners) that were assessed | |
|---|-------|
| Health and safety practices | 95.86 |
| Working Conditions | 95.86 |
5. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from assessments of health and safety practices and working conditions of value chain partners. The company has instituted a Supplier Safety Policy that outlines health and safety compliance expectations for its value chain partners. Compliance is monitored by company's Safety and User functions, supplemented by annual self-assessment inputs. Any non-conformances are addressed through a defined Consequence Management Matrix
- The value chain safety framework has been enhanced through:
- Incident reporting, monitoring and resolution via a centralised digital tool.
 - Regular health and safety audits and reviews, tracked through structured closure mechanisms.
 - Increased frequency of training and capacity-building sessions for Suppliers coupled with consequence management for non-compliance & safety governance reviews.

PRINCIPLE 4: Businesses should respect the interests of and be responsive to all its stakeholders

ESSENTIAL INDICATORS

1. **Describe the processes for identifying key stakeholder groups of the entity:** At group-level, stakeholder engagement and materiality assessment is conducted, guided by the leading AA1000 stakeholder engagement standards and ISO 26000:2010 to identify and prioritise key internal and external stakeholders. These stakeholders are directly or indirectly impacted by the business activities, products or services and associated performance, or on whom the Company is dependent in order to operate, or to whom the Company has, or in the future may have, legal, commercial, operational, on whom the Company is dependent in order to operate, or to whom the Company has, or in the future may have, legal, commercial, operational, or ethical/ moral responsibilities or who can influence or have impact on the Company’s strategic or operational decision-making based.
2. **List stakeholder groups identified as key for your entity and the frequency of engagement with each stakeholder group.**

Stakeholder Group	Whether identified as Vulnerable & Marginalised Group (Yes/No)	Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website), Others	Frequency of engagement (Annually/Half Yearly/ Quarterly / Others – please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Customers	No	i. Retail stores and contact centers across operational cities ii. Email, SMS communication and Company website iii. Social media engagement iv. Thanks App	On-going	i. Seeking consumer feedback on our services ii. Delivering customer service and resolving customer queries
Investors/ Shareholders	No	i. Annual General Meeting ii. Electronic correspondence iii. Press briefings iv. Analyst meets v. Earning calls vi. Periodic emailers vii. Shareholders' satisfaction survey	Quarterly/ Annually/On going	i. Answer to queries of investors on operations of the Company ii. Bring transparency with the community of existing and potential investors
Employees	No	i. Company intranet portal ii. Regular employee communication forums iii. Email iv. Annual employee surveys v. Amber (Employee engagement Tool)	On-going	i. Learning and development ii. Employee recognition and engagement activities iii. Employee performance review and career development iv. Employee safety and well-being
Suppliers and Network partners	No	i. Partner Portal ii. Company Website iii. Annual Confluence iv. Meetings v. Sustainability session	On-going	i. New Product /Technology development ii. Material requirement planning iii. Regulatory compliances including NSDTS iv. Assessing supplier performance v. Commercial and Contract discussion vi. Supplier recognition and engagement activities vii. Engagement on Sustainability Parameters
Channel partners	No	i. E-mail, SMS communication and Company website ii. Channel partner portal	On-going	i. Resolving channel partner queries and operational challenges ii. Commission and reward scheme iii. Sustained marketing support

Stakeholder Group	Whether identified as Vulnerable & Marginalised Group (Yes/No)	Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website), Others	Frequency of engagement (Annually/Half Yearly/ Quarterly / Others – please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Regulatory bodies	No	i. Electronic and physical correspondence ii. Face to face meetings	Need basis and on-going	i. Deliberations and inputs on acts, rules, regulations, policies that have bearing on our operations and businesses ii. TRAI consultations iii. DoT directives, orders, circulars, etc. iv. MIB consultations v. TEC consultations vi. Consultations by other ministries like MeitY, Ministry of Corporate Affairs, etc. That have bearing on our operations and businesses
Communities*	Yes	i. Advertisements ii. Emails iii. Meetings iv. Website	On-going	i. Supporting underserved students from states across India with scholarship for pursuing higher education from top 50 NIRF institutes. Guiding them through process of scholarships through out

* Communities include students, educational institutes, NGO (Bharti Airtel Foundation) and other agencies supporting the initiative.

LEADERSHIP INDICATORS

1. **Provide the processes for consultation between stakeholders and the Board on economic, environmental, and social topics or if consultation is delegated, how is feedback from such consultations provided to the Board:** Bharti Hexacom’ s Board holds the highest responsibility for all Environmental, Social, and Governance (ESG) matters, prioritising ESG and related initiatives. At group-level, materiality assessment is conducted every two to three years and the below mentioned key steps are followed:
- i. During materiality exercise the key internal and external stakeholders are engaged to gather their concerns and views, which are incorporated into the materiality assessment process to prioritise ESG topics.
- ii. Insights obtained from the stakeholder engagement are analysed to develop the materiality matrix, which helps finalise the list of ESG topics.
- iii. The identified ESG topics are considered while defining the ESG targets and initiatives of the group.
2. **Whether stakeholder consultation is used to support the identification and management of environmental, and social topics (Yes/No). If so, provide details of instances as to how the inputs received from stakeholders on these topics were incorporated into policies and activities of the entity:**
- Yes, at a group-level, stakeholder engagement is conducted as a component of materiality assessment exercise, aiming to identify and prioritise environmental and social concerns. Based on the stakeholder feedback received, material issues are identified and prioritised basis impact on stakeholders and business. These material topics are linked with adopted ambitious targets and integrated in the strategy.



PRINCIPLE 5: Businesses should respect and promote human rights

ESSENTIAL INDICATORS

1. Employees and workers who have been provided training on human rights issues and policy(ies) of the entity, in the following format:

Category	FY 2024-25			FY 2023-24		
	Total (A)	No. of employees / workers covered (B)	% (B/A)*	Total (C)	No. of employees / workers covered (D)	% (D/C)*
Employees						
Permanent	569	569	100	424	424	100
Total Employees	569	569	100	424	424	100
Workers						
Other than permanent	2,068	2,068	100	1,110	1,110	100
Total Workers	2,068	2,068	100	1,110	1,110	100

* Percentage indicates details of trainings extended.

2. Details of minimum wages paid to employees and workers, in the following format:

Category	FY 2024-25					FY 2023-24				
	Total (A)	Equal to Minimum Wage		More than Minimum Wage		Total (D)	Equal to Minimum Wage		More than Minimum Wage	
		No. (B)	% (B/A)	No. (C)	% (C/A)		No. (E)	% (E/D)	No. (F)	% (F/D)
Employees										
Permanent	569	0	0	569	100	424	0	0	424	100
Male	501	0	0	501	100	370	0	0	370	100
Female	68	0	0	68	100	54	0	0	54	100
Workers										
Other than Permanent	2,068	652	32	1,416	68	1,110	320	29	790	71
Male	2,036	633	31	1,403	69	1,097	316	29	781	71
Female	32	19	59	13	41	13	4	31	9	69

3. Details of remuneration/salary/wages

a. Median remuneration/wages:

	Male		Female	
	Number	Median remuneration/ salary/wages of respective category in ₹	Number	Median remuneration/ salary/wages of respective category in ₹
Board of Directors (BoD)				
Key Managerial Personnel (other than BoD)		Refer to Annexure F of Board's Report		
Employees other than BoD and KMP	501	694,567	68	641,857
Workers	2,036	19,799	32	15,503

b. Gross wages paid to females as % of total wages paid by the entity, in the following format:

	FY 2024-25	FY 2023-24
Gross wages paid to females as % of total wages	11.01	11.64

*Permanent employees have been considered.

4. Do you have a focal point (Individual / Committee) responsible for addressing human rights impact or issues caused or contributed to by the business? Yes.

5. Describe the internal mechanisms in place to redress grievances related to human rights issues:
The Company has an 'Employee Resolution Query Management System', administered by human resource function, that addresses issues related to human rights such as discrimination at workplace, child labour, forced labour/involuntary labour and other human rights related issues. In addition to the above, the Company has a 'Code of Conduct' covering 'Whistle Blower Policy' that allows employees including contractual workers, to report concerns with reference to 'Code of Conduct' relating to human rights violations, without any fear of retaliation. The ombudsperson administers the whistle blower/vigil mechanism which allows employees to report any threatened or actual breach of the 'Code of Conduct'.

6. Number of Complaints on the following made by employees and workers:

	FY 2024-25			FY 2023-24		
	Filed during the year	Pending resolution at the end of the year	Remarks	Filed during the year	Pending resolution at the end of the year	Remarks
Sexual Harassment	2	0	-	1	0	-
Discrimination at workplace	0	0	-	0	0	-
Child labour	0	0	-	0	0	-
Forced labour /Involuntary labour	0	0	-	0	0	-
Wages	0	0	-	0	0	-
Other human rights related issues	0	0	-	0	0	-

7. Complaints filed under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, in the following format:

	FY 2024-25	FY 2023-24
Total Complaints reported under Sexual Harassment on of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (POSH)	2	1
Complaints on POSH as a % of female employees / workers	2.40	1.49
Complaints on POSH upheld	2	1

8. Mechanisms to prevent adverse consequences to the complainant in discrimination and harassment cases:

Bharti Hexacom guarantees protection to complainants against any form of retaliation, punishment, intimidation, coercion, dismissal, or victimisation as per the group-level Ombudsperson Policy and Prevention of Sexual Harassment (POSH) Policy. This protection extends to those who report genuine concerns in good faith, regardless of whether their claims are proven. Anyone who attempts to victimise any person who complains, co-operates, or provides information/ data relating to an investigation or complaint, is liable to face punitive action.

All matters and proceedings relating to the complaint including the identity of the complainant and respondent remain strictly confidential and is not disclosed except to a competent court or a governmental agency, that has the right under the law and regulation to obtain such information. Any person who breaches the confidentiality requirement is penalised.

9. Do human rights requirements form part of your business agreements and contracts: Yes, human rights requirements form part of the key business agreements and contracts.

10. Assessments for the year:

% of your plants and offices that were assessed (by entity or statutory authorities or third parties)	
Child labour	100
Forced/involuntary labour	100
Sexual harassment	100
Discrimination at workplace	100
Wages	100

11. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 10 above: During the previous year, a Human Rights Risk Assessment was conducted at a group level, which helped identify key areas for improvement. The Company is currently working towards addressing and closing these gaps.

LEADERSHIP INDICATORS

- 1. Details of a business process being modified / introduced as a result of addressing human rights grievances / complaints:** The company has an “Employee Resolution Portal” to keep track of all complaints or grievances.
- 2. Details of the scope and coverage of any Human rights due-diligence conducted.**

During the previous year, a Human Rights due diligence and compliance monitoring exercise, covering 100% of its sites across all business verticals was conducted at group level covering Bharti Hexacom. The process followed a comprehensive, multi-step approach:

i. Review of Human Rights Policy.

ii. Integration of processes aligned with the Policy.

iii. Periodic assessments.

iv. Identification and evaluation of actual and potential human rights risks.

v. Implementation of risk mitigation measures and remediation of actual impacts.

vi. Integration of findings and actions into internal systems.

vii. Continuous tracking of progress and updates to policies and processes, as required.

viii. Communication of actions taken to address impacts.

ix. Periodic risk reviews by senior leadership.
- 3. Is the premise /office of the entity accessible to differently abled visitors, as per the requirements of the Rights of Persons with Disabilities Act, 2016:** The Company has assistive devices and accessibility support which are made available to differently abled visitors.
4. Details on assessment of value chain partners:
- | % of value chain partners (by value of business done with such partners) that were assessed | |
|---|-------|
| Sexual Harassment | 95.86 |
| Discrimination at workplace | 95.86 |
| Child Labour | 95.86 |
| Forced Labour/Involuntary Labour | 95.86 |
| Wages | 95.86 |
- 5. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 4 above:** No significant risks were identified related to human rights breaches, including child labour or forced/involuntary labour, slavery based on supplier self-assessments. The Company ensures that suppliers are aware of Bharti’s Human Rights Policy as part of onboarding, annual acknowledgements, assessments and engagement initiatives. Further, suppliers have an option to report any human rights concerns through the Ombudsman process.
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- PRINCIPLE 6: Businesses should respect and make efforts to protect and restore the environment
- ESSENTIAL INDICATORS
1. Details of total energy consumption (in Joules or multiples) and energy intensity, in the following format:
- | Parameter | Units | FY 2024-25 | FY 2023-24 |
|---|-----------|------------|------------|
| From renewable sources | | | |
| Total electricity consumption (A) | GJ | 27,151 | 6,038 |
| Total fuel consumption (B) | GJ | - | - |
| Energy consumption through other sources (C) | GJ | - | - |
| Total energy consumed from renewable sources (A+B+C) | GJ | 27,151 | 6,038 |
| From non-renewable sources | | | |
| Total electricity consumption (D) | GJ | 638,872 | 671,807 |
| Total fuel consumption (E) | GJ | 290,229 | 289,882 |
| Energy consumption through other sources (F) | GJ | - | - |
| Total energy consumed from non- renewable sources (D+E+F) | GJ | 929,101 | 961,689 |
| Total energy consumed (A+B+C+D+E+F) | GJ | 956,252 | 967,727 |
| Energy intensity per rupee of turnover
(Total energy consumed / Revenue from operations) | GJ/₹Mn | 11.19 | 13.65 |
| Energy intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP)
(Total energy consumed /Revenue from operations adjusted for PPP)* | GJ/Mn USD | 231.15 | 278.93 |
| Energy intensity in terms of physical output* | GJ/TB | 0.11 | 0.15 |
- *The figures have been restated due to change in methodology.
- Note:** Indicate if any independent assessment/evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency: Reasonable assurance by DNV Business Assurance India Private Limited.
2. Does the entity have any sites / facilities identified as designated consumers (DCs) under the Performance, Achieve and Trade (PAT) Scheme of the Government of India? (Y/N) If yes, disclose whether targets set under the PAT scheme have been achieved. In case targets have not been achieved, provide the remedial action taken, if any: Not applicable for telecommunication sector.
3. Provide details of the following disclosures related to water, in the following format:
- | Parameter | Units | FY 2024-25 | FY 2023-24 |
|--|-------------|------------|------------|
| Water withdrawal by source | | | |
| (i) Surface water | Mn L | - | - |
| (ii) Groundwater | Mn L | 0.67 | 0.85 |
| (iii) Third party water | Mn L | 3.80 | 2.49 |
| (iv) Seawater/ desalinated water | Mn L | - | - |
| (v) Others | Mn L | - | - |
| Total volume of water withdrawal* (i + ii + iii + iv + v) | Mn L | 4.47 | 3.34 |
| Total volume of water consumption | Mn L | 0.61 | 0.56 |
| Water intensity per rupee of turnover
(Water consumed / Revenue from operations) | Mn L/₹Mn | 0.00001 | 0.00001 |
| Water intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP)
(Total water consumption/ Revenue from operations adjusted for PPP)* | Mn L/Mn USD | 0.0001 | 0.0002 |
| Water intensity in terms of physical output | Mn L/TB | 0.0000001 | 0.0000001 |
- *The figures have been restated due to change in methodology.
- # Water withdrawal from un-metered facilities, calculated by taking 45 litre/per employee/per working day. Water from the un-metered facilities is discharged to the building's connected water system.
- Note:** Indicate if any independent assessment/evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency: Reasonable assurance by DNV Business Assurance India Private Limited.
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4. Provide the following details related to water discharged

Parameter	Units	FY 2024-25	FY 2023-24
Water discharge by destination and level of treatment			
(i) To Surface water	Mn L	-	-
- No treatment	Mn L	-	-
- With treatment – please specify level of treatment	Mn L	-	-
(ii) To Groundwater	Mn L	0.67	0.02
- No treatment	Mn L	-	-
- With treatment- Primary treatment	Mn L	0.67	0.02
(iii) To Seawater	Mn L	-	-
- No treatment	Mn L	-	-
- With treatment – please specify level of treatment	Mn L	-	-
(iv) Sent to third parties	Mn L	3.19	2.76
- No treatment	Mn L	Water from the locations is discharged to the building connected water system. From there the water is routed to effluent treatment plant(s), as set up by the landlord or the local authorities outside the operational boundary of the Company.	
- With treatment – please specify level of treatment	Mn L		
(v) Others	Mn L	-	-
- No treatment	Mn L	-	-
- With treatment – please specify level of treatment	Mn L	-	-
Total water discharged	Mn L	3.85	2.78

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency. Reasonable assurance by DNV Business Assurance India Private Limited.

5. Has the entity implemented a mechanism for Zero Liquid Discharge (ZLD)? If yes, provide details of its coverage and implementation: Bharti Hexacom has implemented various water efficiency measures including wastewater recycling and reuse at its sites and planning to achieve Zero Liquid Discharge (ZLD) in future.

6. Please provide details of air emissions (other than GHG emissions) by the entity, in the following format:

Parameter	Units	FY 2024-25	FY 2023-24*
NOx	Metric Tonnes	93	122
SOx	Metric Tonnes	-	-
Particulate matter (PM)	Metric Tonnes	5	5
Persistent organic pollutants (POP)	Metric Tonnes	Not applicable	Not applicable
Volatile organic compounds (VOC)	Metric Tonnes	Not applicable	Not applicable
Hazardous air pollutants (HAP)	Metric Tonnes	Not applicable	Not applicable
Carbon Monoxide (CO)	Metric Tonnes	69	92

*The air emissions for FY 2023-24 have been restated to align with the updated DG Emissions standards by CPCB.

Note: Indicate if any independent assessment/evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency: Limited assurance by DNV Business Assurance India Private Limited.

7. Provide details of greenhouse gas emissions (Scope 1 and Scope 2 emissions) & its intensity in the following format:

Parameter	Unit	FY 2024-25	FY 2023-24
Total Scope 1 emissions - (Break-up of the GHG into CO ₂ , CH ₄ , N ₂ O, HFCs, PFCs, SF ₆ , NF ₃ , if available)	tCO ₂ e	21,448	21,389
Total Scope 2 emissions - (Break-up of the GHG into CO ₂ , CH ₄ , N ₂ O, HFCs, PFCs, SF ₆ , NF ₃ , if available)	tCO ₂ e	129,017	133,615
Total Scope 1 and Scope 2 emission intensity per rupee of turnover (Total Scope 1 and Scope 2 GHG emissions / Revenue from operations)	tCO ₂ e/ ₹ Mn	1.76	2.19
Total Scope 1 and Scope 2 emission intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total Scope 1 and Scope 2 GHG emissions / Revenue from operations adjusted for PPP)*	tCO ₂ e/ Mn USD	36.37	44.68
Total Scope 1 and Scope 2 emission intensity in terms of physical output*	tCO ₂ e/TB	0.017	0.023

*The figures have been restated due to change in methodology.

Note: Indicate if any independent assessment/evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency. Reasonable assurance by DNV Business Assurance India Private Limited.

8. Does the entity have any project related to reducing Green House Gas emission? If yes, then provide details:

Sr. No.	Initiative undertaken	Details of the initiative (Web-link, if any, may be provided along with summary)	Outcome of the initiative
1.	Solarisation of towers	Onsite installation of solar technology to produce renewable energy at network sites.	Resulting in renewable energy generation of 7,541,895 kWh.
2.	Hybrid battery bank solutions	Installation of advanced VRLA (Valve-Regulated Lead-Acid) batteries and lithium-ion batteries.	Resulting in saving of 13,167 L of diesel.
3.	Green sites	Transformation of the Company sites into eco-friendly ones. 48% of its network sites, have been tagged as green sites.	Resulting in a decrease of 100 L diesel per quarter.
4.	Network site sharing	Site sharing with partners to optimise the Company's resource consumption.	Reduction of carbon emissions and waste significantly through higher utilisation of passive infrastructure.
5.	Power saving feature	Optimisation of RRU through AI/ML.	Power saving as per traffic utilisation to effectively reduce GHG emissions.
6.	Value chain initiatives	i. Airtel has undertaken science-based target to reduce our absolute scope 3 GHG emissions by 42% by 2031. ii. Introduced guidelines for Company's suppliers to implement measures for energy efficiency and carbon emission reduction, as part of Company's Code of Conduct for Business Associates. iii. Airtel is engaging with suppliers including equipment manufacturers to drive initiatives for enhancing energy efficiency of supplied equipment through innovative solutions.	Power saving as per traffic utilisation to effectively reduce GHG emissions.

9. Provide details related to waste management by the entity, in the following format:

Parameter	Units	FY 2024-25	FY 2023-24
Total waste generated			
Plastic waste (A)	Metric Tonnes	1	-
E-waste# (B)	Metric Tonnes	241	128
Battery Waste# (C)	Metric Tonnes	760	422
Construction and Demolition (D)	Metric Tonnes	-	-
Biomedical Waste (E)	Metric Tonnes	-	-
Radioactive waste (F)	Metric Tonnes	-	-
Other Hazardous waste. Please specify, if any. (G) (Cables and Lube Oil)	Metric Tonnes	24	34
Other Non-hazardous waste generated (H). Please specify, if any. (Paper waste, organic waste and other miscellaneous waste)	Metric Tonnes	254	963
Total (A + B + C + D + E + F + G + H)	Metric Tonnes	1,280**	1,547**

Parameter	Units	FY 2024-25	FY 2023-24
Waste intensity per rupee of turnover (Total waste generated / Revenue from operations)	Metric Tonnes/ ₹ Mn	0.015	0.022
Waste intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total waste generated / Revenue from operations adjusted for PPP)*	Metric Tonnes/ Mn USD	0.31	0.45
Waste intensity in terms of physical output*	Metric Tonnes/ TB	0.00015	0.00023
For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations			
Category of waste			
(i) Recycled	Metric Tonnes	1,280***	1,547***
(ii) Re-used	Metric Tonnes	-	-
(iii) Other recovery operations	Metric Tonnes	-	-
Total	Metric Tonnes	1,280***	1,547***
For each category of waste generated, total waste disposed by nature of disposal method			
Category of waste			
(i) Incineration	Metric Tonnes	-	-
(ii) Landfilling	Metric Tonnes	-	-
(iii) Other disposal operations (landlord or municipal waste collection)	Metric Tonnes	-	-
Total	Metric Tonnes	-	-

Proactive disposal of scrap and obsolete inventory was done during the warehouse transition to streamline operations.
*The figures have been restated due to change in methodology.
** Calculations are based on approximate weight of sample lot items.
*** Actual weight of waste sent to authorised recycler(s).

Note: Indicate if any independent assessment/evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency: Reasonable assurance by DNV Business Assurance India Private Limited.

10. Briefly describe the waste management practices adopted in your establishments. Describe the strategy adopted by your company to reduce usage of hazardous and toxic chemicals in your products and processes and the practices adopted to manage such wastes: Bharti Hexacom has implemented the 3R strategy- Reduce, Reuse, and Recycle to promote a circular economy and ensure efficient resource utilisation. The Company has established a framework to evaluate the potential of its products for repair and refurbishment for reuse, and ensures that all hazardous waste, including e-waste and other waste, is disposed off through government-authorised and company-qualified recyclers. Further Hexacom has established supplier guidelines that mandate compliance with applicable local, national, and international environmental regulations, as well as the promotion of waste reduction practices.

11. If the entity has operations / offices in / around ecologically sensitive areas (such as national parks, wildlife sanctuaries, biosphere reserves, wetlands, biodiversity hotspots, forests, coastal regulation zones etc.) where environmental approvals / clearances are required, please specify details: Bharti Hexacom Limited does not have any offices in protected areas.*

* Bharti Hexacom offices are not located within ecologically sensitive areas. This is based on assessment of the Company's facilities against the protected sites as identified by Protected Planet.

12. Details of environmental impact assessments of projects undertaken by the entity based on applicable laws, in the current financial year: Not applicable*.

*Environmental Impact Assessment (EIA) is not applicable for the Company for the current financial year as per applicability defined in EIA Notification, 2020.

13. Is the entity compliant with the applicable environmental law/regulations/guidelines in India; such as the Water (Prevention and Control of Pollution) Act, Air (Prevention and Control of Pollution) Act, and Environment Protection Act and rules thereunder (Y/N). If not, provide details of all such non-compliances: Yes, the Company is compliant with all applicable environmental law/regulations/guidelines in India.

LEADERSHIP INDICATORS

1. With respect to the ecologically sensitive areas reported at Question 11 of Essential Indicators above, provide details of significant direct & indirect impact of the entity on biodiversity in such areas along-with prevention and remediation activities:

Not applicable.
2. If the entity has undertaken any specific initiatives or used innovative technology or solutions to improve resource efficiency or reduce impact due to emissions/effluent discharge/waste generated, please provide details of the same as well as outcome of such initiatives:

Please refer essential indicator 8 of Principle 6 of this BRSR.
3. Does the entity have a business continuity and disaster management plan? Give details in 100 words/web-link:

Yes, the Company is group-level ISO 22301: 2019 certified/compliant for circle offices of Bharti Hexacom, MSCs, network warehouses and operational sites according to DoT requirement.

The Company has documented business continuity plans to effectively enable all its employees to operate from secondary locations, including remote working, providing necessary infrastructure and technology. Guidelines have been shared with relevant stakeholders for disaster preparedness which includes risk identification, resource allocation, emergency response/reporting and disaster recovery.

The Company also conducts tabletop exercises, application DR testing and process recovery testing periodically to assess the preparedness in case of a disaster. Further, the Company has Network Operations Centre to monitor real-time network activity and conservative insurance cover policy for asset protection from risks e.g., fire, floods.
4. Disclose any significant adverse impact to the environment, arising from the value chain of the entity. What mitigation or adaptation measures have been taken by the entity in this regard:

There are no significant adverse environmental impacts concerning material regulatory penalties, uncontrolled large quantities of gas emissions, or hazardous waste discharge into water bodies arising from the Company's value chain partners, as per the self-assessment conducted. A significant portion of our upstream value chain emissions originates from telecom infrastructure providers. To address this, we have undertaken multiple initiatives in collaboration with them to increase the use of renewable energy and reduce fuel consumption. Additionally, a significant portion of the Company's suppliers by procurement value have indicated the adoption of carbon reduction targets as part of our annual ESG assessment process.
5. Percentage of value chain partners (by value of business done with such partners) that were assessed for environmental impacts:

95.86.



PRINCIPLE 7: Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent

ESSENTIAL INDICATORS

1. a. **Number of affiliations with trade and industry chambers/associations:** Bharti Hexacom has affiliation with one trade and industry chambers/association.
- b. **List the top 10 trade and industry chambers/associations (determined based on the total members of such a body) the entity is a member of/affiliated to:**
- | Sr. No. | Name of the trade and industry chambers/associations | Reach of trade and industry chambers/associations (State/National) |
|---------|--|--|
| 1. | GSM Association (GSMA) | International |
2. **Provide details of corrective action taken or underway on any issues related to anti-competitive conduct by the entity, based on adverse orders from regulatory authorities:** No adverse orders were received from regulatory authorities.

LEADERSHIP INDICATORS

1. Details of public policy positions advocated by the entity:

Sr. No.	Public policy advocated	Method resorted for such advocacy	Whether information available in public domain? (Yes/No)	Frequency of Review by Board (Annually/ Half yearly/ Quarterly/ Others – please specify)	Web link, if available
1.	Network, Spectrum and Licensing- Efficient allocation assignment methods to agencies like Indian Railways; Backhaul spectrum, Spectrum for Space Based Communications, New and Emerging spectrum bands, OTT Communications	TRAI CP on Framework for Service Authorisations to be Granted Under the Telecommunications Act, 2023	Yes	As and when required	Click here
		TRAI CP on Revision of National Numbering Plan	Yes	As and when required	Click here
		TRAI CP on Issues Related to Critical Services in the M2M Sector, and Transfer of Ownership of M2M SIMs	Yes	As and when required	Click here
		TRAI CP on the terms and Conditions for the Assignment of Spectrum for Certain Satellite-Based Commercial Communication Services	Yes	As and when required	Click here
		TRAI CP on The Terms and Conditions of Network Authorisations to be Granted Under the Telecommunications Act, 2023	Yes	As and when required	Click here
		TRAI CP on Auction of Frequency Spectrum in 37-37.5 GHz, 37.5-40 GHz, and 42.5-43.5 GHz bands Identified for IMT	Yes	As and when required	Click here
		Consultation on Draft Telecommunications (Assignment of Spectrum through Auction) Rules, 2025, under Telecommunications Act	No	As and when required	
2	Economic Regulations, Ease of doing business- Simplification of procedures related to Quality of Service, onboarding processes, approvals related to telecom and broadcasting	Consultation on Draft Telecommunications Right of Way Rules, 2024, under Telecommunications Act	No	As and when required	
		Consultation on Draft Telecommunications (Adjudication and Appeal) Rules, 2024, under Telecommunications Act	No	As and when required	
		Consultation on Draft Telecommunications (Procedures and Safeguards for Lawful Interception of Messages) Rules, 2024, under Telecommunications Act	No	As and when required	
		Consultation on Draft Temporary Suspension of Telecommunication Services Rules, 2024, under Telecommunications Act	No	As and when required	
		Consultation on Draft Telecommunications (Radio Equipment Possession Authorisation) Rules, 2025, under Telecommunications Act	No	As and when required	
		Consultation on Draft Telecommunications (Standards, Conformity Assessment and Certification) Rules, 2025, under Telecommunications Act	No	As and when required	

Sr. No.	Public policy advocated	Method resorted for such advocacy	Whether information available in public domain? (Yes/No)	Frequency of Review by Board (Annually/ Half yearly/ Quarterly/ Others – please specify)	Web link, if available
		Consultation on Draft Telecommunications (Critical Telecommunication Infrastructure) Rules, 2024, under Telecommunications Act	No	As and when required	
		Consultation on Draft Telecommunications (Telecom Cyber Security) Rules, 2024, under Telecommunications Act	No	As and when required	
		Consultation on Draft Telecommunications (Digital Bharat Nidhi) Rules, 2024, under Telecommunications Act	No	As and when required	
		TRAI CP on Review of Telecom Consumers Protection Regulations (TCPR), 2012	Yes	As and when required	Click here
		TRAI CP on Review of the Telecom Commercial Communications Customer Preference Regulations, 2018	Yes	As and when required	Click here
		Draft The Telecommunication Tariff (71 st Amendment) order, 2025	Yes	As and when required	Click here
		Draft The Telecommunication Tariff (Seventieth Amendment) Order, 2024	Yes	As and when required	Click here
3	Broadcasting- technological convergence, DTH Consumer impact, need to review regulatory and policy framework of tariff orders	TRAI CP on Inputs for formulation of National Broadcasting Policy-2024	Yes	As and when required	Click here
		Our positions and inputs were shared with other chambers/ associations, some of whom independently incorporated some inputs in their submissions	No	As and when required	
		TRAI CP on Audit related provisions of Interconnection Regulations, 2017 and Digital Addressable Systems Audit Manual	Yes	As and when required	Click here
		TRAI CP on Regulatory framework for Ground-based Broadcasters	Yes	As and when required	Click here
		TRAI CP on Framework for Service Authorisations for provision of Broadcasting Services under the Telecommunications Act, 2023	Yes	As and when required	Click here
4	Technology & Consumer Affairs- emerging technology (AI); digital inclusion - digital connectivity, digital affordability, digital accessibility; Direct to Mobile (D2M); sustainability; R&D	Consultation on Draft Telecommunications (Regulatory Sandbox) Rules, 2024, under Telecommunications Act	No	As and when required	
		Inputs given to industry bodies for TEC paper on “Vision, Action Plan and Strategy Paper on Circular Economy in Telecom Sector”	No	As and when required	
		Inputs were provided to relevant government ministries and departments highlighting challenges faced by TSPs in adoption of Green Open Access for Telecom Networks, and, Recommendations thereof	No	As and when required	
		Engagement and submissions to relevant stakeholders / Central and State Governments to resolve challenges faced by Telecom networks to access Renewable Energy through open access. Associations also independently took inputs and wrote to policymakers/regulators			
		Inputs on RoW shared through various chambers and associations, on multiple state RoW policies and also through direct submissions on specific issues being faced by company in some states	No	As and when required	
		MeitY’s consultation on Draft Digital Personal Data Protection Rules, 2025	No	As and when required	
		Participation in Digital India Dialogues, and Meetings with relevant ministries on Digital Personal Data Protection Act and Rules	No	As and when required	
		MeitY’s Report on AI Governance Guidelines Development	No	As and when required	
		The Telecommunication Engineering Centre (TEC)’s Draft Standard for ‘Assessing and Rating Robustness of Artificial Intelligence Systems in Telecom Networks and Digital Infrastructure	No	As and when required	



PRINCIPLE 8: Businesses should promote inclusive growth and equitable development

ESSENTIAL INDICATORS

1. Details of Social Impact Assessments (SIA) of projects undertaken by the entity based on applicable laws, in the current financial year: Not applicable*.

*During the financial year, the Company has not acquired any land that would require SIA as per Right to Fair Compensation and Transparency in Land Acquisition, Rehabilitation and Resettlement Act, 2013.

2. Provide information on project(s) for which ongoing Rehabilitation and Resettlement (R&R) is being undertaken by your entity: Not applicable*.

*During the financial year, the Company has not acquired any land that would require SIA as per Right to Fair Compensation and Transparency in Land Acquisition, Rehabilitation and Resettlement Act, 2013.

3. Describe the mechanisms to receive and redress grievances of the community: Bharti Hexacom has a group-level Community Grievance Redressal Policy which enables communities to express their concerns and grievances. This policy is transparent, just, fair, and timely, providing a mechanism for resolving grievances of community members. The community members can send any concerns or grievances at the dedicated e-mail: community.grievance@airtel.com. The Company strives to proactively communicate the grievance redressal procedure to its external stakeholders, during its community and stakeholder engagement activities, to raise awareness and promote accessibility for communities to voice their concerns.

4. Percentage of input material (inputs to total inputs by value) sourced from suppliers:

	FY 2024-25	FY 2023-24*
Directly sourced from MSMEs / small producer	4.61	3.14
Directly from within India	99.09	97.82

*This data pertains to procurement of goods only and does not include services.

5. Job creation in smaller towns – Disclose wages paid to persons employed (including employees or workers employed on a permanent or non-permanent / on contract basis) in the following locations, as % of total wage cost:

Location*	FY 2024-25**	FY 2023-24**
Rural	0	0
Semi-urban	0	0
Urban	11	1.39
Metropolitan	89	98.61

* Place to be categorised as per RBI Classification System - rural/semi-urban/urban/metropolitan.

** Permanent employees have been considered.

LEADERSHIP INDICATORS

1. Provide details of actions taken to mitigate any negative social impacts identified in the Social Impact Assessments (Reference: Question 1 of Essential Indicators above): Not applicable.

2. Provide the following information on CSR projects undertaken by your entity in designated aspirational districts as identified by government bodies:

Sr. No	State	Aspirational District	Amount spent (In INR)
1	Rajasthan	Baran	3,06,650
2	Bihar	Begusarai	3,99,517
3	Odisha	Dhenkanal	2,27,283
4	Uttar Pradesh	Fatehpur	1,96,307
5	Bihar	Gaya	4,85,030
6	Bihar	Jamui	3,23,435
7	Maharashtra	Nandurbar	1,34,132
8	Karnataka	Raichur	5,12,417
9	Bihar	Sitamarhi	2,07,083
10	Uttarakhand	Udham Singh Nagar	6,75,417
11	Andhra Pradesh	Visakhapatnam	21,63,570
12	Andhra Pradesh	Y.S.R. Kadapa	23,74,287
13	Rajasthan	Dholpur	4,10,917
14	Bihar	Purnia	2,30,703
15	Jharkhand	Ranchi	7,97,417
16	Uttar Pradesh	Sonbhadra	1,97,917
17	Madhya Pradesh	Vidisha	1,92,417
Total amount			98,34,504

3. (a) Do you have a preferential procurement policy where you give preference to purchase from suppliers comprising marginalised / vulnerable groups? (Yes/No) Hexacom does not have any Preferential Procurement Policy as the Company believes in providing equal opportunities to all its suppliers.

(b) From which marginalised / vulnerable groups do you procure? Not applicable.

(c) What percentage of total procurement (by value) does it constitute? Not applicable.

4. Details of the benefits derived and shared from the intellectual properties owned or acquired by your entity (in the current financial year), based on traditional knowledge: Not applicable.

5. Details of corrective actions taken or underway, based on any adverse order in intellectual property related disputes wherein usage of traditional knowledge is involved: Not applicable.

6. Details of beneficiaries of CSR Projects:

Sr. No.	CSR Project	No. of persons benefitted from CSR Projects	% of beneficiaries from vulnerable and marginalised groups
1	To create equitable opportunities for the youth from diverse socio-economic backgrounds, especially young women and to support them to become future technology leaders, Bharti Airtel Foundation launched a national level fully funded scholarship program, the 'Bharti Airtel Scholarship'. In Partnership with Bharti Hexacom Limited, Bharti Airtel Foundation supported 247 students from 21 states. Of the total strength 51 are girl students. Selected students are from top 50 NIRF ranked institutes. Bharti Airtel Scholarship covered 100% tuition fee, hostel and mess charges and a laptop to ease their educational journey.	247	64

PRINCIPLE 9: Businesses should engage with and provide value to their consumers in a responsible manner

ESSENTIAL INDICATORS

1. Describe the mechanisms in place to receive and respond to consumer complaints and feedback:

- Bharti Hexacom offers various channels for customers to raise complaints and provide feedback:
- i. Customers can contact the dedicated customer care service through tele-calling or Airtel Thanks App.
 - ii. Complaints can also be made through the toll-free complaint center number, email channel, or Airtel Thanks App.
 - iii. Relationship centers are available for customers to reach out with any queries or complaints.
 - iv. Customers can also visit Bharti Hexacom offices in person.
 - v. Each complaint/feedback is assigned a unique identification number and addressed within a pre-defined turnaround time.
 - vi. Customers are notified of the resolution of the complaint through SMS and/or tele-calling.

For more details, on the mechanism to receive and respond to customer complaints, please refer to the [Telecom Charter](#).

2. Turnover of products and / services as a percentage of turnover from all products / service that carry information about:

As a percentage to total turnover	
Environmental and social parameters relevant to the product	
Safe and responsible usage	Not applicable*
Recycling and / or safe disposal	

*Hexacom provides telecom services and does not manufacture any physical products. In mobile services, no equipment is provided to customers except SIM card. In fixed line services, Customer Premises Equipment (CPE) is supplied (not sold) to customers for rendering the services. The ownership and effective control over the SIM/CPE always remain with Hexacom. Customer is required to return the SIM/CPE immediately upon termination of the Relationship Period or at the end of life.

3. Number of consumer complaints in respect of the following:

	FY 2024-25			FY 2023-24		
	Received during the year	Pending resolution at end of year	Remarks	Received during the year	Pending resolution at end of year	Remarks
Data privacy	0	0	-	0	0	-
Advertising	0	0	-	0	0	-
Cyber-security	0	0	-	0	0	-
Restrictive Trade Practices*	0	0	-	0	0	-
Unfair Trade Practices*	0	0	-	0	0	-
Delivery of essential services	Customer complaints are resolved as per applicable legislations, including sector specific regulatory provisions under The Telecom Consumers Complaint Redressal Regulation, 2012 issued by TRAI and to the extent applicable, are also reported to the regulator as per the reporting requirement prescribed thereunder					

* No complaint was received under The Competition Act, 2002.

4. Details of instances of product recalls on account of safety issues: Not applicable*.

*Hexacom provides telecom services and does not manufacture any physical products. In mobile services, no equipment is provided to customers except SIM card. In fixed line services, Customer Premises Equipment (CPE) is supplied (not sold) to customers for rendering the services. The ownership and effective control over the SIM/CPE always remain with Hexacom. Customer is required to return the SIM/CPE immediately upon termination of the Relationship Period or at the end of life.

5. Does the entity have a framework / policy on cyber-security and risks related to data privacy? (Yes/No) If available, provide a web-link of the policy:

Yes, the company has adopted various measures to safeguard data security and maintain the privacy of personal information which include:

- i. The implementation of internal controls.

- ii. The development of group-level Bharti Airtel Information Security Policy ('BISP'), which outlines specific guidelines for information security and cybersecurity. The BISP is readily accessible on the Company's intranet portal.
- iii. Additionally, a group-level Information Security Risk Assessment and recovery strategy in place that aligns with the ISO 27001 and ISO 22301 standards.
- iv. To ensure the protection and confidentiality of customers' personal information, Airtel has also established the Bharti Airtel Data Privacy Policy ('BDPP'). The [Online Privacy Policy](#) serves to inform customers about the nature of information collected and their rights in relation to their data.

6. Provide details of any corrective actions taken or underway on issues relating to advertising, and delivery of essential services; cyber-security and data privacy of customers; re-occurrence of instances of product recalls; penalty / action taken by regulatory authorities on safety of products/ services: Bharti Hexacom follows the guidelines issued by the Advertising Standards Council of India (ASCI) and the guidelines for Prevention of Misleading Advertisements and Endorsements for Misleading Advertisements, 2022. Any specific complaints warranting any corrective measures are promptly addressed to resolve any possibility of miscommunication through advertisement.

7. Provide the following information relating to data breaches:

- (a) Number of instances of data breaches: Nil.
- (b) Percentage of data breaches involving personally identifiable information of Customers: Nil.
- (c) Impact, if any, of the data breaches: Not applicable.

LEADERSHIP INDICATORS

1. Channels/platforms where information on products and services of the entity can be accessed (provide web link, if available): Please refer to www.bhartihexacom.in.

2. Steps taken to inform and educate consumers about safe and responsible usage of products and/ or services:

Bharti Hexacom abides by TRAI's clause 17 of the Telecom Consumers Complaint Redressal Regulation, 2012 by releasing the Telecom Consumers Charter, which intends to enlighten customers about their entitlements, duties, quality benchmarks established by the Authority, and methods of addressing conflicts. Furthermore, the Company adopts preventive measures to educate and create awareness amongst users on ways to protect themselves against fraudulent activities such as KYC frauds, sharing of passwords, etc. as mandated from the regulatory/licensor from time to time.

3. Mechanisms in place to inform consumers of any risk of disruption/discontinuation of essential services.

Ensuring consistent network coverage for customers is a crucial aspect of the Company's service, which they strive to maintain even during catastrophic events. The Company take proactive measures to keep their customers informed about the launch of new sites and any mass outages in the Radio Access Network (RAN) through SMS.

4. Does the entity display product information on the product over and above what is mandated as per local laws? (Yes/No/Not Applicable) If yes, provide details in brief. Not applicable*.

*Hexacom provides telecom services and does not manufacture any physical products. In mobile services, no equipment is provided to customers except SIM card. In fixed line services, Customer Premises Equipment (CPE) is supplied (not sold) to customers for rendering the services. The ownership and effective control over the SIM/CPE always remain with Hexacom. Customer is required to return the SIM/CPE immediately upon termination of the Relationship Period or at the end of life.

Did your entity carry out any survey with regard to consumer satisfaction relating to the major products/ services of the entity, significant locations of operation of the entity or the entity as a whole:

Yes, the Company carries out customer satisfaction surveys for their services to gauge customer expectations and improve overall customer experience.



Independent Assurance Statement

to the Management of Bharti Hexacom Limited

Bharti Hexacom Limited (Corporate Identity Number L74899HR1995PLC132187, hereafter referred to as 'BHL' or 'the Company') has commissioned DNV Business Assurance India Private Limited ('DNV', 'us' or 'we') to undertake an independent of assurance of the Company's disclosures in Business Responsibility and Sustainability Report (hereafter referred as 'BRSR'). The disclosures include BRSR Core as per Annexure 17A and the non-financial disclosures as per Annexure 16 of the Master Circular No. SEBI/HO/CFD/PoD2/CIR/P/0155, dated November 11, 2024.



Our Conclusion:

Reasonable level of Assurance- BRSR Core

Based on our review and procedures followed for reasonable level of assurance, DNV is of the opinion that, in all material aspects, the BRSR Core Key Performance Indicators (KPIs) under 9 ESG attributes (as listed in Annexure I of this statement) for FY 2024-25 are reported in accordance with reporting requirements outlined in Industry Standard on Reporting of BRSR Core.

Limited Level of Assurance- BRSR Disclosures

On the basis of the assessment undertaken, nothing has come to our attention to suggest that the non-financial disclosures (as listed in Annexure I of this statement) in BRSR do not properly adhere to the reporting requirements as per BRSR reporting guidelines in Annexure 16 of SEBI's Master Circular.

Scope of Work and Boundary

The scope of our engagement includes a reasonable level of assurance for the 'BRSR Core' attributes and a limited level of assurance for the non-financial disclosures, for the Financial Year (FY) 2024-25.

Reasonable assurance of BRSR Core: Boundary covers the performance of BHL operations that fall under the direct operational control of the Company's Legal structure. Based on the agreed scope with the Company, the boundary of reasonable assurance covers BHL's standalone operations across all India locations, unless otherwise specified in the BRSR disclosures by the company.

Limited assurance of rest non-financial disclosures in BRSR: Boundary for limited assurance of rest non-financial disclosures in BRSR covers the operations of BHL's standalone operations across all India locations, unless otherwise specified in the report by the company.

Reporting Criteria and Standards

- The disclosures have been prepared by BHL in reference to:
- Industry Standard on Reporting of BRSR Core, Circular No.: SEBI/HO/CFD/CFD-PoD-1/P/CIR/2024/177 dated Dec 20, 2024.
 - BRSR Core (Annexure 17A) and BRSR reporting guidelines (Annexure 16) as per Master Circular No. SEBI/HO/CFD/PoD2/CIR/P/0155, dated November 11, 2024.
 - Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard.

Our competence, and Independence

DNV applies its own management standards and compliance policies for quality control, which are based on the principles enclosed within ISO/IEC 17029:2019-Conformity Assessment – General principles and requirements for validation and verification bodies and accordingly maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards, and applicable legal and regulatory requirements. DNV has complied with the Code of Conduct during the assurance engagement. DNV's established policies and procedures are designed to ensure that DNV, its personnel and, where applicable, others are subject to independence requirements (including personnel of other entities of DNV) and maintain independence where required by relevant ethical requirements.

This engagement work was carried out by an independent team of sustainability assurance professionals. During the reporting period i.e FY 2024-25, DNV, to the best of its knowledge, was not involved in any non-audit/non-assurance work with the Company and its Group entities which could lead to any Conflict of Interest. DNV was not involved in the preparation of any statements or data included in the Report except for this Assurance Statement. DNV maintains complete impartiality toward stakeholders interviewed during the assurance process.



Assurance Methodology/Standard and Level of Assurance

This assurance engagement has been carried out in accordance with DNV's VeriSustainTM protocol, V6.0, which is based on our professional experience and international assurance practice, and the international standard in Assurance Engagements, ISAE 3000 (revised) - Assurance Engagements other than Audits or Reviews of Historical Financial Information. DNV's VeriSustainTM Protocol, V6.0 has been developed in accordance with the most widely accepted reporting and assurance standards. Apart from DNV's VeriSustainTM protocol (V6.0), DNV team has also followed ISO 14064-3 - Specification with guidance for the verification and validation of greenhouse gas statements to evaluate disclosures wrt. Greenhouse gases disclosures.

Basis of our conclusion

As part of the assurance process, a multi-disciplinary team of assurance specialists performed assurance work for selected sites of BHL. We adopted a risk-based approach, that is, we concentrated our assurance efforts on the issues of high material relevance to the Company's business and its key stakeholders. We carried out the following activities:

BRSR Core Indicators – Reasonable level of Assurance	Rest non-financial disclosures in BRSR – Limited Level of Assurance
Reviewed the disclosures under BRSR Core, encompassing the framework for assurance consisting of a set of Key Performance Indicators (KPIs) under 9 ESG attributes. The Industry Standard on Reporting of BRSR Core used a basis of reasonable level of assurance.	Reviewed the disclosures under BRSR reporting guidelines. Our focus included general disclosures, management processes, principle wise performance (essential indicators, and leadership indicators) and any other key metrics specified under the reporting framework. The BRSR reporting format used a basis of limited level of assurance.
Evaluation of the design and implementation of key systems, processes and controls for collecting, managing and reporting the BRSR Core indicators. Assessment of operational control and reporting boundaries.	Understanding the key systems, processes and controls for collecting, managing and reporting the non-financial disclosures in BRSR. Understand and test, on a sample basis, to evaluate adherence to the reporting principles.
Seek extensive evidence across all relevant areas, ensuring a detailed examination of BRSR Core indicators. Engaged directly with stakeholders to gather insights and corroborative evidence for each disclosed indicator.	Collect and evaluate documentary evidence and management representations supporting adherence to the reporting principles. We adopted a risk-based approach, that is, we concentrated our assurance efforts on the issues of high material relevance to the Company's business and its key stakeholders.
DNV audit team conducted on-site audits for data testing and also, to assess the uniformity in reporting processes and also, quality checks at different locations of the Company. Sites for data testing and reporting system checks were selected based on the percentage contribution each site makes to the reported indicator, complexity of operations at each location (high/low/medium) and reporting system within the organization. Sites selected for audits are listed in Annexure II.	DNV audit team conducted on-site audits for corporate offices and sites. Sample based assessment of site-specific data disclosures was carried out. We were free to choose sites for conducting our assessment.

In both the cases, DNV teams conducted the:

- Interviews with selected senior managers responsible for management of disclosures and review of selected evidence to support environmental KPIs and metrics disclosed the Report. We were free to choose interviewees and interviewed those with overall responsibility of monitoring, data collation and reporting the selected indicators.
- Verification of the consolidated reported performance disclosures in context to the Principle of Completeness as per VeriSustainTM Protocol, V6.0 for both reasonable level and limited level of assurance for the disclosures.

Inherent Limitations

DNV's assurance engagement assume that the data and information provided by the Company to us as part of our review have been provided in good faith, is true, complete, sufficient, and authentic, and is free from material misstatements. The assurance scope has the following limitations:



- The assurance engagement considers an uncertainty of ±5% based on materiality threshold for estimation/measurement errors and omissions.
- DNV has not been involved in evaluation or assessment of any financial data/performance of the company. DNV’s opinion on specific BRSR Core Attribute 8 on “Number of days of accounts payable”, Attribute 9 “Open-ness of business” and all sections of BRSR indicators where currency or INR has been applied relies on the third party audited financial statements of the Company. DNV does not take any responsibility of the financial data reported in the audited financial statements of the Company.
- The assessment is limited to data and information within the defined Reporting Period. Any data outside this period is not considered within the scope of assurance.
- Data outside the operations specified in the assurance boundary is excluded from the assurance, unless explicitly mentioned otherwise in this statement.
- The assurance does not cover the Company’s statements that express opinions, claims, beliefs, aspirations, expectations, aims, or future intentions. Additionally, assertions related to Intellectual Property Rights and other competitive issues are beyond the scope of this assurance.
- The assessment does not include a review of the Company’s strategy or other related linkages expressed in the Report. These aspects are not within the scope of the assurance engagement.
- The assurance does not extend to mapping the Report with reporting frameworks other than those specifically mentioned. Any assessments or comparisons with frameworks beyond the specified ones are not considered in this engagement.
- Aspects of the Report that fall outside the mentioned scope and boundary are not subject to assurance. The assessment is limited to the defined parameters.
- The assurance engagement does not include a review of legal compliances. Compliance with legal requirements is not within the scope of this assurance, and the Company is responsible for ensuring adherence to relevant laws.

Responsibility of the Company

BHL has the sole responsibility for the preparation of the BRSR and is responsible for all information disclosed in the BRSR Core and BRSR. The company is responsible for maintaining processes and procedures for collecting, analysing and reporting the information and also, ensuring the quality and consistency of the information presented in the Report. BHL is also responsible for ensuring the maintenance and integrity of its website and any referenced BRSR disclosures on their website.

DNV’s Responsibility

In performing this assurance work, DNV’s responsibility is to the Management of the Company; however, this statement represents our independent opinion and is intended to inform the outcome of the assurance to the stakeholders of the Company. DNV disclaims any liability or co-responsibility for any decision a person or entity would make based on this assurance statement.

Use and distribution of Assurance statement

This assurance statement, including our conclusion has been prepared solely for the exclusive use and benefit of management of the company and solely for the purpose for which it is provided. To the fullest extent permitted by law, DNV does not assume responsibility to anyone other than company for DNV’s work or this assurance statement. We have not performed any work, and do not express any conclusion, on any other information that may be published outside of the Report and/or on Company’s website for the current reporting period.

The use of this assurance statement shall be governed by the terms and conditions of the contract between DNV and the BHL. DNV does not accept any liability if this assurance statement is used for any purpose other than its intended use, nor does it accept liability to any third party in respect of this assurance statement.

For DNV Business Assurance India Private Limited,

Chandan Sarkar
Lead Verifier

Anjana Sharma
Assurance Reviewer

Assurance Team: Jas Sahib Singh Chadha, Suraiya Rahman, Ankita Parab

Date: July 19, 2025
Place: Bengaluru, India.



Annexure I

1. BRSR Core KPIs - Reasonable level of assurance

- Green-house gas (GHG) footprint
- Water footprint
- Energy footprint
- Embracing circularity - details related to waste management by the entity
- Enhancing Employee Wellbeing and Safety
- Enabling Gender Diversity in Business
- Enabling Inclusive Development
- Fairness in Engaging with Customers and Suppliers
- Open-ness of business

2. BRSR Disclosures - Limited level of assurance

Section A: General Disclosures- 20-a, b, 21, 22, 25

Section C: Principle Wise Performance Disclosures:

- Principle 1: Essential Indicator 1, Leadership Indicator 1
- Principle 3: Essential Indicator 1-a, b, 2, 5, 7, 8, 9, 13, 14; Leadership Indicator 3, 5
- Principle 5: Essential Indicator 1, 2, 6, 10; Leadership Indicator 4
- Principle 6: Essential Indicator 6, Leadership Indicator 7
- Principle 8: Leadership Indicator 2, 6
- Principle 9: Essential Indicator 3

Annexure II – Sites selected for audits

Sr. No.	Site	Location
1.	Head Office (onsite audit)*	Airtel Center, Plot No. 16, Udyog Vihar, Phase-IV, Gurugram - 122015, India
2.	India Offices (remote audits)	Circle Office-Subham Buildwell, Jorhat Zonal Office

*Note: The entire dataset is centrally managed at the head office.

Board’s Report

Dear Members,

Your Directors are pleased to present the Thirtieth (30th) Board’s Report on the business and operations of Bharti Hexacom Limited (“Hexacom/ the Company”), along with audited financial statements for the financial year ended March 31, 2025.

Overview

Bharti Hexacom Limited is a communications solutions provider offering mobile, fixed-line telephone and Wi-Fi services to customers in Rajasthan and the North East telecommunication circles in India, which comprises of Arunachal Pradesh, Manipur, Meghalaya, Mizoram, Nagaland and Tripura. The Company offers its services under the brand ‘Airtel’. Airtel is a global communications solutions provider with nearly 600 million customers in 15 countries across India and Africa. Airtel also has its presence in Bangladesh and Sri Lanka through its associate entities.

Financial Highlights

In terms of the provisions of the Companies Act, 2013 (“Act”), and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI Listing Regulations”), the Company has prepared its standalone financial statements as per Indian Accounting Standards for FY 2024-25. The financial highlights of the Company for FY 2024-25, are as follows:

(₹ in Mn)		
Particulars	FY 2024-25	FY 2023-24
Income including Other Income	87,297	73,375
Profit from operating activities before depreciation, amortisation, finance cost, exceptional items and tax	43,790	36,099
Depreciation & Amortisation expense	20,945	17,392
Finance Expenses (Net)	6,883	6,444
Exceptional items	(2,126)	3,030
Profit before tax	18,088	9,233
Tax Expenses (current tax & deferred tax)	3,152	4,189
Profit for the year after tax	14,936	5,044

Reserves

During the year, the Company has not transferred any amount to General Reserve. As on March 31, 2025, the Reserves and Surplus comprising General Reserve, Retained Earnings and Securities Premium Account stood at ₹55,948 million.

Share Capital

The authorised share capital of the Company as on March 31, 2025 stood at ₹2,500,052,000 (Rupees Two Hundred Fifty Crore and Fifty-Two Thousand Only) divided into 500,000,000 (Fifty crore) equity shares of face value of ₹5/- (Rupees Five) each and 520 (Five Hundred and Twenty) redeemable, non-participating, non-cumulative preference shares of face value of ₹100/- (Rupees Hundred) each.

As on March 31, 2025, the issued, subscribed and paid-up equity share capital of our Company stood at ₹2,500,000,000 (Rupees Two Hundred Fifty Crore) divided into 500,000,000 (Fifty Crores) equity shares of face value of ₹5/- (Rupees Five) each.

There has been no change in the paid-up share capital of the Company from March 31, 2025 till the date of this Report.

The entire shareholding of the Company is held in dematerialised form.

Dividend

In terms of Regulation 43A of the SEBI Listing Regulations, the Company has in place the Dividend Distribution Policy (“Dividend Policy”) which sets out the parameters and circumstances which the Board may consider for recommendation and/or distribution of dividend to its shareholders and/or the utilisation of the retained earnings of Company. The Dividend Policy is available on the Company’s website which can be accessed by [clicking here](#).

In line with the above policy, your Directors have recommended a final dividend of ₹10/- (i.e. 200%) per equity share of face value of ₹5/- each for the FY 2024-25, subject to approval of members at the ensuing Annual General Meeting (‘AGM’). The proposed dividend payout based on the outstanding number of shares as on the date of this Report, will amount to approx. ₹5,000 million.

The record date for the purpose of payment of final dividend for the FY 2024-25, will be Friday, July 25, 2025.

In view of the applicable provisions of the Income Tax Act, 1961, dividend paid or distributed by the Company shall be taxable in the hands of the shareholders. Your Company shall, accordingly make the payment of the final dividend after deduction of tax at source.

Debentures

The Company has not raised any funds through the issuance of Non-Convertible Debentures (NCD’s) during the FY 2024-25.

During the year under review, the Company had 20,000 listed, unsecured, rated, redeemable non-convertible debentures (NCD’s) of the face value of ₹1 million each listed on National Stock Exchange of India Limited. The said 20,000 NCDs were redeemed on April 11, 2024 in accordance with the terms of issuance. Accordingly, there are no outstanding NCDs as on the date of this Report.

The details of the Debenture Trustee are given hereunder:

Axis Trustee Services Limited

The Ruby, 2nd Floor, SW, 29 Senapati Bapat Marg, Dadar West, Mumbai – 400028
Tel: +91-22-62300451
Fax: 022-43253000
Email: debenturetrustee@axistrustee.in; compliance@axistrustee.in

Significant Development

Initial Public Offering (IPO) and Listing

On April 12, 2024, the equity shares of your Company got listed on National Stock Exchange of India Limited and BSE Limited, post successful Initial Public Offer of 75,000,000 Equity Shares (“Equity Shares”) (representing 15% of the paid-up share capital of the Company) having face value of ₹5/- each at a price of ₹570/- per Equity Shares, including a premium of ₹565/- per Equity Shares aggregating to ₹42,750 million comprising of an offer for sale (OFS/ the Offer) by Telecommunications Consultants India Limited (TCIL). The following were the important milestones/ dates for the Offer:

Date	Particulars
April 2, 2024	Anchor Issue
April 3, 2024	Opening of Offer period
April 5, 2024	Closing of Offer period
April 8, 2024	Basis of Allotment
April 10, 2024	Credit of shares to demat account of eligible investors
April 12, 2024	Listing of equity shares

Your Company completed its IPO successfully with participation of several leading domestic and global institutional investors as well as NRIs, HNIs and retail investors. The Board is gratified and humbled by the faith shown in the Company by its members.

The Board also places on record its appreciation for the support provided by various Authorities, Book Running Lead Managers, Stock Exchanges, Depositories, Counsels, Consultants, Auditors and other intermediaries and employees of the Company for making the IPO of the Company a grand success.

Shifting of registered office from “National Capital Territory (NCT) of Delhi” to the “State of Haryana”

The registered office of the Company was shifted from Bharti Crescent, 1, Nelson Mandela Road, Vasant Kunj, Phase – II,

New Delhi – 110 070 to Airtel Center, Plot No. 16, Udyog Vihar, Phase-IV, Gurugram – 122015. The day to day operations of the Company are carried out from office situated at Airtel Center, therefore to exercise better administrative and economic control and enable the Company to rationalise and streamline its operations as well as the management of affairs, the Board of Directors of your Company by way of resolution dated December 13, 2024 had approved the shifting of the registered office of the Company. The shareholders of the Company by Postal Ballot dated January 26, 2025 also accorded their approval for the same. Further, the Regional Director (Northern Region), Ministry of Corporate Affairs, New Delhi vide its order dated April 02, 2025 approved the shifting of Registered Office of the Company from “National Capital Territory (NCT) of Delhi” to the “State of Haryana”. The Board of Directors approved the effective date of shifting of registered office as April 18, 2025.

Directors and Key Managerial Personnel

The Company’s Board is an optimum mix of Non-Executive, Independent and Woman Directors and conforms to the provisions of the Act, SEBI Listing Regulations, and other applicable statutory provisions.

As on March 31, 2025, the Board comprised Ten (10) Directors, including a Non-Executive Chairman, Three (3) Non-Executive Non-Independent Directors and Six (6) Independent Directors including One (1) Women Independent Director. The appointment/ re-appointment of all the Directors of the Company is subject to periodic approval of the shareholders, hence, the Company does not have any permanent Board seat. Details of change in Directors during FY 2024-25 and till the date of this Report, are as under:

Appointment, Re-appointments, Retirements and Resignations

i. Retirement by rotation and subsequent re-appointment

Pursuant to the provisions of the Act, Mr. Devendra Khanna (DIN: 01996768) Non-Executive Director of the Company, will retire by rotation at the ensuing AGM and being eligible, has offered himself for reappointment.

Based on the outcome of performance evaluation and recommendation of Nomination and Remuneration Committee, the Board of Directors recommends his re-appointment as Non-Executive Director of the Company, liable to retire by rotation, at the ensuing AGM.

Brief resume, nature of expertise, disclosure of relationship between Directors inter-se, details of Directorships and Committee memberships held in other companies by Devendra Khanna, Non-Executive Director proposed to be re-appointed, along with his shareholding in the Company, as stipulated under Secretarial Standard 2 and Regulation 36 of the SEBI Listing Regulations are appended as an Annexure to the Notice of the 30th AGM. The detailed profile of Mr. Devendra Khanna is available on the website which can be accessed by [clicking here](#).

ii. Appointment and re-appointment of Director(s)

During the year, the following appointments were made by the Board of Directors on the recommendation of the Nomination and Remuneration Committee:

Name	Designation	Date	Reason	Term
Mr. Rakesh Bharti Mittal	Non-Executive Director	October 28, 2024	Appointment	Liable to retire by rotation
Mr. Kanwaljit Singh Cheema	Non-Executive Independent Director	November 20, 2024	Appointment	5 years till November 19, 2029

The appointments of Mr. Rakesh Bharti Mittal and Mr. Kanwaljit Singh Cheema has been approved by the shareholders through Postal Ballot dated January 26, 2025.

In the opinion of the Board, all the Directors, including the Directors appointed/ re-appointed during the year, possess the requisite qualifications, experience, expertise, proficiency and hold high standards of integrity.

During the period under review, none of the Directors on the Board of the Company has been debarred or disqualified from being appointed or continuing as Director of the Company by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any other Statutory authority.

iii. Resignation of Director(s)

During the year, upon the consummation of the IPO, the shareholders agreement entered between TCIL and Bharti Hexacom Limited was automatically terminated. Accordingly, Mr. Sanjeev Kumar and Mr. Surajit Mandol, the Nominee Directors of TCIL stepped down from the Board of the Company w.e.f. April 12, 2024.

The Board places on record its sincere appreciation for the valuable contribution made by the aforesaid Directors.

Key Managerial Personnel (KMP)

As on March 31, 2025 the Company had the following KMPs:

1. Mr. Marut Dilawari - Chief Executive Officer
2. Mr. Akhil Garg - Chief Financial Officer
3. Ms. Richa Gupta Rohatgi - Company Secretary and Compliance Officer (until January 20, 2025)

The Company had appointed Mr. Amit Chaturvedi (Membership No. FCS 12919) as the Company Secretary and Compliance officer of the Company (KMP) in place of Ms. Richa Gupta Rohatgi w.e.f. April 18, 2025.

Declaration by Independent Directors

Pursuant to Section 149(7) of the Act, the Company has received declarations from all Independent Directors confirming that they meet the criteria of independence as specified in Section 149(6) of the Act, as amended, read with Rules framed thereunder and Regulation 16(1)(b) of

the SEBI Listing Regulations. In terms of Regulation 25(8) of the SEBI Listing Regulations, the Independent Directors have confirmed that they are not aware of any circumstance or situation which exists or may be reasonably anticipated that could impair or impact their ability to discharge their duties with an objective independent judgement and without any external influence and that they are independent of the management.

The Independent Directors have also confirmed that they have complied with the Company's Code of Conduct and that they are registered on the databank of Independent Directors maintained by the Indian Institute of Corporate Affairs. The Directors have further confirmed that they are not debarred from holding the office of Director under any SEBI order or any other such authority.

The Board of Directors of the Company have taken on record the aforesaid declarations and confirmations submitted by the Independent Directors.

Policy on Director's appointment and remuneration

The Board of Directors values the significance of diversity and firmly believes that diversity of background, gender, age, geography, expertise, knowledge, perspectives etc., leads to sharper and balanced decision-making and overall sustainable development. Your Directors recognise the importance of diversity and inclusion in our boardroom and strive to maintain a diverse composition that reflects the richness of the global community we serve.

In terms of the requirement of Section 178 of the Act and SEBI Listing Regulations, the Board of Directors has adopted 'Policy on Nomination, Remuneration and Board Diversity' (Policy') on appointment and remuneration of Directors, KMPs & Senior Management. The Policy includes, inter-alia, criteria for the appointment of Directors, KMPs, Senior Management Personnel and other covered employees, their remuneration structure and disclosures in relation thereto.

During the year under review, the Company conducted a comprehensive review of the Policy to align the compensation structure of Non-Executive Independent Directors with the global best practices. The amended Policy is available on the Company's website which can be accessed by [clicking here](#).

Board Committees and Meetings of the Board and Board Committees

In compliance with the statutory requirements, the Company has constituted various Committees viz. Audit Committee, Risk Management Committee, Nomination and Remuneration Committee, Corporate Social Responsibility Committee and Stakeholders' Relationship Committee.

In addition to the above, the Company has in place an Operating Committee viz. Committee of Directors to handle day to day operational matters of the Company.

During the year under review, all the recommendations made by the Committees of the Board, including the Audit Committee, were accepted by the Board.

The Board of Directors met 5 times during the FY 2024-25. A detailed update on the Board, its composition, governance of various Committees, number of Board and Committee meetings held during FY 2024-25 and attendance of the Directors thereat, is provided in the Report on Corporate Governance, which forms part of this Annual Report.

Annual Board Evaluation

Your Company believes that the process of performance evaluation at the Board level is pivotal to its Board engagement and effectiveness. The Nomination and Remuneration Committee has formulated a robust and competent framework for performance evaluation of the Board, its Committees, Individual Directors including the Chairman of the Company keeping in view the Board priorities and practices. The evaluation process at Bharti Hexacom is facilitated online by a leading independent consulting firm.

A detailed disclosure on the framework of Board Evaluation including outcome and action plan has been provided in the Report on Corporate Governance, which forms part of this Report.

Familiarisation Programme for Board members

The Company has adopted a well-structured induction programme for orientation and training of Directors at the time of their joining so as to provide them with an opportunity to familiarise themselves with the Company, Board, its management, its operations including its products and services, business model, values and Company's culture and the industry in which the Company operates.

Apart from the induction programme, the management periodically presents updates at the Board/ Committee meetings to familiarise the Directors with the Company's strategy, business performance, product offerings, finance, risk management framework and other related matters. A detailed note on the familiarisation programme adopted by the Company for orientation and training of the Directors, is provided in the Report on Corporate Governance which forms part of this Annual Report.

Auditors and Auditors' Report

Statutory Auditors

Deloitte Haskins & Sells LLP ('Deloitte') were re-appointed as the Statutory Auditors of the Company at the 27th AGM held on September 30, 2022, for a period of five years i.e. till the conclusion of 32nd AGM.

Deloitte have confirmed that they are not disqualified to continue as Statutory Auditors of the Company and satisfy the independence criteria in terms of the applicable provisions of the Act and Code of Ethics issued by the Institute of Chartered Accountants of India.

The Board has duly examined the Statutory Auditors' Report to the financial statements, which are self-explanatory. The clarifications, wherever necessary, have been included in the Notes to financial statements section of this Annual Report.

As regards the comments under para i(a) of the Annexure B to the Independent Auditor's Report regarding updation of quantitative and situation details relating to certain fixed assets, the Company as per the program of physical verification of fixed assets to cover all the items over a period of three years, conducted physical verification of fixed assets during the quarter ended March 31, 2025. The Company, in order to keep the network up and running, moves network equipment's from one site location to another on urgent basis to ensure that its network is running seamlessly, for each movement situation is later updated in Fixed Assets Register.

As regards the comments under para i(b) of the Annexure B to the Independent Auditors' Report regarding no physical verification of customer premises equipment, bandwidth and optic fiber cable due to their nature or location; the customer premises equipment are located at subscriber's premises and physical check of the equipment is generally not possible. Additionally, bandwidth and optic fiber cable due to their nature and location is not practically feasible to physically verify.

As regards the comments under para i(c) of the Annexure B to the Independent Auditors' Report regarding transfer of title deed in the name of the Company, the ownership and physical possession of these properties are lying with the Company. The mutation of title deeds or transfer of conveyance deed are pending in the name of the Company.

As regards to the comments under para ix(d) of the Annexure B to the Independent Auditors' Report regarding fund raised on short term basis used for long term purpose, the Company has used such funds as bridge financing and is able to generate sufficient funds from long term sources to meet the working capital requirement.

The auditors have not Reported any fraud u/s 143(12) of the Act, and therefore, no details are required to be disclosed under Section 134(3)(ca) of the Act.

Cost Records

The Company has maintained the cost records as prescribed by the Central Government under Section 148(1) of the Act.

Cost Auditors

The Board, on the recommendation of the Audit Committee, had approved the appointment of M/s Sanjay Gupta & Associates, Cost Accountants, as Cost Auditors, for the financial year ending March 31, 2025. The Cost Auditors will submit their Report for FY 2024-25 within the timeframe prescribed under the Act and rules made thereunder.

Cost Audit Report for FY 2023-24 did not contain any qualification, reservation, disclaimer or adverse remark.

In accordance with the provisions of Section 148 of the Act read with the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the cost Auditors is required to be ratified by the shareholders. Accordingly, the Board recommends the same for approval by shareholders at the ensuing AGM.

The Board, on the recommendation of Audit Committee, has re-appointed Sanjay Gupta & Associates, Cost Accountants, as Cost Auditors of the Company for FY 2025-26.

Secretarial Auditors

Pursuant to the provisions of Section 204 of the Act and rules made thereunder, the Board of Directors had appointed Makarand M. Joshi & Co, Company Secretaries ('MMJC') as Secretarial Auditors for the financial year ended March 31, 2025. The Secretarial Auditors has submitted their Report, confirming, inter-alia, compliance of all the provisions of applicable corporate laws by the Company and the Report does not contain any qualification, reservation, disclaimer or adverse remark.

The Secretarial Audit Report for FY 2024-25 is annexed as **Annexure C** to this Report.

Further, in term of recent amendment in Regulation 24A of SEBI Listing Regulations, the Secretarial Auditors of the Company is required to be appointed at the AGM of the Company and shall hold office for a term of 5 consecutive years. Accordingly, the Board of Directors on the recommendation of Audit Committee has appointed MMJC as Secretarial Auditors of the Company for a term of five consecutive years i.e. from FY 2025-26 to FY 2029-30, subject to approval of the members in the ensuing AGM.

Internal Auditors and Internal Assurance Partners

The Company has a robust control environment comprising corporate policies, processes and standard operating procedures and an institutionalised compliance framework, which enables orderly and ethical conduct of business by safeguarding of Company's assets, adequate use of the Company's resources and, timely and accurate recording of all corporate transactions.

The Company also has in place a robust Internal Audit function, which is led by the Internal Auditor of the Company and ably supported by reputed independent professional firms (Internal Assurance Partners). The audit conducted by the Internal Auditor and Internal Assurance Partners is based on an internal audit plan, which is reviewed each year by the Audit Committee. These audits are based on risk based methodology and, inter-alia, involve the review of internal controls and governance processes, adherence to management policies and review of statutory compliances. The work of Internal Assurance Partners is coordinated by the internal team led by Internal Auditor. This combination of internal team and expertise of Internal Assurance Partners ensures independence as well as effective value addition and protection.

The Internal Auditor along with Internal Assurance Partners shares his findings on financial, safety, information security, compliance and reporting risks on a quarterly basis with the Audit Committee along with the exceptions report and mitigation plans.

Sustainability

Business Responsibility and Sustainability Report

Pursuant to Regulation 34(2)(f) of the SEBI Listing Regulations, the Business Responsibility & Sustainability Report ('BRSR') on initiatives taken from an environmental, social and governance perspective in the prescribed format, along with the assurance statement on BRSR Core issued

by an Independent third party firm namely DNV Business Assurance India Private Limited is available as a separate section of this Annual Report and on the Company's website viz. www.bhartihexacom.in.

Energy Conservation, Technology Absorption, and Foreign Exchange Earnings and Outgo

A detailed note on energy conservation, technology absorption and foreign exchange earnings & outgo as required under Section 134(3) of the Act read with Rule 8 of the Companies (Accounts) Rules, 2014 is annexed as **Annexure D** to this Report.

Corporate Social Responsibility

Your Company is committed to long-term sustainable value creation by aligning its social activities with its business objectives. Giving back to the very community that helps our business thrive and sustain, has been our priority since inception. As a good corporate, we have been actively undertaking community development and nation building initiatives towards creation of a prosperous society by collaborating with diverse stakeholders. We believe in pursuing wider socio-economic and cultural objectives and have always endeavoured to not just meet, but try and exceed the expectations of the communities in which we operate. Resonating with these core values, the Company has formulated the CSR Policy which focuses on providing education to underprivileged children of the society in the rural areas of the Country, health and sanitation programs and rural development projects etc.

The CSR Committee is in place in terms of Section 135 of the Act. The details of CSR Committee including composition, terms of reference etc. are provided in the Report on Corporate Governance, which forms part of this Annual Report. The CSR Committee has formulated and recommended to the Board, a CSR Policy outlining, inter-alia, CSR philosophy of the Company. The said policy is available on the website of the Company which can be accessed by [clicking here](#).

In terms of applicable provisions of Section 135 of the Act, the Company was obligated to contribute an amount of ₹124 million towards CSR activities during the FY 2024-25.

A detailed update on the CSR initiatives of the Company along with the details of CSR contribution during previous year is provided in the annual Report on Corporate Social Responsibility which is annexed as **Annexure E** of this Report.

Corporate Governance Report

We believe in following best in class Corporate Governance practices and have integrated the same principles across our operations. Our commitment to follow practices is reflected in our Corporate Governance Philosophy and the Code of Conduct.

A detailed Report on Corporate Governance, pursuant to the requirements of the Regulation 34 of the Listing Regulation, forms part of this Annual Report. A certificate from the

Deloitte Haskins & Sells LLP, Chartered Accountants, the Statutory Auditors of the Company, confirming compliance of conditions of Corporate Governance during FY 2024-25, as stipulated under the SEBI Listing Regulations, is annexed as **Annexure A** to this Report.

Management Discussion and Analysis Report

Pursuant to Regulation 34 of the SEBI Listing Regulations, the Management Discussion and Analysis Report for the year under review, is presented in a separate section forming part of this Annual Report.

Risk Management

Risk Management is integral to the Company's strategy and embedded in our operating framework. The Company believes that risk resilience is the key to achieve long-term sustainable growth and value creation for all the stakeholders.

The Company has a robust risk management framework in place which plays an integral and inevitable role across the operations the Company. The framework encompasses around governance structure, risk identification & categorisation, risk prioritisation, risk mitigation, monitoring and reporting. The objective of risk management framework is to have a well-defined approach to risk. It lays down broad guidelines for timely identification, assessment, and prioritisation of risks affecting the Company in the short and foreseeable future. The risk management framework suggests framing an appropriate mitigation plan for the key risks identified, to make sure that risks are proactively compensated or mitigated. The risk management framework of the Company can be accessed by [clicking here](#).

The Company periodically reviews and improves the adequacy and effectiveness of its Risk Management Framework considering rapidly changing business environment and evolving complexities.

Understanding the importance of proactively identifying and managing the risk, the Board of Directors have constituted a separate Risk Management Committee, which focuses on risk management including determination of Company's risk appetite, risk tolerance, regular risk assessments and risk mitigation strategies etc. Mitigation plans to significant risks are well integrated with business plans and are reviewed on a regular basis by the senior leadership.

The risk management framework is also periodically reviewed by the Board and the Audit Committee, which includes discussion with the management submissions on risks, prioritising key risks and approving action plans to mitigate such risks. Detailed update on risk management framework (including risk governance; risk identification and prioritisation process; key strategic risks and impact thereof; and mitigation actions etc.) has been given under 'Risk and mitigation framework' section of this Annual Report.

At present, in the opinion of the Board of Directors, there are no risks which may threaten the existence of the Company.

Internal Financial Controls

The Company has adequate framework for internal financial controls. It has put in place adequate policies and procedures to ensure that the systems of internal financial control commensurate with the size, scale and complexity of its operations. These systems ensure orderly and efficient conduct of its business, including adherence to the Company's policies, safeguarding of its assets, prevention and detection of frauds and errors, accuracy and completeness of accounting records and timely preparation of reliable financial information. The key financial controls are automated and integrated into the operations, wherever possible, to ensure complete autonomy.

The Board periodically reviews the internal processes, systems and the internal financial controls and accordingly, the Directors' Responsibility Statement contains a confirmation as regards to the adequacy of the internal financial controls. Assurance on the effectiveness of Internal Financial Controls is obtained through management reviews, self-assessment, continuous monitoring by functional heads as well as testing of the internal financial control systems during the course of audits. We believe that these systems provide reasonable assurance that our internal financial controls are designed adequately and are operating as intended.

In addition to the above, Deloitte Haskins & Sells LLP, Statutory Auditors, have done an independent evaluation of Internal Controls over Financial Reporting ('ICoFR') and expressed an unqualified opinion stating that the Company has, in all material respects, adequate which were operating effectively as on March 31, 2025.

Compliance Management

To ensure compliance with all the applicable laws, the Company has a strong and robust digital compliance management system. A comprehensive inventory of compliances applicable to the Company is prepared by an independent agency, which is mapped to the owner of respective compliance for confirmation. Additionally, in order to ensure completeness, the independent agency periodically or on an event basis updates the recent amendments in applicable laws.

The online compliance management system is driven by a robust standard operating procedure providing guidance on broad categories of applicable laws and detailed process for monitoring compliances. The system enables proactive automated alerts to compliance owners and compliance approvers, for each compliance requirement at defined frequencies. The compliance owners certify the compliance status which is reviewed by compliance approvers, and a consolidated compliance dashboard is presented to the senior management. To ensure comprehensiveness, periodic audits of compliance management system are conducted during internal audits and corrective actions are taken to ensure strict adherence.

A certificate of compliance with all applicable laws and regulations along with the summary of material litigations and mitigation plan, if any, is placed before the Audit Committee and Board of Directors on a quarterly basis.

Material changes and commitments affecting the financial position between the end of financial year and the date of Report

There were no material changes and commitments affecting the financial position of the Company between the end of financial year and the date of this Report.

Deposits

During the financial year, the Company did not accept any deposits, including from public under Chapter V of the Act. Further, no amount of principal or interest was outstanding as on the balance sheet closure date.

Capital Market Ratings

The credit ratings of the Company during the year ended March, 31, 2025 was as follows:

Sr. No.	Rating agency	Type	Status
1	CRISIL and India Ratings and Research Private Limited	Short term facilities	A1+

The instruments with the above ratings are considered to have high degree of safety regarding timely servicing of financial obligation and carry very low credit risk.

Other Statutory Disclosures

Vigil Mechanism

The Company has adopted a Vigil Mechanism/Whistle Blower Policy which forms part of Code of Conduct of the Company. It outlines the method and process for stakeholders to voice their genuine concerns about unethical conduct that may be actual or threatened breach with the Company's Code of Conduct. The code is available on the Company's website which can be accessed by [clicking here](#).

A brief note on the highlights of the Whistle Blower Policy and compliance with Code of Conduct, is also provided in the Report on Corporate Governance, which forms part of this Annual Report.

Disclosure under Sexual Harassment at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (POSH Act)

In compliance POSH Act, the Company has adopted a policy and has constituted Internal Committee for providing a redressal mechanism pertaining to any Reported event of sexual harassment of employees at workplace and any such incident can be Reported to the Internal Committee. Key details of the policy form part of the Code of Conduct of the Company which is available on the Company's website which can be accessed by [clicking here](#).

Further, details regarding the policy, including the details of the complaints received and disposed-off are provided in the Report on Corporate Governance and Business Responsibility & Sustainability Report, which forms part of this Annual Report.

Annual Return

In terms of Section 92(3) read with Section 134(3(a) of the Act and rules thereto, the Annual Return of the Company in Form MGT-7 for the financial year ended on March 31, 2025 is available on the Company's website which can be accessed by [clicking here](#).

The Annual Return will be electronically submitted to the Registrar of Companies within the timelines prescribed under the Act.

Particulars of loans, guarantees or investments

The Company is in the business of providing telecom services (wireless telecommunications activities) which is covered under the definition of 'infrastructure facilities' in terms of Section 186 read with Schedule VI of the Act.

The Company had not given any loan or guarantee during the year ended March 31, 2025. Particulars of investments form part of Note no. 7 to the financial statements provided in this Annual Report.

Related Party Transactions

The Company has a well-defined and structured governance process for related party transactions undertaken by the Company. The related party transactions are undertaken after review and pre-certification by leading Independent global valuation/ accounting firms confirming that the proposed terms of a particular transaction meet the arm's length criteria. The Audit Committee, based on the certification(s)/ Report(s) of said valuation/ accounting firm(s) and in-depth review of the proposed terms, grants its approval to the related party transactions. The representatives of valuation/ accounting firm(s) are available to address the queries of Audit Committee members, if required. The Audit Committee reviews the actual related party transactions on a quarterly basis.

A detailed note on the procedure adopted by the Company in dealing with contracts and arrangements with related parties, is provided in the Report on Corporate Governance, which forms part of this Annual Report.

Necessary disclosure with respect to the material related party transactions during the FY 2024-25, is given in the prescribed form AOC-2 which is annexed as **Annexure F** to this Report. Further, all arrangements/ transactions entered into by the Company with its related parties during the year under review, were in the ordinary course of business, and on an arm's length compliant terms and were not in any way prejudicial to the interest of its minority shareholders. The Company has not extended any financial assistance to promoter or promoter group entities which have been written off during last three years.

In compliance with the requirement of SEBI Listing Regulations, name of related parties and details of transactions with them have been included in Note no. 31 to the financial statements forming part of this Annual Report. The Policy on the Related Party Transactions is available on the Company's website which can be accessed by [clicking here](#).

Particulars of Employees

Disclosures relating to remuneration of Directors u/s 197(12) of the Act read with Rule 5(1) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is annexed as **Annexure B** of this Report.

Particulars of employee remuneration, as per Section 197(12) of the Act and read with Rule 5(2) and Rule 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 form part of this Annual Report. In terms of the provisions of the first proviso to Section 136(1) of the Act, the Annual Report is being sent to the shareholders, excluding the aforementioned information. The information will be available on the Company's website at <https://www.bhartihexacom.in/results-annual-results.html> and will also be available for inspection at the registered office of the Company on all working days (Monday to Friday) between 11.00 a.m. and 1.00 p.m. upto the date of ensuing AGM and a copy of the same will also be available electronically for inspection by the members during the AGM. Any member interested in obtaining such information may write to the Company Secretary of the Company.

Significant and Material Orders

During the FY 2024-25, there were no significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and the Company's operations in the future.

Proceeding under Insolvency and Bankruptcy Code, 2016

There were no applications made or proceedings pending against the Company under the Insolvency and Bankruptcy Code, 2016 as amended, before the National Company Law Tribunal or other Courts as on March 31, 2025.

Transfer of unclaimed dividend and shares to Investor Education and Protection Fund

There are no unclaimed dividends during the past seven years. Therefore, the Company was not required to transfer any amount and/or shares to the Investor Education and Protection Fund.

Change in the Nature of Business

There was no change in nature of the business of the Company during the financial year ended on March 31, 2025.

Subsidiary Company, Joint Ventures and Associate Companies

The Company does not have any subsidiary, joint venture or associate Company.

Directors' Responsibility Statement

Pursuant to Section 134 of the Act, the Directors, to the best of their knowledge and belief, confirm that:

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

Secretarial Standards

During FY 2024-25, the Company has complied with the applicable provisions of the Secretarial Standards (SS-1 and SS-2) relating to 'Meetings of the Board of Directors' and 'General Meetings' issued by the Institute of Company Secretaries of India and notified by Ministry of Corporate Affairs in terms of the provisions of Section 118 of the Act.

Acknowledgements

Your Directors take this opportunity to place on record their appreciation for the wholehearted support received from Central Government, the State Governments, Department of Telecommunications (DoT), SEBI, Stock Exchanges, Company's Bankers and Auditors, the employees, suppliers and all other business associates. We look forward to their continued support in future.

For and on behalf of the Board

Jagdish Saxena Deepak

Date: May 13, 2025
Place: New Delhi

Chairman
DIN: 02194470

Annexure A
INDEPENDENT AUDITOR'S CERTIFICATE ON CORPORATE GOVERNANCE

To,
The Members,
Bharti Hexacom Limited

1. This certificate is issued in accordance with the terms of our engagement letter dated October 04, 2024.
2. We, Deloitte Haskins & Sells LLP, Chartered Accountants, the Statutory Auditors of Bharti Hexacom Limited ("the Company"), have examined the compliance of conditions of Corporate Governance by the Company, for the year ended on 31 March 2025, as stipulated in regulations 17 to 27 and clauses (b) to (i) of regulation 46(2) and para C and D of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("the SEBI Listing Regulations").

Managements' Responsibility

3. The compliance of conditions of Corporate Governance is the responsibility of the Management. This responsibility includes the design, implementation and maintenance of internal control and procedures to ensure the compliance with the conditions of the Corporate Governance stipulated in SEBI Listing Regulations.

Auditor's Responsibility

4. Our responsibility is limited to examining the procedures and implementation thereof, adopted by the Company for ensuring compliance with the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.
5. We have examined the books of account and other relevant records and documents maintained by the Company for the purposes of providing reasonable assurance on the compliance with Corporate Governance requirements by the Company.
6. We have carried out an examination of the relevant records of the Company in accordance with the Guidance Note on Certification of Corporate Governance issued by the Institute of the Chartered Accountants of India (the ICAI), the Standards on Auditing specified under Section 143(10) of the Companies Act 2013, in so far as applicable for the purpose of this certificate and as per the Guidance Note on Reports or Certificates for Special Purposes issued by the ICAI which requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.
7. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

Opinion

8. Based on our examination of the relevant records and according to the information and explanations provided to us and the representations provided by the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in regulations 17 to 27 and clauses (b) to (i) of regulation 46(2) and para C and D of Schedule V of the SEBI Listing Regulations during the year ended March 31, 2025.
9. We state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

For Deloitte Haskins & Sells LLP
Chartered Accountants
(Firm's Registration No. 117366W / W-100018)

Gautam Wadhera
Partner

Date: May 13, 2025
Place: Gurugram

Membership No. 508835
UDIN: 25508835BMLBQR7331

Annexure B
DETAILS PERTAINING TO REMUNERATION AS REQUIRED UNDER SECTION 197(12) OF THE COMPANIES ACT, 2013 READ WITH RULE 5(1) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014

I. The ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the Financial Year 2024-25 and the percentage increase in remuneration of each Director, Chief Executive Officer, Chief Financial Officer and Company Secretary during the Financial Year 2024-25:

Name	Designation	Ratio to Median Remuneration	% Increase in Remuneration in Financial Year 2024-25
Mr. JS Deepak	Chairman	4.36	Nil
Mr. Devendra Khanna	Non-Executive Director	NA	NA
Mr. Rakesh Bharti Mittal ¹	Non-Executive Director	NA	NA
Mr. Soumen Ray	Non-Executive Director	NA	NA
Mr. Sanjeev Kumar ²	Non-Executive Director	NA	NA
Mr. Surajit Mandol ²	Non-Executive Director	NA	NA
Ms. Nalina Suresh	Independent Director	2.10	#
Mr. Arvind Kohli	Independent Director	2.83	#
Mr. Ashok Tyagi	Independent Director	2.76	#
Mr. Kapal Kumar Vohra	Independent Director	2.18	#
Mr. Arun Gupta	Independent Director	2.36	#
Mr. Kanwaljit Singh Cheema ³	Independent Director	0.65	*
Mr. Marut Dilawari	Chief Executive Officer	11.81	*
Mr. Akhil Garg	Chief Financial Officer	\$	NA
Ms. Richa Gupta Rohatgi ⁴	Company Secretary	\$	NA
Mr. Amit Chaturvedi ⁵	Company Secretary	\$	NA

Notes:

1. Appointed as Non-Executive Director w.e.f. October 28, 2024
2. Ceased to be Non-Executive Director w.e.f. April 12, 2024
3. Appointed as Independent Directors w.e.f. November 20, 2024
4. Ceased to be Company Secretary w.e.f. January 20, 2025
5. Appointed as Company Secretary w.e.f. April 18, 2025

The remuneration of Independent Director vis-à-vis previous year does not include Commission which is applicable from the FY 2024-25, therefore, remuneration of Independent Directors is not comparable.

* Since the remuneration of these Director/KMP is only for the part of the current year hence the ratio of their remuneration to median and increase in remuneration is not comparable.

\$ The KMPs viz. Chief Financial Officer and Company Secretary are the permanent employees of Bharti Airtel Limited (Holding Company) and hence do not draw any remuneration from the Company.

- II. The percentage increase / (decrease) in the median remuneration of employees in the Financial Year: The percentage increase in the median remuneration of employees in FY 2024-25 was 2.72%.
- III. The number of permanent employees on the rolls of the Company as on March 31, 2025: There were 569 employees on the roles of the Company as on March 31, 2025.
- IV. Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration:

Employee Group	Average percentile increase/(decrease) in the salaries of employees for FY 2024-25
All permanent employees	2.72%
Executive Directors / Managerial Remuneration	Nil

- V. Affirmation that the remuneration is as per the remuneration policy of the Company: The remuneration of Directors was as per the policy on Nomination, Remuneration and Board Diversity of the Company.

For and on behalf of Board

Jagdish Saksena Deepak
Chairman
DIN: 02194470

Date: May 13, 2025
Place: New Delhi

Annexure C

FORM NO. MR.3

SECRETARIAL AUDIT REPORT

for the Financial Year ended March 31, 2025

To,
The Members,
Bharti Hexacom Limited
Bharti Crescent, 1, Nelson Mandela Road,
Vasant Kunj, Phase - II, New Delhi -110070.

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

Auditor's Responsibility:

Our responsibility is to express an opinion on the compliance of the applicable laws and maintenance of records based on audit. We have conducted the audit in accordance with the applicable Auditing Standards issued by The Institute of Company Secretaries of India. The Auditing Standards requires that the Auditor shall comply with statutory and regulatory requirements and plan and perform the audit to obtain reasonable assurance about compliance with applicable laws and maintenance of records.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorised representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on March 31, 2025 (hereinafter called the 'Audit Period') complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2025 according to the provisions of:

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

- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings; **(Not Applicable to the Company during the Audit Period)**
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'): -
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
 - (d) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021; **(Not Applicable to the Company during the Audit Period)**
 - (e) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021 to the extent of listing of Commercial papers;
 - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
 - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021; (Not Applicable to the Company during the Audit Period) and
 - (h) The Securities and Exchange Board of India (Buy-back of Securities) Regulations, 2018. **(Not Applicable to the Company during the Audit Period)**

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India.
- (ii) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and amendments made thereunder. ('SEBI Listing Regulations')

During the audit period the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines and Standards etc. as mentioned above.

We further report that, having regard to the compliance system prevailing in the Company and on the examination of the relevant documents and records in pursuance thereof, on test-check basis, the Company has generally complied with the following law applicable specifically to the Company:

- a) The Indian Telegraph Act, 1885;
- b) The Telecom Regulatory Authority of India Act, 1997 and rules and Regulations made thereunder;
- c) The Indian Wireless Telegraphy Act, 1933.

We further report that

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

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance (except one meeting was convened at a shorter notice for which necessary approval were obtained as per applicable provision) and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

All decisions at Board Meetings and Committee Meetings are carried out unanimously as recorded in the minutes of the meetings of the Board of Directors or Committee of the Board, as the case may be.

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

We further report that during the audit period, the Company has:

- listed its equity shares on BSE Limited and National Stock Exchange Limited effective April 12, 2024, pursuant to an initial public offering through an Offer for Sale, at an issue price of ₹570 per equity share (comprising a face value of ₹5 and a premium of ₹565).
- obtained shareholders approval via postal ballot dated January 26, 2025, to shift its registered office from the National Capital Territory of Delhi to the State of Haryana and consequent to that existing clause II of the Memorandum of Association of Company got amended Approval from the Regional Director (Northern Region), Ministry of Corporate Affairs, New Delhi, was received on April 2, 2025 (certified copy received on April 7, 2025). Accordingly, the registered office was officially shifted with effect from April 18, 2025.

For Makarand M. Joshi & Co.

Company Secretaries
ICSI UIN: P2009MH007000
Peer Review Cert. No.: 6290/2024

Kumudini Bhalariao

Partner

FCS: 6667

CP: 6690

Date: May 13, 2025

Place: Mumbai

UDIN: F006667G000334159

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



‘Annexure A’

To,
The Members,
Bharti Hexacom Limited
Bharti Crescent, 1, Nelson Mandela Road,
Vasant Kunj, Phase - II, New Delhi -110070.

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

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

For Makarand M. Joshi & Co.
Company Secretaries
ICSI UIN: P2009MH007000
Peer Review Cert. No.: 6290/2024

Kumudini Bhalerao
Partner
FCS: 6667
CP: 6690
UDIN: F006667G000334159

Date: May 13, 2025
Place: Mumbai

Annexure D

PARTICULARS OF ENERGY CONSERVATION, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

A. Conservation of Energy

The following initiatives were taken by the company to reduce and conserve energy:

i. Steps taken or impact of Conservation of Energy at Network sites:

- **Installation of Dual Turbine Unit** - We have installed the passive air ventilation system, which is used to maintain internal temperature without the use of electricity and reduces our dependency on air conditioners. This initiative has resulted in savings of 11,424 kWh of electricity and 916 Litres of diesel.
- **Hybrid battery bank solutions** - To optimise energy use and lessen our reliance on diesel, we have installed cutting-edge lithium-ion and VRLA (Valve-Regulated Lead-Acid) batteries. We have added additional/upgraded battery banks resulting in saving of 40,606 Litres of diesel.
- **‘Project Green City’** - Working with our network infrastructure partners, we are transforming our sites into eco-friendly ones. 48% of our network sites, including both owned by Hexacom as well as by partners, have been tagged as green sites, consuming less than 100 litres of diesel per quarter.
- **Site sharing** - Through greater use of passive infrastructure, our site sharing strategy with partners has optimised our resource usage.
- **Optimisation through AI and ML** - Artificial Intelligence and Machine Learning algorithms are implemented to put to sleep radios of less load so that other cells can take the traffic.

ii. Utilisation of Green Energy

On-site solar panels have been installed at 4,998 of our network sites, including both owned by Hexacom as well as by partners across Rajasthan and North East till FY 2024-25 with a cumulative solar capacity of ~29 MWp.

B. Technology Absorption

1. The efforts made towards technology absorption –

With an objective to provide best in class mobile broadband experience to our customers, added 647 4G Base stations and 2,041 5G Base stations in previous year. We now connect 488 towns and 68,220 villages through high-speed broadband.

In order to improve spectrum efficiency, Hexacom has taken below initiatives in the required regard:

- **4G Spectrum Refarming:** Dynamic Spectrum Sharing (DSS) has been implemented across key airports and other key areas to extend 5G coverage, allowing Airtel to dynamically allocate spectrum between 4G and 5G. This approach introduces a more efficient way of deploying 5G by reusing existing hardware, spectrum, and sites. DSS not only accelerates rollout but also enhances indoor 5G coverage, enabling higher technology. The initiative will be expanded to additional cities to further strengthen Airtel's 5G footprint.
- **5G Coverage extension:** 5G coverage was extended by implementing relaxed exit thresholds, allowing devices to retain the 5G leg for longer durations without compromising user experience. This approach not only contributed to a 6% increase in 5G Time on Technology (ToT) but also helped reduce the number of <3 Mbps cells in 4G by offloading more traffic to the 5G layer, thereby improving overall network efficiency and user experience across both technologies.
- **5G Uptake:** We have effectively uses 5G spectrum to maximise 5G uptake to offload 4G payload wherever possible, 5G camping strategy implemented for same.

Coverage and Capacity Solution:

- **2,041** 5G deployed to enhance data experience.
- **647** new 2G+4G sites deployed to improve coverage and data penetration in FY 2024-25.



- **642** Sites deployed in L900 to improve indoor coverage penetration.
 - **528** sites deployed in L2100 and 314 TDD to enhance capacity to improve user experience.

2. Efforts to increase network reliability, security, accessibility etc. to support the Digital India mission

Mobile network is an essential service and its continuity needs to be ensured during any catastrophe, unforeseen situation of any kind etc.

 - Enabled AI Powered SPAM Detection for both Voice and SMS.
 - Introduction of Product catalogue for Business product configuration. This will enable faster go to Market for new business plans with simplification of Tariff Structure.
 - Scaling of core capacities to handle data growth and BCP. This will also help in increasing 5G adoption and offloading 4G network. Scaled Container based Network Function. Airtel has the biggest cloud footprint for voice and data-core network functions.
- 5G SA Core ready to launch for FWA across all Circles. Chennai and Maharashtra Circles launched FWA over 5G SA with Broadband Stack.
 - Scaled Fixed Wireless Access over Fix-line Broadband Stack across Pan-India.
 - As part of our Automation journey, we have automated the on boarding of new network functions via MANO.

C. Foreign exchange Earnings and Outgo

Activities relating to initiatives taken to increase exports, development of new export markets for products and services and export plans.

Total foreign exchange used and earned for the year:

- a) Total Foreign Exchange Earnings - ₹128 million
- b) Total Foreign Exchange Outgo - ₹1,623 million

Annexure E

ANNUAL REPORT ON THE CSR ACTIVITIES PURSUANT TO SECTION 135 OF THE COMPANIES ACT, 2013 (“THE ACT”) READ WITH THE COMPANIES (CORPORATE SOCIAL RESPONSIBILITY POLICY) RULES, 2014

1. A brief outline of the Company’s CSR policy:

(i) Key Objectives

At Bharti Hexacom Limited, we view it as our responsibility to contribute to society. We are committed to pursuing broader socio-economic and cultural objectives, consistently striving not only to meet but to exceed the expectations of the communities where we operate.

(ii) Focus Areas

At Bharti Hexacom Limited, the CSR and welfare activities centers around on the following areas:

- Promoting education including special education, employment enhancing vocational skills especially among children and livelihood enhancement projects;
- Eradicating hunger, poverty and malnutrition, promoting preventive health care and sanitation and making available safe drinking water;
- Contributions or funds provided to technology incubators located within academic institutions which are approved by the Central Government; and
- Promoting gender equality, empowering women, setting up homes and hostels for women and orphans, setting up old age homes, day care centers and such other facilities for senior citizens and measures for reducing inequalities faced by socially and economically backward groups.

(iii) CSR Activities

The Company is a subsidiary of Bharti Airtel Limited (Airtel), which is an early adopter of CSR initiatives. Bharti Airtel Foundation, the philanthropic arm of Bharti Enterprises, was established in the year 2000, with the objective of transforming the lives of children and youth to help them achieve their potential by proactively implementing and supporting programs for quality education and skill development. Bharti

Airtel Foundation is a key partner for undertaking development programs for Airtel and its subsidiaries/ joint ventures. It acts as an institutionalised body towards uplifting communities by supporting holistic education programs, with an enhanced focus on digital inclusion.

The programs of Bharti Airtel Foundation are aligned with Sustainable Development Goals - Quality Education, Gender Equality, Sanitation (2014-2018) and Partnership for the Goals. The core value of the programs resonates with national initiatives and government missions, aligning closely with the objectives outlined in the National Education Policy.

Bharti Airtel Scholarship program is designed with the aim to support deserving students from diverse socio-economic backgrounds with a focus on girl students, to become future technology leaders. This merit-cum-means based scholarship program is for students enrolled in technology based engineering undergraduate (UG) courses and 5-year integrated programs (as per the eligibility criteria) in the top 50 NIRF Engineering institutes including IITs. It covers 100% annual fees over the duration of the course, including meal and accommodation charges. A laptop is also provided to all Bharti Scholars in the first year. Support from Bharti Hexacom has encouraged the less privileged students to pursue higher education and dream of bright career.

The Foundation's flagship initiative, the Satya Bharti School program provides underprivileged children in India, free of cost, with special focus on the girl child. Learnings from the Satya Bharti Schools have empowered Bharti Airtel Foundation to undertake partnerships with government schools at a large scale. Through its programs, Bharti Airtel Foundation aims to create a lasting and sustainable impact on the communities. Bharti Airtel Foundation is constantly working towards finding innovative solutions through its primary, elementary and senior secondary schools, to create replicable and scalable initiatives.

2. Composition of CSR Committee:

Sr. No.	Name of Director	Nature of Directorship / Designation	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1	Mr. Soumen Ray	Non-Executive Director, Chairman	2	2
2	Mr. Arvind Kohli	Independent Director, Member	2	2
3	Mr. Arun Gupta	Independent Director, Member	2	2
4	Mr. Kanwaljit Singh Cheema ¹	Independent Director, Member	NA	NA

¹Inducted as a member of Committee w.e.f. February 05, 2025.

3. Web-link where Composition of CSR Committee, CSR Policy and CSR projects approved by the Board are disclosed on the website of the Company.

- (a) The Composition of CSR Committee is disclosed on the website of the Company which can be accessed by [clicking here](#).
- (b) The Company has adopted a CSR Policy in compliance with the provisions of the Act and the same is placed on the website of the Company which can be accessed by [clicking here](#).
- (c) CSR Annual Action Plan for FY 2024-25 is available at the website of the Company which can be accessed by [clicking here](#).

4. Executive summary along with weblinks of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of Rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, if applicable: NA

5. (a) Average net profit of the Company as per section 135(5): ₹6,193 million
- (b) Two percent of average net profit of the Company as per section 135(5): ₹124 million
- (c) Surplus arising out of the CSR projects, programs or activities of the previous Financial Years: Nil
- (d) Amount required to be set off for the Financial Year, if any: Nil
- (e) Total CSR obligation for the Financial Year (b+c-d): ₹124 million

Note: Provisions of Rule 8(3) of the Companies (CSR Policy) Rules, 2014 w.r.t. Impact Assessment are not applicable on the CSR projects undertaken by the Company during the financial year 2024-25.

6. (a) Amount spent on CSR Projects (both Ongoing Project and other than Ongoing Project): ₹74 million
- (b) Amount spent in Administrative Overheads: Nil
- (c) Amount spent on Impact Assessment, if applicable: Nil
- (d) Total amount spent for the Financial Year (a+b+c): ₹74 million
- (e) CSR amount spent or unspent for the Financial Year:

Total Amount Spent for the Financial Year (₹ in Mn)	Amount Unspent (₹ in Mn)				
	Total Amount transferred to Unspent CSR Account as per Section 135(6)		Amount transferred to any fund specified under Schedule VII as per second proviso to Section 135(5)		
	Amount.	Date of transfer	Name of the Fund	Amount	Date of transfer
74 Mn	50 Mn	April 21, 2025	Nil	NA	NA

- (f) Excess amount for set off, if any: Nil

Sr. No.	Particular	Amount (₹ in Mn)
(i)	Two percent of average net profit of the company as per section 135(5)	₹124 Mn
(ii)	Total amount spent for the Financial Year	₹74 Mn
(iii)	Excess amount spent for the Financial Year [(ii)-(i)]	Nil
(iv)	Surplus arising out of the CSR projects or programs or activities of the previous Financial Years, if any	Nil
(v)	Amount available for set off in succeeding Financial Years [(iii)-(iv)]	Nil

7. Details of Unspent CSR amount for the preceding three Financial Years: NA
8. Whether any capital assets have been created or acquired through Corporate Social Responsibility amount spent in the Financial Year: NA
9. Specify the reason(s), if the Company has failed to spend two per cent of the average net profit as per section 135 (5): NA

Note: Out of total CSR Obligation of ₹124 million, ₹50 million has been transferred to "Bharti Hexacom Limited Unspent CSR account for the FY 2024-25" to be utilised during FY 2025-26 towards contribution to the ongoing multiyear project(s).

For an on behalf of Board

Date: May 13, 2025
Place: New Delhi

Marut Dilawari
Chief Executive Officer

Soumen Ray
Chairman, CSR Committee
DIN: 09484511

Annexure F

FORM NO. AOC-2

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

Disclosure of particulars of contracts/arrangements entered into by the Company with related parties referred to in sub-section (1) of Section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto

1. Details of contracts or arrangements or transactions not at arm's length basis

Not applicable. All the contracts, arrangements or transactions entered in to by the Company with related parties during the financial year ended March 31, 2025, were at arm's length basis, in ordinary course of business and were approved by the Audit Committee.

2. Details of material contracts or arrangement or transactions at arm's length basis

Sr. No.	Particulars	Details	Details
(a)	Name(s) of related party & nature of relationship	Bharti Airtel Limited (Holding Company)	Indus Towers Limited (Related Party)
(b)	Nature of contracts/ arrangements/ transactions	(a) availing and rendering of service(s) including telecommunication services viz. Voice, VAS, SMS, Bandwidth, Fibre, interconnect and inter circle arrangement service, etc. and related services; and (b) reimbursement of expenses including towards availing/ providing for sharing/ usage of each other's resources viz. employees, marketing, office space, infrastructure including IT assets, taxes and related owned/ third party services.	(a) availing of service(s) including passive infrastructure services required for active services viz. IBS, Wi-Fi etc. and/ or services, including but not limited to, of project management or of provisioning, establishing, installation, operation and maintenance thereof; (b) rendering of service(s) including telecommunication services viz. landline, mobile, leased line broadband facility, SIM charges and USB Dongles etc; (c) reimbursement of expenses including towards availing/ providing for sharing/ usage of each other's employees, infrastructure, related owned/ third party services and payment of taxes; (d) purchase/ sale/ exchange/ transfer/ lease of business asset(s) and/ or equipment(s) including passive infrastructure assets to meet its business objectives/ requirements; (e) selling or otherwise disposing of or leasing, or buying property(ies) to meet its business objectives/ requirements; and (f) transfer of resources, services or obligations to meet its business objectives/ requirements.
(c)	Duration of contracts/ arrangements/ transactions	All the contracts/ arrangements/transactions are on ongoing basis unless otherwise specified under the Agreement.	All the contracts/ arrangements/ transactions are on ongoing basis unless otherwise specified under the Master Service Agreement.
(d)	Salient terms of the contracts or arrangements or transactions including the value, if any	The Company has an arrangement with Bharti Airtel Limited under which the Company avails and renders service(s) including telecommunication services viz., Voice, Data, VAS, SMS, Bandwidth, Fibre, interconnect and inter circle arrangement service etc; reimbursement of expenses including towards availing/ providing for sharing/ usage of each other's resources viz. employees, marketing, office space, infrastructure including IT assets, taxes and related owned/ third party services; transfer/ lease of business asset(s) and/ or equipment's and related services from Bharti Airtel Limited. The arrangement prescribes w.r.t. sharing of assets, telecommunication services, reimbursement of expenses, corresponding obligations of both the parties to meet its business objectives/requirements. Please refer Note no. 31 to the financial statements provided in this Annual Report.	The Company has an arrangement with Indus Towers Limited governing the detailed terms and conditions under which the Company avails passive infrastructure and related services from Indus Towers. The arrangement prescribes material terms and conditions w.r.t. sharing of passive infrastructure at sites, provision for related operation and maintenance service, corresponding obligations of both the parties and service level schedules applicable with respect to the said obligations. The arrangement also prescribes the tower sharing process, site access, acquisition and deployment timelines, the service levels and uptime to be maintained, site electrification requirements, the governance process and applicable charges including standard charges, annual increment, premiums and additional charges determined basis the installed active equipment of the Company etc. Please refer Note No. 31 to the financial statements provided in this Annual Report.
(e)	Date(s) of approval by the Board, if any	The related party transactions are placed before the Audit Committee for its prior approval in compliance with the requirement of the Companies Act, 2013 and SEBI Listing Regulations every year before commencement of the Financial Year and for modifications, if any.	The related party transactions are placed before the Audit Committee for its prior approval in compliance with the requirement of the Companies Act, 2013 and SEBI Listing Regulations every year before commencement of the Financial Year and for modifications, if any.
(f)	Amount paid as advances, if any	As per the terms of Agreement.	As per the terms of Master Service Agreement.

Report on Corporate Governance

Our relentless commitment in pursuit of adopting leading Corporate Governance practices is echoed in this Report on Corporate Governance which unfolds into the ethical business practices, strong governance structure, policies and procedures adopted by Bharti Hexacom Limited ('Bharti Hexacom'/ 'Hexacom'/ 'the Company') with an aim to create business driven by values and ethics in the best interest of our stakeholders. This report is divided into following:

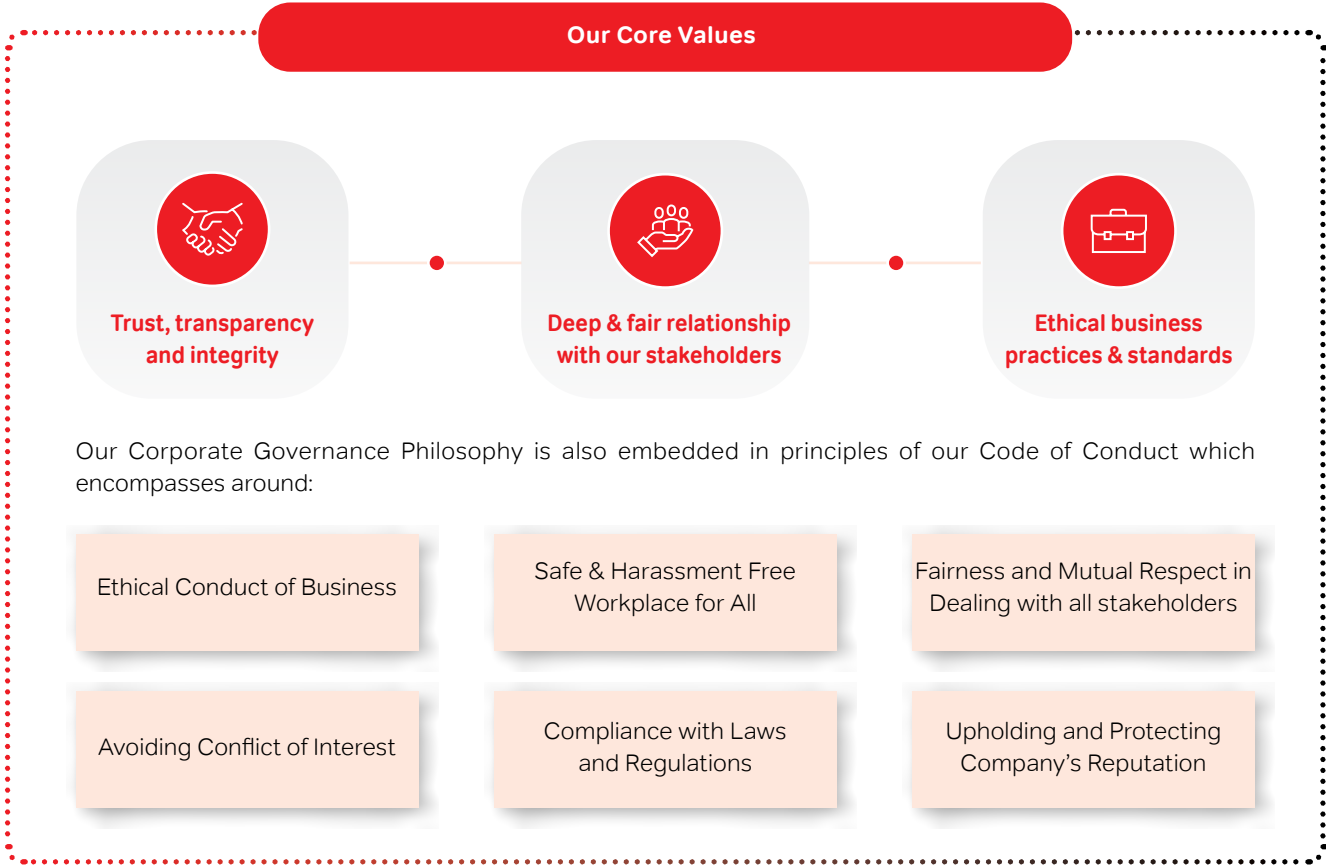


A. CORPORATE GOVERNANCE PHILOSOPHY AND GOVERNANCE STRUCTURE

Corporate Governance Philosophy

Our Corporate Governance Philosophy resonates in our objective to create and enhance long term stakeholder value which is embedded in our core values i.e. (i) Trust, transparency, and integrity; (ii) Deep & fair relationship

with our stakeholders; and (iii) Ethical business practices and standards. We believe that Corporate Governance is a means to achieve the Company's vision and objectives, in a transparent, ethical and legally compliant manner, while ensuring the best interests of all the stakeholders.



Our Corporate Governance framework reflects the core values that guide our business conduct and stakeholder engagement. This exhibits our commitment to the best-in-class Corporate Governance focusing on ethics, transparency, integrity, accountability and sustainable success of the Company. Guided by our Code of Conduct, its principles are integrated in all our policies and processes to ensure alignment of all the business processes with the Code of Conduct.

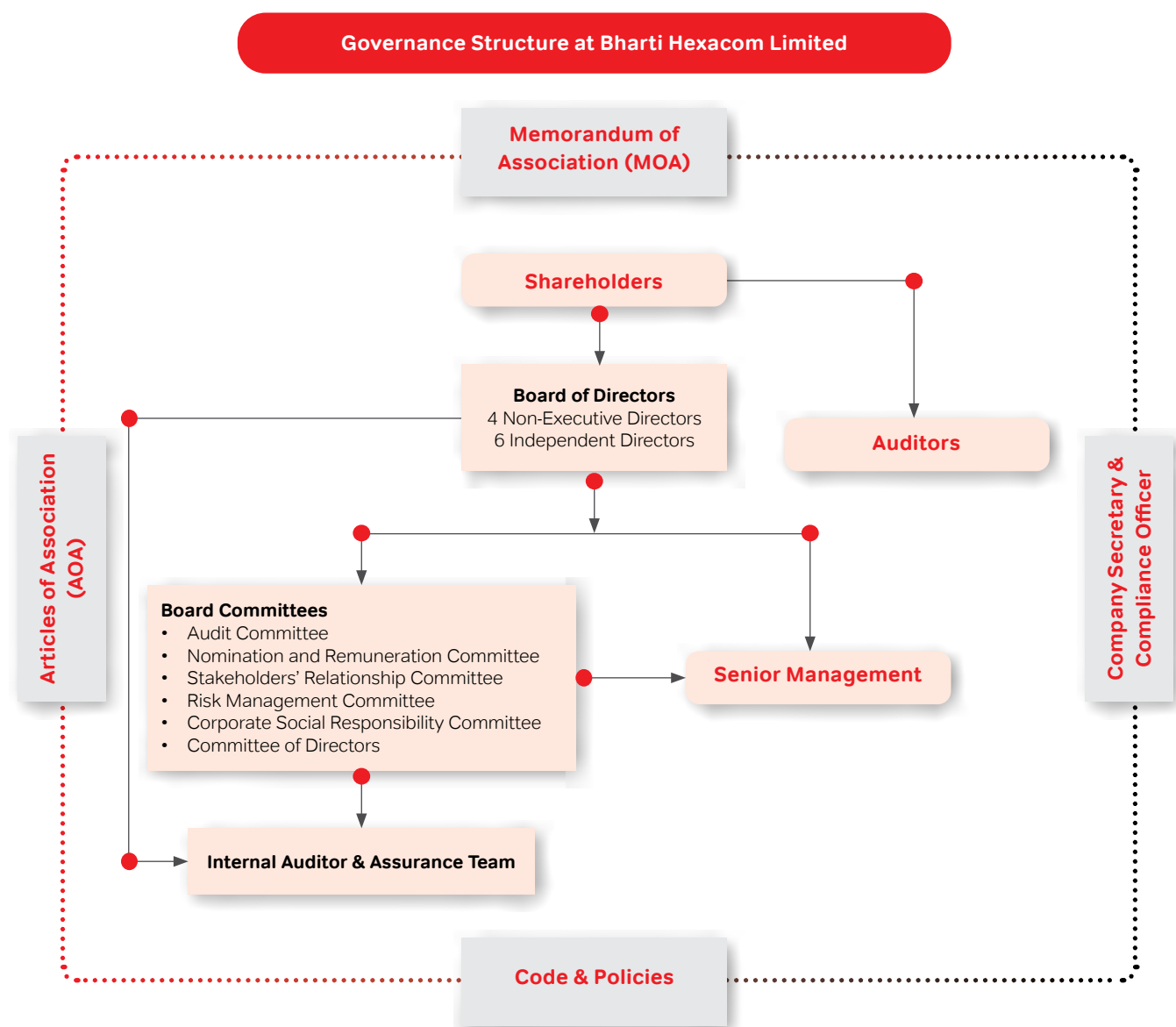
At Hexacom, Corporate Governance is not confined to a set of processes and compliances, it underlines the role that we see for ourselves today, and in future. Corporate Governance at Hexacom is implemented through clear 'tone at the top', robust Board and Committees governance, strong management processes through internal controls, Code of

Conduct, effective risk management framework, policies, procedures, etc.

The Company strives to adopt and embrace the best practices and governance standards being followed across the globe and continuously reviews them to benchmark its practices with the highest industry standards.

Governance Structure

A strong Corporate Governance structure is a foundation to build a resilient, agile and sustainable organisation. Therefore, we have prioritised building a sound, resilient and robust governance structure which underpins our growth journey through the years while ensuring that all the business practices are carried out within the contour of governance framework.



MOA & AOA: Business of the Company is carried out within the approved objectives of the Company stated in its Memorandum of Association. The powers and responsibilities of the Board and that of the shareholders are defined in the Articles of Association, which provides clear guidance on the process to be followed while conducting business.

Shareholders: The shareholders are the ultimate owners of the Company. In compliance with Companies Act, 2013 ('Act'), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI Listing Regulations') and other applicable provisions of law, approval of shareholders is taken on various matters including fund raising, financials, appointment & remuneration of Directors, appointment of statutory auditors, etc. The Company seeks approval of shareholders on various matters either at the Annual General Meeting or at the Extra-Ordinary General Meeting or through Postal Ballot, if required.

Board of Directors: The Board of Directors is entrusted with strategic oversight and the supervision of Management's performance and governance of the Company on behalf of shareholders and other stakeholders. The Board exercises independent judgement and plays a pivotal role in monitoring the Company's overall affairs and ensures that the business is conducted sustainably and aligned with the Memorandum of Association of the Company and all applicable laws. The Board is headed by a Non-Executive Chairman, who ensures an effective and robust Board culture. A brief profile of all the Directors, nature of their expertise in specific functional areas, etc. are available on the website of the Company which can be accessed by [clicking here](#) and is also provided separately in this Annual Report.

Board Committees: To ensure Board effectiveness, the Board has constituted various specialised Committees to compliment the Board by objectively dealing with complex agenda items and provide their recommendation. The

objective is to focus effectively on the issues and ensure expedient resolution on diverse matters. The Chairman of each Committee briefs the Board on discussions, decisions and recommendations at its meeting. This helps the Board to focus on other strategic initiatives and utilise its time & efforts efficiently while retaining collective responsibility for decision making.

Senior Management: Under the guidance of the Board and its Committees, Senior Management closely implements the approved strategies. They also ensure smooth management of the Company focusing on compliance, financial & operational performance and sustainability. Depending on the roles, the key performance indicators of Senior Management generally include financials viz. growth, margin, EBITA, working capital, revenue, etc. and non-financial parameters cover compliance, stakeholder management, digitisation, talent management, diversity, sustainability/ ESG, etc. The profile of Senior Management is available on the website of the Company which can be accessed by [clicking here](#).

Company Secretary and Compliance Officer: The Company Secretary and Compliance Officer plays a pivotal role in effective management of the Board and its Committees while ensuring compliance, providing support and guidance on corporate governance practices by developing robust governance structure, processes, policies and effective communication/ feedback channel amongst all the stakeholders.

The roles and responsibilities of Company Secretary include (i) adherence to the Board processes and procedures; (ii) convening the Board, Committee and General Meetings of the

Company and ensuring availability of relevant information for effective decision making; (iii) ensuring action points arising from the Board/ Committee meetings are communicated to the Management and an update is provided to the Board/ Committees; (iv) assist the Board/ Committees in developing policies and processes around applicable laws viz. related party transactions, Board evaluation, Board familiarisation, Board/ Committee roles and responsibilities, remuneration, loans and advances, investments, succession planning, compliance of applicable laws and other environmental, social and governance matters, etc. for ensuring strict adherence to law in letter and spirit; and (v) act as an interface between the Board, Management and Stakeholders.

Auditors: The Statutory Auditors, Secretarial Auditors and Cost Auditors carry out an independent, fair and transparent assessment of the financial statements, policies, practices and compliances of corporate law by the Company which strengthens the stakeholder confidence. All the Auditors have direct access to the Chairman of the Audit Committee for reporting any observations or concerns to ensure complete independence throughout the Audit process.

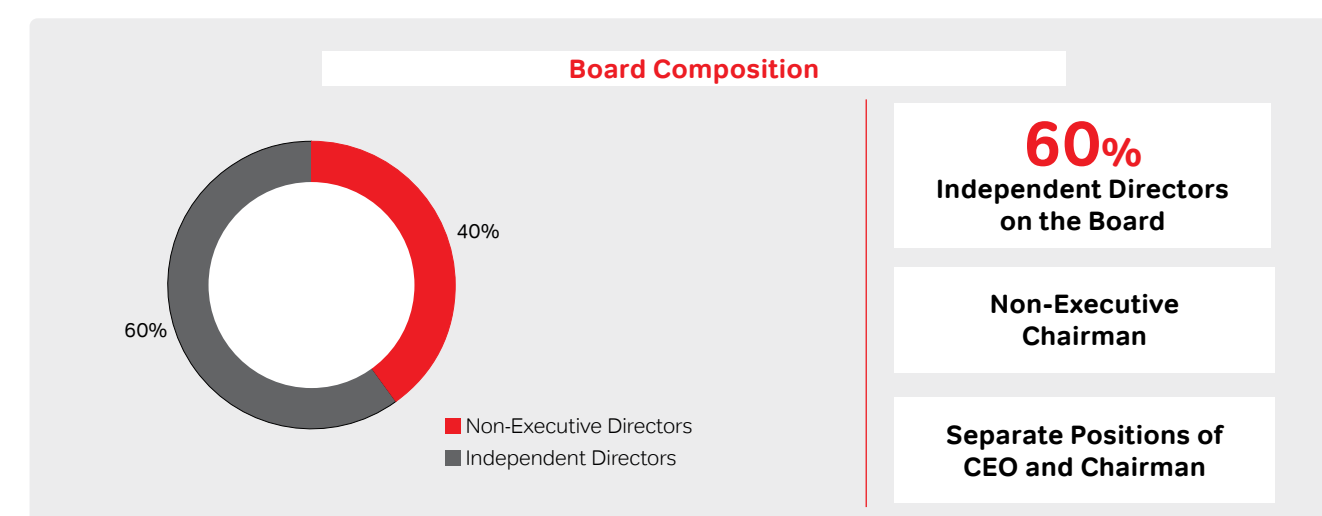
Internal Auditor (IA) and Internal Assurance Partners: The Internal Auditor serves as a safeguard against potential operational, business, financial, and legal risks by continuously assessing the adequacy and effectiveness of internal controls. Supported by reputed external audit firms as internal assurance partner, the Internal Auditor reports directly to the Audit Committee, ensuring independence and objectivity.

B. BOARD OF DIRECTORS

Board Composition

We have an optimum mix of Non-Executive and Independent Directors on the Board with diverse background and experience who act as founding pillars for an effective governance and management. The Board composition is

in compliance with the provisions of the Act and the SEBI Listing Regulations. The Board comprises of ten members with four Non-Executive Directors including the Chairman and six Independent Directors.



The Board reviews its strength and composition from time to time to ensure that it remains aligned with the statutory as well as business requirements. The shareholders of the Company periodically approve the appointment/ re-appointment of Directors, including the rotational Directors. There is no permanent Board seat.

The profiles of the Board members comprising the details of their DIN, nationality, age, date of appointment, tenure on the Board, term-ending date, areas of expertise and chairmanship/membership held by them on Board Committees etc. are provided under 'Board of Directors' section of this Annual Report.

No Director is a member of more than ten Committees or Chairman of more than five Committees across all Companies (including Bharti Hexacom Limited) in which they are Director as per the requirement of Regulation 26 of the SEBI Listing Regulations.

Average Tenure as on March 31, 2025

~2.7 years
Board

~1.6 years
Independent Directors

Changes in the Board during the FY 2024-25

- ➔ Due to termination of the Shareholders Agreement between Telecommunications Consultants India Limited (TCIL) and Bharti Airtel Limited, upon listing of equity shares of the Company, Mr. Sanjeev Kumar and Mr. Surajit Mandol, the Nominee Directors of TCIL stepped down from the Board of the Company w.e.f. April 12, 2024.
- ➔ Mr. Rakesh Bharti Mittal was appointed as a Non-Executive Director w.e.f. October 28, 2024 and Mr. Kanwaljit Singh Cheema was appointed as an Independent Director w.e.f. November 20, 2024. Their appointments were approved by the shareholders through postal ballot on January 26, 2025.

Board Meetings

The Board meets at least once in a calendar quarter to, inter alia, approve the quarterly financial results and review the strategic business plan and operations of the Company.

In case of any special or urgent business need, the Board's approval is taken by passing resolution by circulation, as is permitted by law, which are noted and confirmed at the subsequent Board meeting.

The Board has unfettered right to access all information pertaining to the Company, the Auditors and the Senior Management. Following processes have been adopted to ensure that the Board is well equipped with all necessary information to effectively discharge its responsibilities:

- ➔ The Board and Committee meetings are governed by a structured agenda which is backed by comprehensive background information.
- ➔ Agenda papers, containing all relevant information are made available to the Board well in advance through a secured online platform.
- ➔ There exists a information sharing protocol between the Board and the Senior Management.
- ➔ Presentations are made to the Board by business and functional heads on operations and various matters concerning business of the Company, organisation talent, culture and succession planning for critical roles, including the Senior Management.
- ➔ Draft minutes of the meetings are circulated to the Directors for their comments and the final minutes are thereafter entered into the Minutes Book.
- ➔ Chairman of each Committee updates the Board on the matters discussed by the Committees in their respective meetings.
- ➔ The Board does not step in role of the Management and mentors the Senior Management on various strategies to achieve the organisational goals.
- ➔ The Company has an effective post Board Meeting follow-up procedure.

During FY 2024-25, the Board met five (5) times i.e. on April 05, 2024, May 13-14, 2024, August 02-05, 2024, October 25-28, 2024 and February 05-06, 2025. The quorum for every Meeting of Board was met as per the Act and the SEBI Listing Regulations. In addition to the above, a few resolutions were passed by circulation and were duly noted in the subsequent Board Meeting.

The details of attendance in the Board Meetings and at the 29th Annual General Meeting of the Company held during FY 2024-25 is as under:

93%

Attendance at the Board Meeting during FY 2024-25

Attendance at the Board and Annual General Meeting for FY 2024-25

Name of the Director	AGM held on August 30, 2024	Date of Board Meetings					% of Attendance for Board Meeting
		April 05, 2024	May 13-14, 2024	August 02-05, 2024	October 25-28, 2024	February 05-06, 2025	
Mr. JS Deepak							100%
Mr. Arun Gupta							100%
Mr. Arvind Kohli							100%
Mr. Ashok Tyagi							100%
Mr. Devendra Khanna							80%
Mr. Kanwaljit Singh Cheema ¹	NA	NA	NA	NA	NA		Nil
Mr. Kapal Kumar Vohra							80%
Ms. Nalina Suresh							100%
Mr. Rakesh Bharti Mittal ²	NA	NA	NA	NA	NA		100%
Mr. Sanjeev Kumar ³	NA		NA	NA	NA	NA	100%
Mr. Soumen Ray							100%
Mr. Surajit Mandol ³	NA		NA	NA	NA	NA	100%
Attendance (%)	100%	100%	100%	87.5%	100%	80%	

Attended in-person Attended through video conference Leave of absence NA Not applicable

Notes:

1. Appointed w.e.f. November 20, 2024.
2. Appointed w.e.f. October 28, 2024.
3. Ceased w.e.f. April 12, 2024.

Board Diversity

We truly believe that a diverse Board would leverage differences in thought, perspective, knowledge, skill, industry experience, cultural and geographical background which will help us to retain our competitive advantage and organisational structure. Recognising its importance, we have adopted a robust Policy on Nomination, Remuneration and Board Diversity which, inter-alia, sets out the approach in diversity of the Board of Directors.

The Board represents a confluence of experience and expertise across diverse areas, ranging from finance, telecommunication, technology, general management, corporate governance, ESG proficiency and people

management. The Board, along with its Committees, provides leadership and guidance to the Company's management and directs, supervises and controls the performance of the Company.

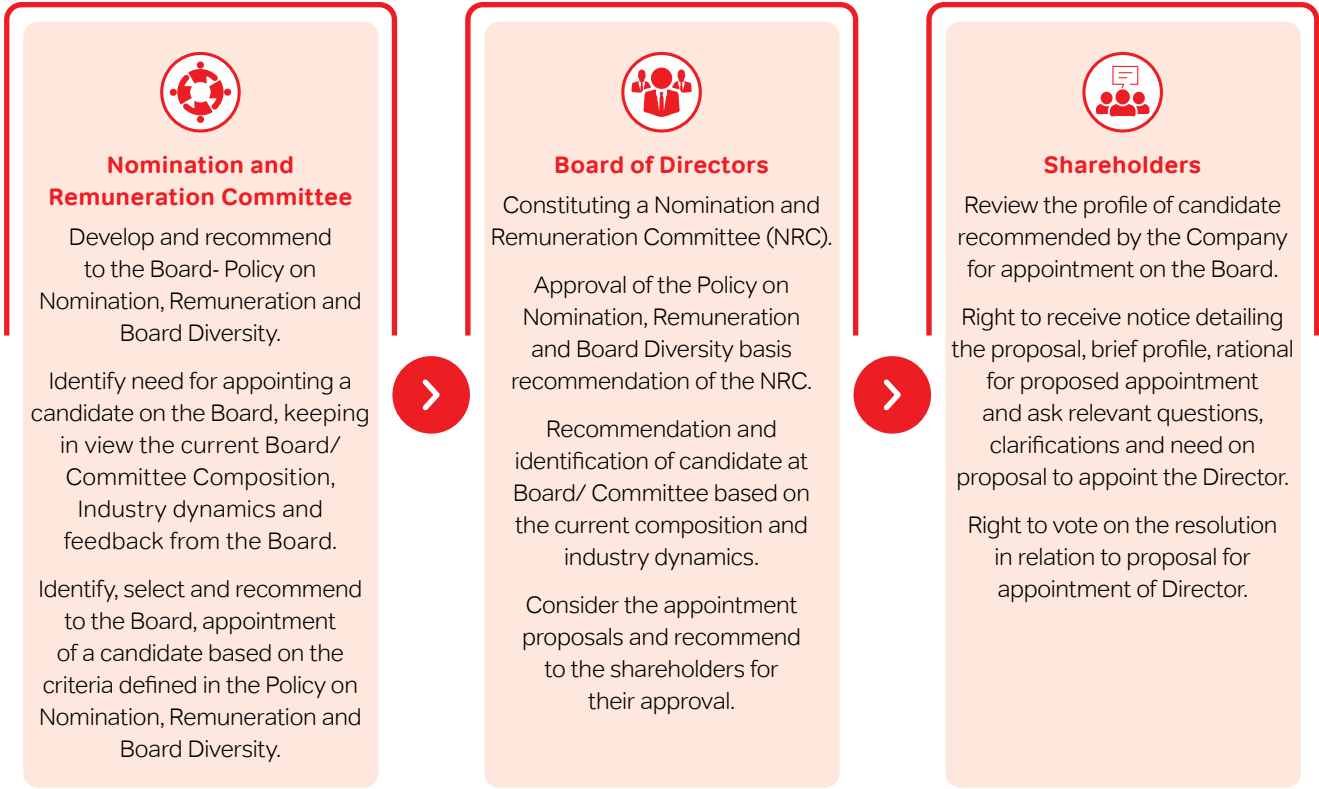
Skill Matrix of the Board

The Board of the Company comprises of qualified Directors who possess relevant skills, expertise and competence to ensure an effective functioning of the Company. This has helped us in effective decision making and guidance at Board level, leading to long term value creation for all the stakeholders.

Skills/ Expertise/ Competencies	Summary
Leadership	Experience as Entrepreneur/ Business Leader/ CEO/ Industrialist, leading operations of large organisations with an understanding of consumers, operations, sales & marketing, business processes, strategic planning, risk management and governance.
Strategic Management	Giving strategic guidance to the Management regarding organic and inorganic growth opportunities to enhance the profitability and value for investors, competitively and in a sustainable manner.
Industry and Sector Experience	Experience in the telecom sector with ability to align the Company's vision to rapidly evolving industry dynamics and global trends.
Technology	Ability to evaluate the impact of Digital/ Information Technology across the value chain and understanding of emerging technologies.
Corporate Governance and Legal	Expert knowledge of high governance standards with an understanding of changing regulatory and legal framework. Protection of stakeholders' interest, observing the best governance practices and identifying key governance risks.
Financial Expertise	Proficiency in financial management, financial reporting process, budgeting, treasury operations, audit and capital allocation. Ability to monitor effectiveness of the risk management framework and practices.
ESG Proficiency	Ability to guide in improving Environmental, Social and Governance practices of the Company and evaluation of the Company's efforts towards social and environmental factors and driving corporate sustainability initiatives, ethics and values.
People Management	Experience in talent development, succession planning and driving changes towards long-term growth. General know-how of business management, talent management and development, workplace health & safety.

Board Membership Criteria and Selection Process

Robust Governance Structure around selection process



The Nomination and Remuneration Committee (‘NRC’), in discussion with the Board of Directors, has developed a comprehensive and structured Policy on Nomination, Remuneration and Board Diversity which lays down the criteria for identification and evaluate a suitable candidate on the Board.

Factors considered while selecting a candidate

The NRC considers various criteria and leverages different factors while selecting a candidate viz. background, knowledge, skills, abilities & thought (to exercise sound judgement), professional experience & functional expertise, educational, professional, cultural and geographical background, personal accomplishments, nationality, gender, age, experience and understanding of the telecommunication sector/ industry, marketing, technology, finance and other disciplines relevant to the business of the Company.

Approval process

Based on evaluation of candidates on the aforesaid criteria, the NRC identifies and makes suitable recommendations to the Board. The Board, on the recommendation of the NRC, and after careful evaluation, appoints and further recommends the appointment to the shareholders, wherever applicable, for their approval.

The Policy on Nomination, Remuneration and Board Diversity was amended during the FY 2024-25 to align with best practices and regulatory requirement and is available on the website of the Company which can be accessed by [clicking here](#).

Independent Directors

At Hexacom, we believe that Independent Directors are an imperative part of strong corporate governance structure, who provide an independent view on the corporate matters, bring in different perspective, and play key role in protecting the interest of the stakeholders through constructive discussions and evaluation.

The Company has laid down terms and conditions for appointment of Independent Directors stipulating their roles, and responsibilities which are consistent with the provisions of Regulation 16 of the SEBI Listing Regulations, Section 149 and Schedule IV of the Act. The said terms and conditions set out the criteria of independence, recommended tenure, Committee memberships, remuneration and other related terms of appointment. It emphasises the importance of independence.

The Company issues formal letters of appointment to the Independent Directors at the time of their appointment/ re-appointment. The terms and conditions of the appointment of Independent Directors are available on the Company's website which can be accessed by [clicking here](#).

At the time of appointment and thereafter at the beginning of each financial year, the Independent Directors submit a self-declaration, confirming their independence as set out

in Regulation 16 of the SEBI Listing Regulations, Section 149(6) of the Act, read with rules and Schedule IV thereto and compliance with various eligibility criteria laid down by the Company, among other disclosures and the Company also ensures that its Directors meet the above eligibility criteria.

In terms of Regulation 25(8) of the SEBI Listing Regulations, Independent Directors of the Company have confirmed that they are not aware of any circumstance or situation, that exist or may be reasonably anticipated, which could impair or impact their ability to discharge their duties.

The Independent Directors have registered their names on the online databank maintained by the Indian Institute of Corporate Affairs. None of the Independent Directors of the Company serve as an Independent Director in more than seven listed Companies or as a Whole-time Director in any listed Company.

Based on the declarations received from the Independent Directors, the Board of Directors confirm that the Independent Directors are independent of the Management of the Company and fulfill the criteria of independence and conditions specified in the Act, rules made thereunder and the SEBI Listing Regulations and have sufficient knowledge, skills and experience to perform their duties as Independent Directors.

Meetings of Independent Directors

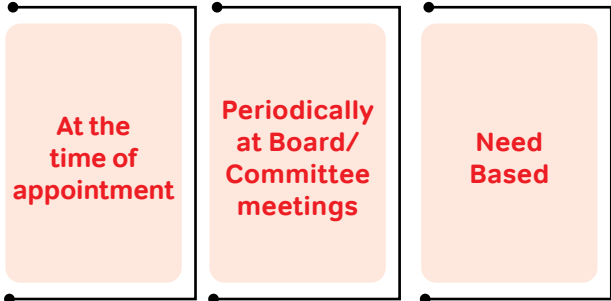
The Independent Directors meet separately at least once a year without the presence of the Management and Non-Executive Directors. During the year, the Independent Directors met on May 13, 2024. The Independent Directors inter-alia discussed/ reviewed/ assessed (i) strategic agenda items and other Board-related matters; (ii) identified areas where they need clarity or information from the Management; (iii) Company's performance, operations and other critical matters; (iv) performance of Directors, the Board as a whole and the Chairman of the Company, taking into account views of Non-Executive Directors; and (v) quality, quantity and timeliness of flow of information between the Management and the Board that is necessary for the Board to effectively and reasonably perform its duties.

The Independent Directors have access to the Statutory Auditors, Secretarial Auditors, Cost Auditors, Internal Auditor and Assurance Partners, to discuss audit effectiveness, control environment and invite their general feedback.

Familiarisation Programme for Board Members

A strong familiarisation framework enables the Directors to gain comprehensive understanding of the business, operations, industry outlook, technology advancement, risk and other factors. This equips them to make an informed decision, enhances Board effectiveness and ensures strategic alignment with the ever evolving business environment which helps the organisation to stay ahead of the curve.

Structured familiarisation Programme



Induction

The Company has adopted a robust and structured induction programme for orientation and training of Directors at the time of their joining which provide them with an opportunity to familiarise themselves with the Company, its Management, operations and the industry in which it operates.

The induction programme includes one-on-one interactive sessions with the members of the top Management, business and functional heads among others. They are also provided with documents such as policies, code of conduct, annual reports, Memorandum and Articles of Association, profile of the Directors along with Board and Committee Composition. All the Directors are also made aware of their role, functions, responsibilities, training and development, performance evaluation process, etc. at the time of their appointment. The Board also has an active communication channel with executive Management which allows free flow of communication amongst Directors in terms of raising query, seeking clarifications for enabling a good understanding of the Company and its various operations.

During FY 2024-25, Mr. Kanwaljit Singh Cheema, Independent Director of the Company, participated in detailed induction programme, which included meetings with the Senior Management that provided him an opportunity to understand the Company's business and operations, governance structure, policies and processes, risks, strategy and the industry outlook.

Ongoing Familiarisation Programme

As a part of the ongoing familiarisation programmes, business/ functional heads periodically present updates at the Board/ Committee meetings to familiarise the Directors with Company's strategy, business performance, operations, finance, risk management framework, human resources, customer experience and other related matters. Business updates and regulatory updates are regularly circulated to the Directors to keep them abreast of significant developments in the Company.

The details of such familiarisation programmes are disclosed on the website of the Company and can be accessed by [clicking here](#).

Performance Evaluation

a. Overview & Framework

We believe that a strong and robust Board evaluation framework reflects an organisation's commitment to ethical conduct, transparency and responsible governance. It plays a pivotal role in fostering a resilient organisation through enhancing Board effectiveness and decision making through constructive feedback, re-alignment of strategies, and strengthening of the systems and processes, which reinforces the trust of stakeholders who have placed confidence.

The Nomination and Remuneration Committee approves the process, format, attributes and criteria for the performance evaluation of the Board, its Committees and Individual Directors including the Chairman, which is aligned to global best practices.

The criteria for performance evaluation inter alia, include parameters such as relevant experience and skill, preparedness and constructive contribution, participation in strategic long-term planning, integrity, focus on stakeholder value creation, monitoring corporate governance practices, and Board/ Committee culture and dynamics.

Reaffirming our commitment to adopt best governance practices, this year, we engaged an independent third-party consultant which helped us in facilitating the evaluation through a secured and confidential online platform.

The results of evaluations were discussed at each Committee meetings and the meeting of the Independent Directors. The summarised results were presented to the Board of Directors by Chairman of the Nomination and Remuneration Committee and also discussed with individual Directors.

b. Evaluation criteria

Board: Diversity, composition, structure, effectiveness of Board meetings, Board meeting practices, performance of specific duties, balanced approach on devotion of time towards strategies, business, governance and compliance.

Evaluating Body: Board and Independent Directors.

Board Committees: Committee composition, diversity, skills, experience, effectiveness of performance basis the charter, decision making and contribution to the Board.

Evaluating Body: Board and Board Committees.

Individual Directors: Devotion of time, contribution at the meeting and preparedness of meetings, attendance, quality of inputs, leadership skills, competence, ability to bring in different perspectives, independent judgement, knowledge, etc.

Evaluating Body: Board.

Reviewing Body for Non-Independent Directors: Independent Directors.

Independent Directors: The Independent Directors were additionally evaluated on independence, expertise and independent judgement, out-side in perspective, guidance, contribution to the Board effectiveness.

Evaluating Body: Board members excluding the Independent Director being evaluated.

Chairman: The Chairman is additionally evaluated on vision, strategic thinking, moderation capabilities at the meetings, encouraging participation of all the Board members, leadership management, Board management, openness to constructive feedbacks.

Evaluating Body: Board.

Reviewing Body: Independent Directors.

c. Outcome

1. The Board acknowledged that it has a comprehensive and optimum mix of Directors with diverse background, experience and expertise contributing to overall effectiveness of the Board decision making through objective and constructive discussion at the Board level which are aligned to Company's strategy.
2. The Board noted that there exists adequate systems and processes for flow of information from the Company to the Board. The Board and Committees are well-managed and structured, which allows the Board and Committees to allocate adequate time for strategic matters while ensuring sufficient time is allocated for compliance, governance and risk matters.
3. The Board will continue its active engagement with the Management to further strengthen the Company's ESG strategy, emerging technology and elevations of its governance practices through various interventions.

d. Actions taken from the outcome of the Evaluation Process of last year

As a part of the evaluation process the Board also reviewed the action taken by the Management on the suggestions made during evaluation in the previous year. The Board expressed its satisfaction on strengthening of governance practices, enhancing Board and Committee effectiveness through active engagement and detailed presentations.

Remuneration of Directors

In terms of the SEBI Listing Regulations and the Act, the Board has approved a Policy on Nomination, Remuneration and Board Diversity for its Non-Executive Directors, KMPs and other Senior Management which includes the criteria for making payments to the Directors, KMPs and other Senior Management.

Following are key features of the Policy on Nomination, Remuneration and Board Diversity:

1. Criteria for appointment of Directors, Key Managerial Personnels and Senior Management including size, mix, knowledge, skills, abilities & thought (to exercise sound judgement), professional experience, educational, professional, cultural & geographical background, personal accomplishments, integrity, criteria of independence (for Independent Directors) nationality, gender, age, experience, time commitment, understanding of the sector(s) & industry(ies) in which Company operates.
2. Criteria for remuneration of Directors, Key Managerial Personnels and Senior Management which is reasonable and sufficient to attract, retain and motivate Directors & other employees and is based on factors such as level, composition, performance and balance in fixed and variable pay reflecting short term and long-term targets. The Policy is reviewed periodically and presently includes the following criteria of payment to Directors:

a) Payment to Non-Executive Directors including Independent Directors: The Non-Executive Independent Directors are eligible for (i) An annual commission of upto ₹ 1,250,000/- p.a. (ii) ₹ 25,000/- sitting fees for every Board and Committee Meeting. Further, the Chairmen of Audit Committee and Nomination and Remuneration Committee are eligible for an additional commission of ₹ 250,000/- p.a. and the Chairman of the Board is eligible for commission of upto ₹ 3,000,000/- p.a. The commission is payable annually subject to the ceiling of limits as prescribed under the Act and as approved by the Board and shareholders from time to time. The other Non-Executive Directors do not receive any remuneration or commission.

The detailed criteria for remuneration to Directors, KMPs and Senior Management is provided in the said policy which is also available on the website of the Company and can be accessed by [clicking here](#).

Details of the remuneration of Directors for FY 2024-25

(Amount in ₹)

Name of Director	Sitting Fees	Commission
Non-Executive Chairman		
Mr. JS Deepak	-	3,000,000
Non-Executive Directors		
Mr. Devendra Khanna	-	-
Mr. Rakesh Bharti Mittal ²	-	-
Mr. Sanjeev Kumar ³	-	-
Mr. Soumen Ray	-	-
Mr. Surajit Mandol ³	-	-
Independent Directors		
Mr. Arun Gupta	375,000	1,250,000
Mr. Arvind Kohli	450,000	1,500,000
Mr. Ashok Tyagi	400,000	1,500,000
Mr. Kanwaljit Singh Cheema ¹	-	452,055
Mr. Kapal Kumar Vohra	250,000	1,250,000
Ms. Nalina Suresh	200,000	1,250,000

Notes:

1. Appointed w.e.f. November 20, 2024.
2. Appointed w.e.f. October 28, 2024.
3. Ceased w.e.f. April 12, 2024.
4. The remuneration paid to the Directors is as per the terms laid out in the Policy on Nomination, Remuneration and Board Diversity.
5. None of the Non-Executive Directors have any material pecuniary relationship or transactions.
6. None of the Directors of the Company hold shares in the Company as on March 31, 2025.
7. The Commission to the Chairman is payable subject to the approval of Shareholders in the ensuing AGM.
8. There is no inter-se relationship between the Directors and/ or the Key Managerial Personnels.

C. BOARD COMMITTEES AND SENIOR MANAGEMENT

The Board has constituted specialised Committees which play pivotal role in Board effectiveness. These Committees operate under well-defined charter outlining their roles, responsibilities and powers enabling them to focus on specific critical areas of expertise and provide strong support to Board in its functioning.

The draft minutes of the Committee Meetings are circulated to the respective Committee members for their comments

and the final minutes are thereafter entered into the Minutes Book. Minutes of the proceedings of Committee meetings are circulated to the Directors for its noting at the Board meetings. In FY 2024-25, the Board has accepted all recommendations of its Committees.

The Constitution and charters of the Board Committees are available on the Company's website which can be accessed by [clicking here](#).

Constitution of Board Committees

Name of Committee	Constitution
Audit Committee	Mr. Ashok Tyagi, Chairman
	Mr. Arun Gupta
	Mr. Arvind Kohli
	Mr. Kapal Kumar Vohra
	Mr. Soumen Ray
Nomination and Remuneration Committee	Mr. Arvind Kohli, Chairman
	Mr. Ashok Tyagi
	Ms. Nalina Suresh
Stakeholders' Relationship Committee	Mr. Arun Gupta, Chairman
	Mr. Kapal Kumar Vohra
	Mr. Soumen Ray
Risk Management Committee	Mr. Arvind Kohli, Chairman
	Mr. Akhil Garg
	Mr. Ashok Tyagi
Corporate Social Responsibility Committee	Mr. Soumen Ray, Chairman
	Mr. Arun Gupta
	Mr. Arvind Kohli
	Mr. Kanwaljit Singh Cheema
Committee of Directors	Mr. Soumen Ray, Chairman
	Mr. Ashok Tyagi
	Mr. Arvind Kohli

Audit Committee



Mr. Ashok Tyagi, Independent Director, Chairman

In compliance with the requirements of Section 177 of the Act and Regulation 18 of the SEBI Listing Regulations, the Company has duly constituted an Audit Committee. As on March 31, 2025, the Audit Committee comprised five Non-Executive Directors, of whom four are Independent Directors.

The Audit Committee inter-alia monitors and provides effective supervision of the financial reporting process with a view to ensure accurate, timely and proper disclosures in the financial statements/ results and transparency, integrity, and quality of financial reporting.

The Company Secretary acts as a Secretary to the Committee. The Chief Financial Officer, Internal Auditor, Internal Assurance Partners and the Statutory Auditors are invited to the meetings of the Committee to provide necessary information.

During the FY 2024-25, the Committee met four (4) times on May 13-14, 2024, August 02-05, 2024, October 25-28, 2024, and February 05-06, 2025. In addition to the above, the Committee also passed few circular resolutions which were duly noted at the subsequent Committee meeting. The Chairman of the Committee was present at the last AGM, held on August 30, 2024.

The composition as on March 31, 2025, and the attendance of the members at the Audit Committee meetings held during the FY 2024-25 are given below:

95%

Attendance during FY 2024-25

Name of the Director	Date of Audit Committee Meetings				Held during tenure	Total attended	% of attendance
	May 13-14, 2024	August 02-05, 2024	October 25-28, 2024	February 05-06, 2025			
Mr. Ashok Tyagi, Chairman					4	4	100%
Mr. Arun Gupta					4	4	100%
Mr. Arvind Kohli					4	4	100%
Mr. Kapal Kumar Vohra					4	3	75%
Mr. Soumen Ray					4	4	100%
Attendance (%)	100%	80%	100%	100%			

Attended in-person Attended through video conference Leave of absence

Note:

1. Mr. Surajit Mandol ceased to be member of the Committee w.e.f. April 12, 2024.

Key Responsibilities of the Audit Committee, inter-alia, includes the following:

Key Responsibilities	Frequency
1. Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible.	
2. Review with the Management, the Quarterly financial statements/ Annual financial statements, auditor's report thereon and Management letters/ letters of internal control weaknesses issued by the Statutory Auditors before submission to the Board for approval.	
3. Review of Management Discussion and Analysis of the financial condition and operating results.	
4. Review in consultation with the Management, the statement of use/ application of funds raised through public issue, rights issue, preferential issue, etc.; the statement of funds utilised for purposes other than those stated in the offer document/ prospectus/ notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue and making appropriate recommendations to the Board to take steps in this matter.	
5. Review and monitor the auditor's independence and performance, and effectiveness of audit process.	
6. Approval, subsequent modifications and review of related party transactions of the Company.	
7. Evaluation of internal financial controls and risk management systems.	
8. Review with the Management, the performance of Statutory and Internal Auditors, and adequacy of the internal control systems.	
9. Review the adequacy of Internal Audit function, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of Internal Audit.	

Key Responsibilities	Frequency
10. Review the findings of any internal investigations by the Internal Auditors into matters where there is suspected fraud or irregularity or failure of internal control systems which is material in nature and reporting the matter to the Board.	
11. Discussion with Statutory Auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.	
12. Look into reasons for substantial defaults in payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors.	
13. Review the functioning of the whistle blower mechanism.	
14. Review the status of compliances under SEBI Insider Trading Regulations.	



The Committee is governed through its formal Charter which may be referred to for its detailed purpose and objectives, responsibilities and powers. The same is available on the Company's website and can be accessed by [clicking here](#).

Statutory Audit Fee

Total fees for all the services paid by the Company to the Statutory Auditors for FY 2024-25:

Particulars	Amount (excluding taxes) (₹ in Mn)
Audit Fee*	7
Other Services	1
Total	8

*Includes out of pocket expenses

Audit Committee Report for the year ended March 31, 2025

To,
The Shareholders of Bharti Hexacom Limited

The Audit Committee ("Committee") is pleased to present its report for the year ended March 31, 2025:

- As on March 31, 2025, the Committee comprises five members of whom four members, including the Chairman, are Independent Directors, in compliance with the requirement of two thirds prescribed under Regulation 18 of the Securities and Exchange Board of India (Listing Obligations And Disclosure Requirements) Regulations, 2015 and Section 177 of the Companies Act, 2013.
- The responsibility for the Company's internal controls and financial reporting processes lies with

the Management. The Statutory Auditors have the responsibility of performing an independent audit of the Company's financial statements in accordance with the Indian Accounting Standards (Ind-AS) and issuing a report thereon. The Ombudsperson is responsible for the Company's Whistle Blower Mechanism.

- The Company has in place an Internal Assurance Group (IAG) led by Mr. Puneet Diwan. He is the Internal Auditor in accordance with Section 138 of the Companies Act, 2013. The audit conducted by the Internal Auditors and Internal Assurance Partners is based on an internal audit plan, which is reviewed each year in consultation with the IAG and the Audit Committee. These audits are based on risk based methodology and inter-alia involve the review of internal controls and governance processes, adherence to management policies and

review of statutory compliances. The Internal Assurance Partners share their findings on an ongoing basis during the year for corrective action.

- The Audit Committee oversees the work of Statutory Auditors, Internal Auditor, Internal Assurance Partners and the Ombudsperson. It is also responsible for overseeing the processes related to the financial reporting and information dissemination.
- In this regard, the Audit Committee reports as follows:
 - The Committee has discussed with the Company's Internal Auditors, Internal Assurance Partners and Statutory Auditors the overall scope and plan for their respective audits. The Committee has also discussed the results and effectiveness of the audit, evaluation of the Company's internal controls and the overall quality of financial reporting.
 - The Management has presented the Company's financial statements to the Committee and affirmed that the Company's financial statements have been drawn in accordance with Ind-AS. Based on its review and the discussions conducted with the Management and the Statutory Auditors, the Committee believes that the Company's financial statements are fairly presented in conformity with applicable accounting standards in all material aspects. The Committee also considers that the financial statements are true and fair and provide sufficient information. The Committee believes the Company has followed adequate processes to prepare these financial statements.
 - The Committee has reviewed the standalone financial statements for the year ended March 31, 2025. It has recommended the same for the Board's approval.
 - The Committee has reviewed the internal controls for ensuring that the Company's accounts are properly maintained and that the accounting transactions are in accordance with prevailing laws and regulations. In conducting such reviews, the Committee found that the Company's internal control systems overall are designed adequately and are operating satisfactorily. Where deficiencies

or improvement areas in control systems are pointed out by the internal audit, the Management has taken adequate steps or is in process of addressing those areas.

- The Committee reviewed the Company's internal financial controls and risk management systems from time to time.
- The Committee reviewed the Ombudsperson's report on the functioning of the Whistle Blower Mechanism for reporting concerns about unethical behaviour, actual or suspected fraud, or violation of the Company's Code of Conduct or ethics policy. The Committee believes that the Company has an effective Whistle Blower Mechanism and nobody has been denied access to this mechanism.
- The Committee has reviewed with the Management, the independence, effectiveness of Audit process and performance of Deloitte Haskins & Sells LLP, Chartered Accountants, the Statutory Auditors of the Company.
- The Committee has been vested with the adequate powers to seek support and other resources from the Company. The Committee has access to the information and records as well. It also has the authority to obtain professional advice from external sources, if required.
- The Audit Committee monitored and approved all related party transactions, including any modification/ amendment in any such transactions.
- The Committee has reviewed the system and process in line with requirements of the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 and Company's Code of Conduct for Prohibition of Insider Trading.

In conclusion, the Audit Committee is sufficiently satisfied that it has complied with the responsibilities as outlined in the Audit Committee's Charter.

Place: New Delhi
Date: May 13, 2025

Ashok Tyagi
Chairman, Audit Committee

Nomination and Remuneration Committee



Mr. Arvind Kohli,
Independent Director,
Chairman

In compliance with the requirements of Section 178 of the Act and Regulation 19 of the SEBI Listing Regulations, the Company has duly constituted a Nomination and Remuneration Committee ('NRC'). As on March 31, 2025, the Nomination and Remuneration Committee comprised three Independent Directors.

The NRC inter-alia ensures that the Company's nomination, remuneration and incentive policies, practices and key performance indicators of the Directors, Key Managerial Personnel and the Senior Management are aligned with the Board's vision, values and overall business objectives and are appropriately designed to attract, motivate and retain them and to pursue the long-term growth and success of the Company.

The Company Secretary acts as the Secretary of the Committee. Other Senior Management members are also invited to the meeting to present reports relating to items being discussed at the meeting.

During FY 2024-25, the Committee met three (3) times i.e. on May 13, 2024, October 25, 2024 and February 05, 2025. The Chairman of the Committee was present at the last AGM, held on August 30, 2024.

The composition as on March 31, 2025, and the attendance of the members at the NRC meetings held during the FY 2024-25 are given below:

100%

Attendance during FY 2024-25

Name of the Director	Date of Nomination and Remuneration Committee Meetings			Held during tenure	Total attended	% of attendance	
	May 13, 2024	October 25, 2024	February 05, 2025				
Mr. Arvind Kohli, Chairman				3	3		100%
Mr. Ashok Tyagi				3	3		100%
Ms. Nalina Suresh				3	3		100%
Attendance (%)	100%	100%	100%				

Attended in-person Attended through video conference

Key Responsibilities of the Nomination and Remuneration Committee, inter-alia, includes:

Key Responsibilities	Frequency
1. Formulation of the criteria for determining qualifications, positive attributes and independence of a Director and recommend to the Board of Directors a policy relating to, the remuneration of the Directors, Key Managerial Personnel and other employees.	
2. Formulation of criteria for evaluation of performance of Independent Directors and the Board of Directors.	
3. Identifying persons who are qualified to become Directors and who may be appointed as Senior Management in accordance with the criteria laid down, and recommend to the Board of Directors for their appointment or removal.	
4. Recommend to the Board, all remuneration, in whatever form, payable to Senior Management.	
5. Review and recommend the structure, size and composition (including the skills, knowledge, experience and diversity) of the Board and Board Committees.	
6. Identify and recommend to the Board, persons who are qualified to become Directors and who may be appointed as Key Managerial Personnel in accordance with the criteria laid down and their removal thereof.	
7. To review the Remuneration/ Promotion/ Increment/ Performance Linked Incentive Policy, including remuneration structure, retention and termination policies.	

Annually Periodically/ Event Based

The Committee is governed through its formal Charter which may be referred to for its detailed purpose and objective, responsibilities and powers. The same is available on the Company's Website which can be accessed by [clicking here](#).

Succession Planning

At Hexacom, Succession Planning Framework is considered critical for building a strong, agile, diverse and motivated workforce being key pillar for ensuring organisational stability and agility.

The Nomination and Remuneration Committee plays pivotal role in the development and implementation of robust Succession Planning Framework for the Board and Senior Management, aligned to the Bharti Group, in discussion with the Board of Directors. High performing employees are identified and nurtured through a structured process including training and mentoring with a vision to take up critical and strategic roles in the Company's hierarchy. The identification criteria include individual performance, experience, expertise, leadership capabilities, etc. This helps us in retaining and motivating the talent pool ensuring to be a future ready organisation.



Mr. Arun Gupta,
Independent Director,
Chairman

Stakeholders' Relationship Committee

In compliance with the requirements of Section 178 of the Act and Regulation 20 of the SEBI Listing Regulations, the Company has duly constituted a Stakeholders' Relationship Committee ('SRC'). As on March 31, 2025, the Stakeholders' Relationship Committee comprised three Non-Executive Directors, of whom two are Independent Directors.

The SRC is responsible for stakeholder engagement, reviewing of grievances, protection of shareholder voting rights, reviewing the effectiveness of RTA services etc.

The Company Secretary acts as the Secretary of the Committee. In terms of requirements of the SEBI Listing Regulations, Mr. Amit Chaturvedi, Company Secretary, is also the Compliance Officer of the Company.

During the FY 2024-25, the Committee met four (4) times i.e. on May 13, 2024, August 02, 2024, October 25, 2024 and February 05, 2025. The Chairman of the Committee was present at the last AGM, held on August 30, 2024.

The composition as on March 31, 2025, and the attendance of the members at the SRC meetings held during the FY 2024-25 are given below:

~92%
Attendance during FY 2024-25

Name of the Director	Date of Stakeholders' Relationship Committee Meetings				Held during tenure	Total attended	% of attendance	
	May 13, 2024	August 02, 2024	October 25, 2024	February 05, 2025				
Mr. Arun Gupta, Chairman					4	4		100%
Mr. Kapal Kumar Vohra					4	3		75%
Mr. Soumen Ray					4	4		100%
Attendance (%)	100%	66.67%	100%	100%				

Attended in-person Attended through video conference Leave of absence

Key Responsibilities of the Stakeholders' Relationship Committee, inter-alia, includes:

Key Responsibilities	Frequency
1. Consider and resolve the grievances of the Shareholders of the Company.	
2. Review measures taken for effective exercise of voting rights by the shareholders.	
3. Review adherence to the service standards adopted by the Company in respect of various services rendered by the Registrar & Share Transfer Agent.	
4. Review the various measures and initiatives taken by the Company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/ annual reports/ statutory notices by the shareholders of the Company.	
5. Oversee & review, all matters associated with the transfer of securities of the Company.	
Quarterly Annually Periodically/ Event Based	

The Committee is governed through its formal Charter which may be referred to for its detailed purpose and objective, responsibilities and powers. The same is available on the Company's Website which can be accessed by [clicking here](#).

Complaints Status and Redressal Mechanism

During FY 2024-25, the Company received 7 complaints from the Shareholders and were duly redressed. There were no pending complaints as on March 31, 2025.

Details of the investors' complaints received and redressed during FY 2024-25 are as follows:

Received during the year	Redressed during the year	Pending on March 31, 2025
7	7	-

Investor Grievance Redressal

1. Investor Frequently Asked Questions/ handbook

To facilitate shareholder queries, we have developed a comprehensive Frequently Asked Questions/ Shareholders' handbook which provides answers to general queries viz., dividend, demat, KYC updation, transmission, the turnaround timelines for resolving queries, contact details of Company, Registrar and Transfer Agent ('RTA'), etc. The same can be accessed by [clicking here](#). Additionally, to ensure accessibility to the shareholders, we have also formulated Investor Grievance Policy ('IG Policy'), which provides for general turn around time for resolving queries along with an escalation matrix if the queries are not resolved. The IG Policy of the Company is available on the website of the Company can be accessed by [clicking here](#).

2. Registrar and Transfer Agent (RTA)

All the functions relating to share registry are handled by the Company's Registrar and Share Transfer Agent viz. KFin Technologies Limited ('Kfintech'). The contact details of the RTA are mentioned in the 'Address for Correspondence' section of this Report.

3. Company

While shareholder can directly reach out to Company in case of any query and grievance, it is advisable to reach out to RTA first and use Company as an escalation matrix. The contact details of the Company are mentioned in the 'Address for Correspondence' section of this Report.

4. SCORES and Online Dispute Resolution

Shareholders can raise their grievances at the SCORES portal if their grievance is not redressed satisfactorily. In addition to SCORES, SEBI has provided an option for arbitration as a Dispute Resolution Mechanism for investors. As per this Mechanism, investors can opt for arbitration with Stock Exchanges in case of any dispute against the Company or its RTA on delay or default in processing any investor services related request.

In compliance with SEBI guidelines, the details and link to ODR portal is available on the website of the Company which can be accessed by [clicking here](#).



Mr. Arvind Kohli,
Independent Director,
Chairman

In compliance with the Regulation 21 of the SEBI Listing Regulations, the Company has duly constituted a Risk Management Committee ('RMC'). As on March 31, 2025, the Risk Management Committee comprised three members, of whom two are Independent Directors.

The Board has constituted RMC to focus on functions relating to risk management such as determination of Company's risk appetite, risk tolerance and regular risk assessments including risk identification, quantification and evaluation etc.

The Company Secretary acts as a Secretary of the Committee. The Chief Risk Officer of the Company is permanent invitee to the Committee meetings.

During the FY 2024-25, the Committee met two (2) times i.e. on August 02, 2024 and February 05, 2025. The Chairman of the Committee was present at the last AGM, held on August 30, 2024. The composition as on March 31, 2025, and the attendance of the members at the RMC meetings held during the FY 2024-25 are given below:

100%
Attendance during FY 2024-25

Name of the Member	Date of Risk Management Committee Meetings		Held during tenure	Total attended	% of attendance
	August 02, 2024	February 05, 2025			
Mr. Arvind Kohli, Chairman			2	2	100%
Mr. Akhil Garg			2	2	100%
Mr. Ashok Tyagi			2	2	100%
Attendance (%)	100%	100%			

Attended through video conference

Note:
1. Mr. Surajit Mandol Ceased to be the member of Committee w.e.f. April 12, 2024.

Key Responsibilities of the Risk Management Committee, inter-alia, includes:

Key Responsibilities	Frequency	Key Responsibilities	Frequency
1. To formulate a detailed risk management policy which shall include: a. A framework for identification of internal and external risks specifically faced by the Company, in particular including financial, operational, sectoral, sustainability (particularly, ESG related risks), information, cyber security risks or any other risk as may be determined by the Committee. b. Measures for risk mitigation including systems and processes for internal control of identified risks. c. Business continuity plan.		4. To periodically review the risk management policy, at least once in two years, including consideration of the changing industry dynamics and evolving market complexities. 5. To keep the Board informed about the nature and content of its discussions, recommendations and actions to be taken. 6. The appointment, removal and terms of remuneration of the Chief Risk Officer (if any) are subject to review by the Risk Management Committee.	
2. To ensure that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the Company.		 Periodically/ Event Based The Committee is governed through its formal Charter which may be referred to for its detailed purpose and objective, responsibilities and powers. The same is available on the Company's Website which can be accessed by clicking here .	
3. To monitor and oversee implementation of the risk management policy, including evaluating the adequacy of risk management systems.			



Mr. Soumen Ray,
Non-Executive Director,
Chairman

In compliance with the requirements of Section 135 of the Act, the Company has duly constituted the CSR Committee. As on March 31, 2025, the CSR Committee comprised the four Non-Executive Directors, of whom three are Independent Directors.

The Committee, inter-alia, is responsible for evaluating and recommending the CSR Project and Annual Action Plan to the Board, and monitoring and reviewing the implementation of CSR activities.

The Company Secretary acts as a Secretary of the CSR Committee.

During the FY 2024-25, the CSR Committee met two (2) times i.e. on May 13, 2024 and February 05, 2025. The Chairman of the Committee was present at the last AGM, held on August 30, 2024.

The composition as on March 31, 2025, and the attendance of the members at the CSR meetings held during the FY 2024-25 are given below:

100%
Attendance during FY 2024-25

Name of the Director	CSR Committee Meetings		Held during tenure	Total attended	% of attendance
	May 13, 2024	February 05, 2025			
Mr. Soumen Ray, Chairman			2	2	100%
Mr. Arun Gupta			2	2	100%
Mr. Arvind Kohli			2	2	100%
Mr. Kanwaljit Singh Cheema ¹	NA	NA	-	-	-
Attendance (%)	100%	100%			

Attended in-person Attended through video conference **NA** Not applicable

Note:
1. Appointed as a member of Committee w.e.f. February 05, 2025.

Key Responsibilities of the Corporate Social Responsibility (CSR) Committee, inter-alia, includes:

Key Responsibilities	Frequency
1. Formulate, monitor and recommend to the Board, CSR Policy and the activities to be undertaken by the Company along with Annual Action Plan.	
2. Devise a robust monitoring mechanism to ensure that the CSR projects/ programs are undertaken effectively in accordance with the approval granted and are fully in compliance with applicable laws, rules and Regulations.	
3. Recommend the amount of expenditure to be incurred on the activities undertaken along with Annual Action Plan in pursuance of CSR Policy.	

Annually Periodically/
Event Based

The Committee is governed through its formal Charter which may be referred to for its detailed purpose and objectives, responsibilities and powers. The same is available on the Company's website and can be accessed by [clicking here](#).

CSR Report for FY 2024-25

The CSR Report for FY 2024-25 u/s 135 of the Act is annexed as **Annexure E** to the Boards' Report.



Committee of Directors

To cater various day-to-day requirements and to facilitate seamless operations, the Company has formed a functional Committee known as Committee of Directors. The Committee comprises of three Non-Executive Directors out of which two are Independent Directors.

During FY 2024-25, the Committee of Directors met two (2) times i.e. on May 13, 2024 and August 05, 2024.

Key Responsibilities of the Committee of Directors, inter-alia, includes:

- 1. Approve granting of loans, providing guarantee against the loans, purchasing and selling of securities of any Company or body corporate.
- 2. Approve borrowing, creation of charge, security, sell dispose of the assets of the Company within the limit approved by the Board.

- 3. Approve investments in mutual funds, government securities, fixed deposits, and other treasury products.
- 4. Approve participation in tender process, merger, closure, consolidation of branch offices.
- 5. Approve purchase/ sale, take of lease, rent offices for business requirements of the Company.

Senior Management

The Senior Management are the key executives who help the Company in day-to-day management and execution at operational level in their respective areas. They play a pivotal role in cascading the organisational strategy and expectations.

The Senior Management has been identified by the Company in compliance with Regulation 16 of the SEBI Listing Regulations.

Members of Senior Management of the Company as on March 31, 2025 are as follows:

Sr. No.	Name	Designation
1.	Mr. Marut Dilawari	Chief Executive Officer
2.	Mr. Akhil Garg	Chief Financial Officer
3.	Mr. Rabi Mishra	Chief Executive Officer, North East Circle
4.	Mr. Rajesh Chhatani	Circle Head - Commercial, Rajasthan
5.	Mr. Deepesh Sirohia	Commercial Officer - North East Circle

Changes in Senior Management during FY 2024-25 are as under:

Sr. No.	Name	Designation	Date	Reason
1.	Ms. Richa Gupta Rohatgi	Company Secretary & Compliance Officer	January 20, 2025	Resignation
2.	Mr. Rajnish Verma	Chief Executive Officer, North East Circle	October 01, 2024	Cessation due to change of role
3.	Mr. Rabi Mishra	Chief Executive Officer, North East Circle	October 01, 2024	Appointment

Changes in Senior Management after March 31, 2025 are as under:

Sr. No.	Name	Designation	Date	Reason
1.	Mr. Amit Chaturvedi	Company Secretary & Compliance Officer	April 18, 2025	Appointment
2.	Mr. Deepesh Sirohia	Commercial Officer - North East Circle	April 18, 2025	Cessation due to change of role
3.	Mr. Vinod Bhattar	Circle Head Commercial, North East Circle	April 18, 2025	Appointment

Brief profiles of the Senior Management are available on the website of the Company which can be accessed by [clicking here](#).

D. CODES, POLICIES AND FRAMEWORKS

Code of Conduct

The Company's Code of Conduct ('Code') consist of guiding principles which reflect our core values and commitment towards conducting business in an ethical and transparent manner and ensuring compliance of all laws and regulations, providing safe and harassment free work place, avoiding conflict of interest at all times, fairness and mutual respect in all dealings, ethical conduct of business with zero tolerance towards bribery and corruption in any form, upholding and protecting the Company's reputation, etc.

The Code is applicable to the Board members, Senior Management and all the employees. As a process, an annual confirmation is sought regarding the compliance with the Code. The Company also procures a quarterly confirmation of material financial and commercial transactions entered into by Senior Management Personnel with the Company that may have a potential conflict of interest. The details of such transactions are collated in a report and submitted to the Audit Committee and the Board on a quarterly basis. During the year, based on the confirmations received, no instance of conflict of interest was reported.

Regular training programs are conducted across locations to explain and reiterate the importance of adherence to the Code.

Periodic internal audits are conducted to ensure effectiveness of the compliance with the Code and a report is presented to the Audit Committee as per the internal audit process and plan.

The Code of Conduct of the Company was comprehensively amended to align with Bharti Group Code. The Vigil Mechanism is also integrated within the Code of Conduct.

A declaration signed by the CEO, regarding affirmation of the compliance with the Code by Board Members and Senior Management for the Financial Year ended March 31, 2025, is annexed as **Annexure A** to this report. The Code is uploaded on the website of the Company which can be accessed by [clicking here](#).

In addition to above, a group level Code of Conduct for Business Associates ('COC-BA'), which is also applicable and required to be adhered by the individuals who supply products, equipments, material or provide services of any type to the Company. The COC-BA mandates the Business Associates to maintain the highest standards of honesty, objectivity, and integrity in their personal and business conduct and refrain from any illegal, dishonest, unauthorised or unethical conduct including any kind of bribery or corruption, at all time. The COC-BA also requires to monitor and report the ESG practices adopted by the Business Associates in line with COC-BA. The Company has also established a framework to select and evaluate Business Associates on such parameters and take requisite actions viz. providing trainings or initiating termination basis the gravity of a particular observation. The COC-BA is available at the website of the Company which can be accessed by [clicking here](#).

Whistle Blower Policy/ Vigil Mechanism

We have developed a robust Vigil Mechanism which forms part of our Code of Conduct. The Vigil Mechanism provides an opportunity to the Directors and employees to report concerns about any unethical behaviour. It aims to ensure that genuine complainants are able to raise their concerns in full confidence, without any fear of retaliation or victimisation and also allows for anonymous reporting of complaints. It contains a reporting mechanism, the manner in which all reported concerns are dealt with, confidentiality of the investigations and processes, protection of the whistle-blower against any retaliation. The Audit Committee quarterly oversees the functioning of the Vigil Mechanism.

An independent office of an Ombudsperson at group level administers the entire formal process of reviewing and investigating the concerns raised, undertaking appropriate actions for resolution thereof and regular monitoring of process. All employees of the Company (full-time or part-time) as well as the external Stakeholders (e.g. associate, strategic partners, vendors, suppliers, contractors, customers, etc.) have full access to the Ombudsperson through secure hotline, email, post or even in person meeting. The stakeholders also have the unfettered right to escalate the complaints to Audit Committee

Chairman in special cases through a dedicated Email ID. No person was denied access to the Audit Committee.

All such instances are investigated while ensuring confidentiality of the identity of such complainant(s). Matters relating to financial misdemeanours, fraud or impropriety are investigated in consultation with the Internal Assurance Group, which undertakes the investigation of the same by itself or at times in consultation with the Ombudsperson office. The external investigation agencies are also involved, in exceptional circumstances, if required. All investigations are endeavoured to be completed in 90 days and final investigation reports are submitted to the competent Disciplinary Authority under the Policy.

Details of Whistle Blower complaints received and redressed during FY 2024-25 are as follows:

Received during the year	Redressed during the year	Pending on March 31, 2025
04	04	-

The Vigil Mechanism forming part of the Code of Conduct is uploaded on the Company's website at the web link accessible by [clicking here](#).

Code on Prohibition of Insider Trading

To regulate and monitor trading by Designated Persons ('DPs'), their immediate relatives and others, the Company has formulated a robust Code of Conduct for Prohibition of Insider Trading ('PIT Code') in compliance with the SEBI (Prohibition of Insider Trading) Regulations, 2015 ('PIT Regulations').

The PIT Code, inter alia includes:

- ➔ The procedures to be followed by DPs while trading/ dealing in Company shares/ securities/ derivatives and while sharing Unpublished Price Sensitive Information ('UPSI');
- ➔ Obligations and responsibilities of DPs including maintenance the Structured Digital Database, mechanism for prevention of insider trading and handling of UPSI;
- ➔ Transactions which are prohibited; and
- ➔ The manner in which permitted transactions in the securities of the Company shall be carried out.

Our Commitment to adopting of progressive governance practices is also echoed in the PIT Code where we have voluntarily adopted a regime, which is stricter than what is statutorily prescribed, to comply with Insider Trading Regulations in letter and its spirit e.g. (i) all the transactions done by DPs require preclearance irrespective of value or quantum (ii) restriction on maximum number of securities sold during quarter to 25% of total holding or 50,000 equity shares, whichever is higher.

The PIT Code was amended to align it with the legal requirements during the year.

To strengthen implementation and governance around PIT Code, the Board has also constituted Monitoring Committee which is governed by a comprehensive charter outlining the

responsibilities. The Monitoring Committee reviews the list of DPs, conduct appropriate inquiries/ investigations regarding alleged violations of the PIT Code, decide upon the penal consequences to be imposed for contravention of the same. Penalties, if levied under the Policy, are duly remitted to the SEBI Investor Protection and Education Fund. Any instances of non-compliance by Designated Persons are reported to the stock exchanges.

We have also developed a comprehensive awareness programme for DPs and employees which enables them to get deeper understanding of PIT Code and their roles and responsibilities. These generally include circulation of informatory emails, FAQs, taking live sessions on a periodic basis and at the time of joining, etc. The Company has also maintained an digital Structured Digital Database ('SDD') which ensures that proper internal controls exist while sharing UPSI.

The Company has also formulated a Code of Practices and Procedures for Fair Disclosure of UPSI as per the requirements of the Insider Trading Regulations which is available on the website of the Company and can be accessed by [clicking here](#).

Related Party Transactions

The Board of Directors has formulated a Policy on dealing with Related Party Transactions pursuant to the provisions of the Act and the SEBI Listing Regulations. The Policy includes clear threshold limits and intends to ensure that proper reporting, approval and disclosure processes are in place for all transactions between the Company and its related parties.

As a process, Audit Committee approval is taken for all Related Party Transactions ('RPTs') or any material modifications in the RPTs. Periodic omnibus approval of the Audit Committee is obtained for RPTs which are repetitive in nature and for unforeseen RPTs, if they are in line with the Company's 'Policy on Related Party Transactions' and comprehensive information including the valuation report, if any, is provided to the Audit Committee. Only the Independent Directors who are members of the Audit Committee votes on matters relating to Related Party Transactions. Additionally, the Audit Committee reviews the Related Party Transactions on a quarterly basis to ensure that the same are in line with the approvals. The Audit Committee has full power to call for any information from the Management and appoint third party to ensure that transactions are carried out in the best interest of the Company.

All transactions entered into by the Company with its related parties during FY 2024-25, were in the ordinary course of business and on an arm's length basis and hence, do not attract the provisions of Section 188 of the Act.

The Company has not entered into any materially significant related party transaction that has a potential conflict or is prejudicial to the interests of the Company.

During the year, the Policy was amended to align it with legal and industry best practices. The Policy is uploaded on the website of the Company which can be accessed by [clicking here](#).

Members may refer to the financial statements for the details of transactions with related parties entered during the FY 2024-25.

Risk Management Framework

The Company has developed a robust Enterprise Risk Management (ERM) Framework that enables us to facilitate enterprise-wide identification, assessment, and mitigation of key risks through well-defined response plans ensuring that the Company is able to manage and align its strategies to identified risk and stay ahead of the curve.

A detailed update on the risk governance structure, key elements of the framework, and mitigation of strategic risks is provided in the 'Risk and Mitigation Framework' section forming part of this Annual Report.

Policy on Materiality

The Company has a robust policy for Determining Materiality of Events/ Information in line with the requirements of Regulation 30 of the SEBI Listing Regulations. The Policy inter-alia provides for the quantitative and qualitative criteria for determining material event/ information including deemed material information, and timelines within which the information should be disclosed to exchange.

To ensure alignment with the regulatory changes, the Policy was amended during the year and is also available on the website of the Company which can be accessed by [clicking here](#).

In order to ensure compliance in spirit, the Company has also put in place a framework to create awareness on dealing with material events/ information for Senior Management and others.

The Complete list of Corporate Policies and Codes as per the requirements of the Act and the SEBI Listing Regulations is provided below:

Sr. No.	Policy Name	Short Description	Web Link
1.	Policy on Materiality and Dealing in Related Party Transactions	Provides process of governance, identification, approvals around transactions with Related Parties.	Click here
2.	CSR Policy	Provides for boundaries within which CSR activities should be undertaken along with governance for approvals, monitoring and reporting of CSR activities.	Click here
3.	Policy for Determination of Materiality for Disclosure of Information	Provides for process to be followed for identification and reporting of all material events/ information in line with the SEBI Listing Regulations.	Click here
4.	Dividend Distribution Policy	Provides guidance on the factors considered while deciding payment of dividend, scenarios where dividend will not be paid, etc.	Click here
5.	Nomination, Remuneration and Board Diversity Policy	Provides for governance process around selection and remuneration of Directors, Key Managerial Personnel and the Senior Management Personnel.	Click here
6.	Policy on Preservation and Archival of Statutory Documents & Records	Provides for the process to be followed for maintenance, preservation of documents/ records, archival and disposal of documents.	Click here
7.	Enterprise Risk Management Framework	Provides for process around identification, categorisation, prioritisation, mitigation, monitoring and reporting of Key Risks along with roles and responsibilities of the Board and Committees.	Click here
8.	Code of Conduct including Vigil Mechanism	Provides for guiding principles and values one should follow to conduct business in ethical and transparent manner and raise genuine concerns in case of any violation without fear of being victimised.	Click here
9.	Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information	Provides for principles of fair disclosure of any UPSI on uniform basis to be followed by the Company.	Click here

E. GENERAL BODY MEETINGS

30th Annual General Meeting ('AGM')

			
Date & Time	Mode	Weblink for Participation	E-voting Period
Wednesday, August 20, 2025 at 1130 Hrs. (IST)	Video Conferencing/ Other Audio Visual Means	Click here	From 9.00 a.m. (IST) on Saturday, August 16, 2025 Upto 5.00 p.m. (IST) on Tuesday, August 19, 2025

Previous Annual General Meetings

The details of last three AGMs are as follows:

Financial Year	Location/ Mode	Date	Time	Special Resolution Passed
2023-24	Video Conferencing	August 30, 2024	3:30 P.M. (IST)	No special resolution was passed.
2022-23	Video Conferencing	September 29, 2023	11:30 A.M. (IST)	Approval of remuneration payable to Mr. JS Deepak (DIN: 02194470), Non-Executive Director and Chairperson of the Company.
2021-22	Video Conferencing	September 30, 2022	11:30 A.M. (IST)	- Appointment of Mr. Ashok Tyagi (DIN: 00784563) as an Independent Director. - Approval of remuneration payable to Mr. JS Deepak (DIN: 02194470), Non-Executive Director and Chairperson of the Company. - Re-appointment of Mr. Rajiv Kumar Chaudhri (DIN: 00042503) as an Independent Director.

Extra Ordinary General Meeting

During FY 2024-25, no Extraordinary General Meeting was convened by the Company.

Dividend and Dividend Pay-out Date

The Board has considered and recommended a dividend of ₹ 10/- (200%) per fully paid-up equity share of face value of ₹ 5/- each for the FY 2024-25, subject to approval of the Shareholders at the ensuing AGM.

The Dividend shall be paid within 30 days of the ensuing AGM upon approval of the Shareholders whose name appears in the Register of Members as on July 25, 2025.

Postal Ballot

During FY 2024-25, two Special Resolutions were passed through Postal Ballot on January 26, 2025. Also, the Company passed two Ordinary Resolutions through Postal Ballot on January 26, 2025 and March 16, 2025, respectively.

Particulars	Date of Notice	Dispatch date	Date of Approval	Voting Results	Person who conducted Postal Ballot	Scrutiniser	Web Links
Appointment of Mr. Rakesh Bharti Mittal (DIN: 00042494) as a Non-Executive Director, liable to retire by rotation	December 13, 2024	December 27, 2024	January 26, 2025	Approved by 84.55% shareholders	Akhil Garg, Chief Financial Officer of the Company	Mr. Harish Chawla, Partner, CL & Associates, Company Secretaries, New Delhi	Notice Click here ➔ Results Click here ➔
Ordinary Resolution							
Appointment of Mr. Kanwaljit Singh Cheema (DIN: 10655273) as an Independent Director	December 13, 2024	December 27, 2024	January 26, 2025	Approved by 99.99% shareholders	Akhil Garg, Chief Financial Officer of the Company	Mr. Harish Chawla, Partner, CL & Associates, Company Secretaries, New Delhi	Notice Click here ➔ Results Click here ➔
Special Resolution							
Shifting of registered office of the Company from 'National Capital Territory (NCT) of Delhi' to the State of Haryana	December 13, 2024	December 27, 2024	January 26, 2025	Approved by 99.99% shareholders	Akhil Garg, Chief Financial Officer of the Company	Mr. Harish Chawla, Partner, CL & Associates, Company Secretaries, New Delhi	Notice Click here ➔ Results Click here ➔
Special Resolution							
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	February 06, 2025	February 14, 2025	March 16, 2025	Approved by 99.99% shareholders	JS Deepak, Chairman, Akhil Garg, Chief Financial Officer and Rohit Krishan Puri, Authorised Signatory	Mr. Harish Chawla, Partner, CL & Associates, Company Secretaries, New Delhi	Notice Click here ➔ Results Click here ➔
Ordinary Resolution							

Procedure followed

1. **Compliance:** The Postal ballots were carried out in compliance with the provisions of Section 110 read with Section 108 of the Act and Rules made and Circulars issued thereunder and Regulation 44 of the SEBI Listing Regulations.
2. **Dispatch of Notice:** The Notices were sent only by email to the Shareholders who had registered their email addresses with the Company or depository(ies)/ depository participants and whose names were recorded in the Register of Members/ Beneficial owners of the Company as on the cut-off dates i.e. December 20, 2024 and February 07, 2025. Additionally, physical letters had been dispatched to the Shareholders whose email were not registered, requesting to update their Email ID with the Company or depository(ies)/ depository participants.
3. **Voting Timelines:**

Particulars	For the Postal ballot Notice dated December 13, 2024	For the Postal ballot Notice dated February 06, 2025
Start date	09:00 A.M. on Saturday, December 28, 2024	09:00 A.M. on Saturday, February 15, 2025
End date	05:00 P.M. on Sunday, January 26, 2025	05:00 P.M. on Sunday, March 16, 2025
4. **Manner of Voting:** The voting rights of the Shareholders were reckoned in proportion to their shares in the paid-up equity share capital of the Company as on the Cut-off date. The detailed procedure on voting through e-voting was provided in the Notice of Postal Ballot.
5. **Document availability:** In line with the Company's commitment to greater transparency and to facilitate informed decision-making by shareholders, all documents referenced in the postal ballot notices were made available for electronic inspection by members and were also accessible on the Company's website.

The documents referred to in the postal ballot notice pertaining to the approval of the material related party transaction with Indus Towers Limited including the valuation report of the independent valuer and the arm's length certificate were made available to the members on the Company's website and can be accessed by [clicking here](#). Since, Telecommunications Consultants India Limited (TCIL), a public sector undertaking and a significant shareholder of Bharti Hexacom, requested the Company to start a fresh process, which meets the requirements of TCIL as a Public Sector Undertaking, currently the said slump sale transaction is in abeyance and Company will undertake a fresh exercise in consultation with TCIL.

Further, the relevant documents relating to the appointment of Mr. Rakesh Bharti Mittal as a Non-Executive Director, Mr. Kanwaljit Singh Cheema as Independent Director and change of Registered Office of the Company are also available on the Company's website and can be accessed by [clicking here](#).

Resolution proposed to be passed through Postal Ballot

No resolution is proposed for approval of the Shareholders by way of Postal Ballot as on the date of this report.

F. GENERAL SHAREHOLDER INFORMATION

Financial Year

The Company has adopted the Financial Year of 12 months ending on March 31 every year.

Financial Calendar

Financial Year Results for the Quarter ending	Proposed schedule (Tentative and subject to change)	Trading Window Closure
June 30, 2025	August 05, 2025	July 01, 2025 to August 07, 2025
September 30, 2025	November 04, 2025	October 01, 2025 to November 06, 2025
December 31, 2025	February 05, 2026	January 01, 2026 to February 07, 2026
March 31, 2026	May 13, 2026	April 01, 2026 to May 15, 2026
Record Date	Friday, July 25, 2025	
Date of Dividend payment	Dividend if declared by the Shareholders in the ensuing AGM scheduled on August 20, 2025 shall be paid within 30 days from the date of declaration.	

Listing Details

Type of Securities	Name and address of the Stock Exchange	Scrip code/ Symbol
Non-Convertible Debentures (upto April 11, 2024)	National Stock Exchange of India Limited ('NSE') Exchange Plaza, C-1 Block G, Bandra Kurla Complex, Bandra, Mumbai – 400051, India	Not Applicable
Equity Shares (w.e.f. April 12, 2024)	National Stock Exchange of India Limited ('NSE') Exchange Plaza, C-1 Block G, Bandra Kurla Complex, Bandra, Mumbai – 400051, India	BHARTIHEXA
	BSE Limited ('BSE') Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai – 400001, India	544162

The Annual listing and Custodian fees for FY 2025-26 have been paid to Stock Exchanges and Depositories, respectively.

Means of Communication

Quarterly Financial Results	Following the highest standards of Corporate Governance, the Company has been announcing its audited financial results on a quarterly/ half yearly/ annual basis ('the results'). The results were published in prominent daily newspapers, viz., 'Mint' (English daily) and 'Hindustan' (For Hindi) and disseminated on the stock exchanges viz. NSE and BSE. The results are also available on the Company's website and can be accessed by clicking here .
Official news releases	All official news and media releases are submitted to the Stock Exchanges and simultaneously uploaded on the Company's website and can be accessed by clicking here .
Website	The Company maintains a dedicated 'Investors' section on its website, providing easy access to comprehensive corporate information. This includes corporate policies, Board Committee charters, the Memorandum and Articles of Association, Annual Reports, financial results, shareholding patterns, and other disclosures which can be accessed by clicking here .
Corporate announcements	The Company electronically submits all requisite corporate announcements, material information, and periodic filings through the respective web portals of the Stock Exchanges.
Earning Calls & Presentations made to Institutional Investors or to the Analysts	The Company conducts earnings calls with analysts and investors following the announcement of its financial results. The audio/ video recordings and transcripts of these calls are made available on the Company's website. Presentations delivered to institutional investors and financial analysts regarding the financial results are submitted to the stock exchanges and are also available on the Company's website which can be accessed by clicking here .
Email Communication to shareholders	The Company communicates with its shareholders through email for timely and efficient dissemination of information. Notices of General Meetings and Postal Ballots are sent electronically, and the Company also intends to extend this practice to circulate quarterly financial results through email in the near future.
Shareholders Feedback	To improve our shareholder services, ensure that their feedbacks and queries are addressed, and as a part of good corporate governance practice, we have launched shareholder feedback survey which is available on the website and can be accessed by clicking here .
General Meetings	The General Meetings serves as a platform for shareholders to directly engage with the Board of Directors and Senior Management. These interactions not only allow shareholders to voice their views and seek clarifications but also enable the Company to align more closely with their expectations and improve the overall standards of shareholder satisfaction.

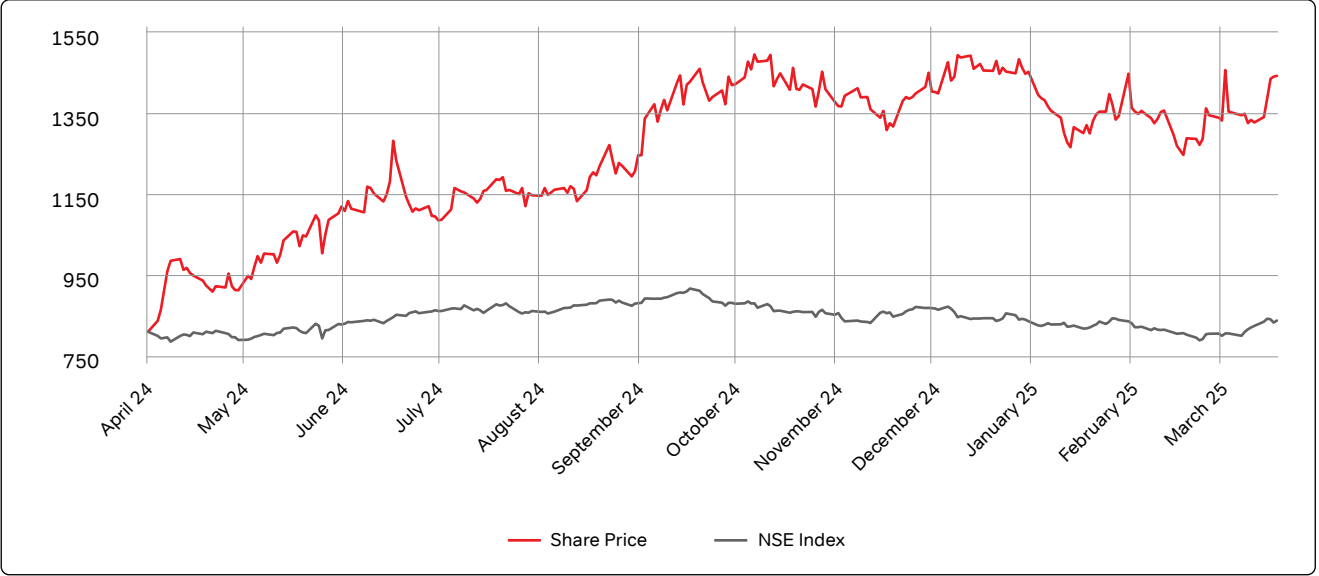
Outstanding GDRs/ ADRs/ Warrants or any Convertible instruments, conversion date and likely impact on equity

The Company does not have any outstanding GDRs/ ADRs/ Warrants or any Convertible instruments as on date of this report.

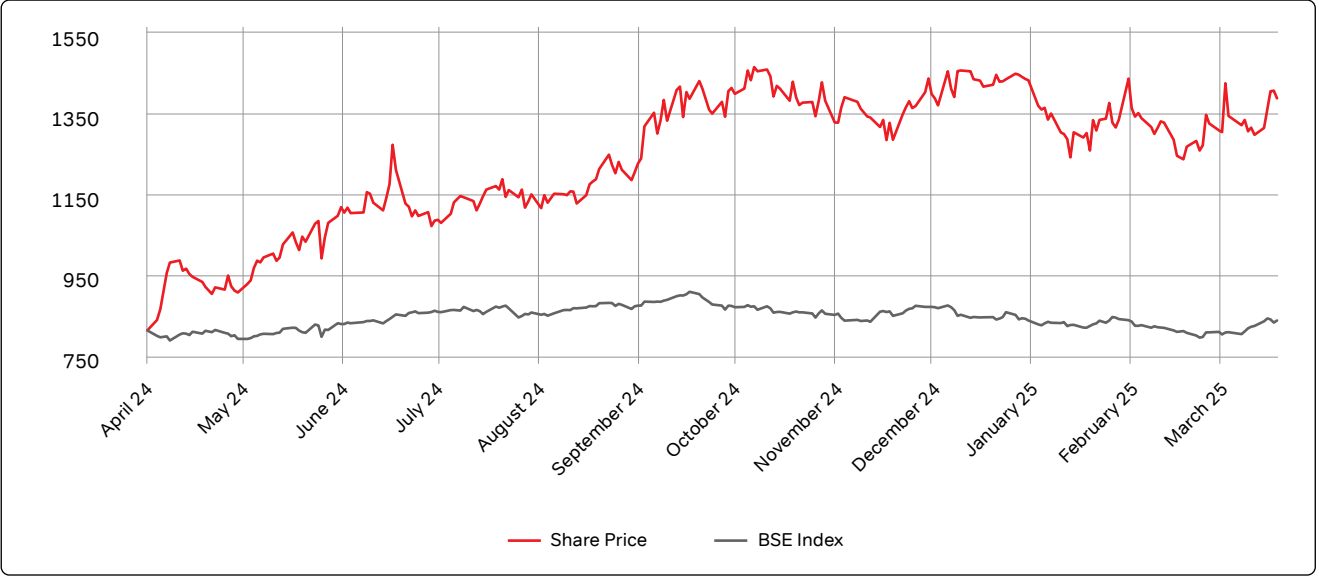
Stock Market Data for the period April 12, 2024 to March 31, 2025

Performance in comparison to broad based indices

Performance against NSE Index



Performance against Nifty 50



Share Transfer System, Dematerialisation of Shares and Liquidity thereof

The equity shares of the Company are listed on the Stock Exchanges w.e.f. April 12, 2024. The entire equity share capital of the Company is held in dematerialised form. The Company's equity shares are mandatorily traded in dematerialised form and are available for trading through both depositories - National Securities Depository Limited

(NSDL) and Central Depository Services (India) Limited (CDSL). Shareholders may hold the Company's shares with any depository participant registered with either of the two depositories.

The ISIN for the Company's Equity Shares is **INE343G01021**.

There were no instances of suspension in the trading of the Company's equity shares during the financial year 2024-25.

Distribution of shareholding

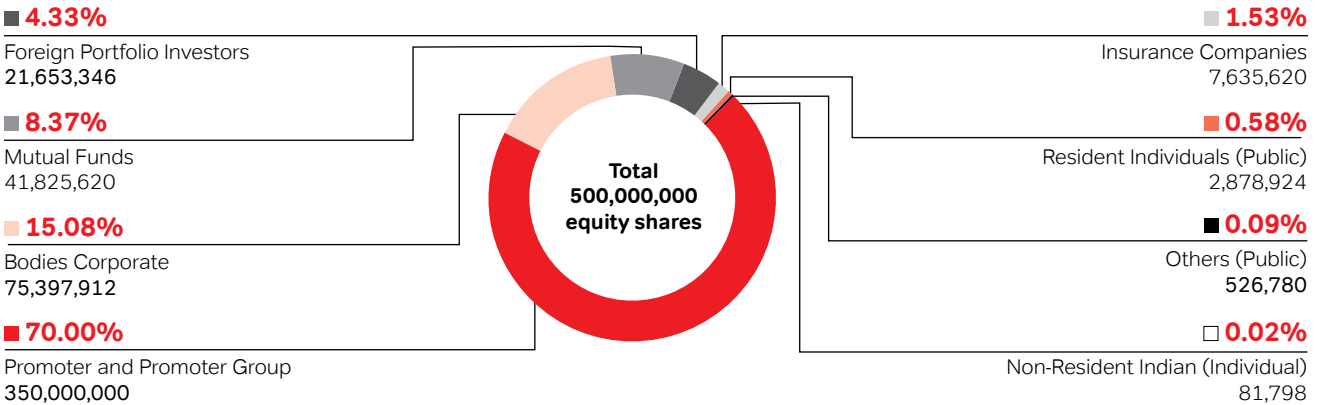
By Number of equity shares held as on March 31, 2025

Sr. No.	Category (by no. of shares)	No. of shareholders	% to holders	No. of Shares	% of shares
1.	1-5,000	85,296	99.80	3,109,511	0.62
2.	5,001-10,000	33	0.04	242,667	0.05
3.	10,001-20,000	17	0.02	240,571	0.05
4.	20,001-30,000	12	0.01	295,192	0.06
5.	30,001-40,000	7	0.01	240,199	0.05
6.	40,001-50,000	4	0.01	175,512	0.04
7.	50,001-1,00,000	25	0.03	1,833,231	0.37
8.	100,001 and above	69	0.08	493,863,117	98.77
	Total	85,463	100	500,000,000	100

By Category of equity shareholders as on March 31, 2025

Sr. No.	Category	Number of Shares	%
I.	Promoter & Promoter Group		
	(i) Indian	350,000,000	70.00
	(ii) Foreign	-	-
	Total - Promoter & Promoter Group	350,000,000	70.00
II.	Public Shareholding		
	Institutions		
	(i) Mutual Funds	41,825,620	8.37
	(ii) Alternative Investment Fund	362,077	0.07
	(iii) Foreign Portfolio Investors	21,653,346	4.33
	(iv) Financial Institutions/ Banks	-	-
	(v) Insurance Companies	7,635,620	1.53
	(vi) Qualified Institutional Buyer	-	-
	Total – Institutions	71,476,663	14.30
	(i) Individual shareholders holding nominal share capital up to ₹ 2 lakhs	2,878,924	0.58
	(ii) Individual shareholders holding nominal share capital in excess of ₹ 2 lakhs	-	-
	(iii) NBFCs Registered with RBI	-	-
	(iv) Trust	664	0.00
	(v) Non-Resident Indians	81,798	0.02
	(vi) Clearing Members	3,629	0.00
	(vii) Non-Resident Indian Non Repatriable (NRN)	-	-
	(viii) Bodies Corporate	75,397,912	15.08
	(ix) Any other (specify)	1,60,410	0.03
	Total - Non-Institutions	78,523,337	15.70
	Total - Public Shareholding	150,000,000	30.00
III.	Non-Promoter-Non-Public – Shares	-	-
	Total	500,000,000	100

Category-wise shareholding as on March 31, 2025



Top 10 Shareholders (other than Promoter/Promoter Group) of the Company as on March 31, 2025

Sr. No.	Name of the shareholder	No. of Shares held	% of shares
1.	Telecommunications Consultants India Limited	75,000,000	15.00
2.	Kotak Mahindra Trustee Co. Limited	10,831,093	2.17
3.	Motilal Oswal Mutual Fund	6,576,543	1.32
4.	Axis Mutual Fund Trustee Limited	4,160,547	0.83
5.	Kotak Mutual Fund	3,003,823	0.60
6.	Abu Dhabi Investment Authority - Monsoon	2,224,968	0.44
7.	SBI Life Insurance Co. Limited	2,216,087	0.44
8.	HDFC Trustee Company Limited	2,154,437	0.43
9.	HDFC Life Insurance Company Limited	2,149,055	0.43
10.	Invesco India Equity Savings Fund	1,938,347	0.39

Note:

1. Shareholding is based on consolidated PAN basis.

Commodity price risk or foreign exchange risk and hedging activities

The Company hedges its foreign exchange exposure in respect of its imports and borrowings as per its laid down policies. The Company uses a mix of various derivative instruments like forward covers, currency swaps, interest rate swaps or a mix of all. The Company does not have any exposure to commodity price risks. The detailed financial, foreign exchange and capital risk are mentioned at Note 33 of the Financial Statements provided in this Annual Report.

Plant Locations

As a service-oriented Company, we do not have any plant locations. The Company's Office addresses are provided below:

Address for Correspondence with the Company

Nature of Communication	Contact Person	Address
For Corporate Governance, Investor Grievance and other Secretarial related matters.	Mr. Amit Chaturvedi Company Secretary and Compliance Officer	Corporate Address: Bharti Crescent, 1, Nelson Mandela Road, Vasant Kunj, Phase - II, New Delhi 110070, India Tel No.: +91-11-4666 6100 Fax: +91-11-4666 6137 Email ID: bhartihexacom@bharti.in Registered Office: Airtel Center, Plot No. 16, Udyog Vihar, Phase-IV, Gurugram - 122015, India Telephone no. +91-124-4222222, Fax no. +91-124-4248063 Email ID: ir@bharti.in Website: https://www.bhartihexacom.in
For queries relating to Financial Statements	Mr. Naval Seth Head – Investor Relations	Email ID: ir@bharti.in Website: https://www.bhartihexacom.in
Registrar and Share Transfer Agent	Mr. S. R. Ramesh Deputy Vice President KFin Technologies Limited	Karvy Selenium Tower B, Plot number 31 & 32, Gachibowli, Financial District, Nanakramguda, Hyderabad - 500032, India Telephone no. 040-67162222 Fax No. 040-23001153 Website: www.kfintech.com

Credit Ratings

Sr. No.	Rating agency	Type	Status
1.	CRISIL and India Ratings and Research Private Limited	Short term facilities	A1+

Green Initiative

As a responsible Company, the Company supports 'Green Initiative' undertaken by the Ministry of Corporate Affairs, Government of India, enabling electronic delivery of documents and continues to send all correspondence/ communication through email to those shareholders who have registered their Email IDs with their Depository participants (DPs)/ Company's Registrar and Share Transfer Agent (RTAs).

Details of Non-compliance with regard to Capital Markets for the last three years

There have been no instances of non-compliance by the Company resulting in penalties or strictures or any other actions imposed by the Stock Exchanges, SEBI, or any statutory authority on matters related to capital markets in the past three years.

Compliance with discretionary requirements

i. The Board

The Chairman of the Company is a Non-Executive Director.

ii. Shareholders’ Rights

The quarterly results of the Company are published in English newspaper ‘Mint’ (for English) and ‘Hindustan’ (for Hindi), having wide circulation in Haryana besides uploading the same on the website of the Company and can be accessed by [clicking here](#). The complete copy of the Annual Report is sent to the shareholders/ debenture holders of the Company.

To address shareholder queries effectively, the Company has developed a comprehensive FAQ/ Shareholders’ Handbook covering topics such as dividends, demat, KYC, and transmission, along with turnaround timelines and contact details which is available on the website of the Company and can be accessed by [clicking here](#). Additionally, the Company has formulated an Investor Grievance Policy outlining standard resolution timelines and an escalation matrix.

iii. Modified/ Un-Modified Opinion(s) in Audit Report

The Company believes in maintaining its accounts in a transparent manner and aims at receiving unqualified report from the Auditors on the financial statements of the Company. The Auditors have issued their reports on the Standalone Financial Statements/ results for Financial Year ended March 31, 2025, with un-modified opinion.

iv. Separate positions of Chairman and CEO

The CEO manages day-to-day operations and implements the Board’s strategy while the Chairman is responsible for leading the Board of Directors, overseeing governance, strategy, and ensuring the board functions effectively.

Separating these roles helps prevent concentration of power and conflicts of interest, thereby enhancing the effectiveness of Corporate Governance.

v. Reporting of Internal Auditor

The Internal Auditor of the Company reports directly to the Audit Committee of the Company.

vi. The Company is substantially in compliance with the G-20 OECD Principles of Corporate Governance

vii. Letters to Shareholders not having registered Email ID

In addition to sending notices of general meetings through email, the Company has sent physical copy of letters informing about the notices of general meetings to shareholders whose Email IDs are not registered with the Company even before the amendment in the SEBI Listing Regulations were notified.

Subsidiary Company and Material Subsidiary

Since the Company does not have a Subsidiary Company, the requirement of determining a material subsidiary is not applicable.

Auditors’ Certificate on Corporate Governance

The Company has complied with all the mandatory requirements of the Code of Corporate Governance as specified in Regulations 17 to 27 and clauses (b) to (i) of sub regulation (2) of Regulation 46 and Regulation 62 of the SEBI Listing Regulations. In this regard, a certificate has been received from Deloitte Haskins & Sells affirming compliance of Corporate Governance during FY 2024-25 and the same is attached as **Annexure A** to the Board’s Report.

CEO and CFO Certification

The certificate required under Regulation 17(8) of the SEBI Listing Regulations, duly signed by the CEO and CFO was placed before the Board. The same is annexed as **Annexure B** to this report.

Certificate from the Company Secretary in Practice pursuant to Schedule V of the SEBI Listing Regulations

Pursuant to Schedule V Para C Clause (10)(i) of the SEBI Listing Regulations, the Company has obtained certificate from CL & Associates, Company Secretaries confirming that none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as Directors of Companies by the Board/ Ministry of Corporate Affairs or any such statutory authority is annexed to this report as **Annexure C**.

Prevention of Sexual Harassment

The Company’s commitment towards creating a respectful workplace that is free from any form of harassment and discrimination is exemplified by its ‘zero-tolerance’ approach towards any act of sexual harassment. The Company has a comprehensive policy which is in compliance with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. A group

level Internal Committee (‘IC’) has been constituted as per procedure prescribed in the law. All such investigations are conducted as per the tenets of the law and the Company’s policy. The list of IC members has been prominently displayed across all offices in publicly accessible areas. Further, awareness and training sessions with respect to the Prevention of Sexual harassment at Workplace are conducted for all employees, including our associates. The policy is available on the website of the Company which can be accessed by [clicking here](#). Following are the details of sexual harassment cases for FY 2024-25:

Received During FY 2024-25	Disposed of during FY 2024-25	Pending on March 31, 2025
2	2	-

Details of utilisation of funds raised through preferential allotment or qualified institutions placement as specified under Regulation 32 (7A)

During FY 2024-25, the Company did not raise funds through the issuance of equity shares by way of preferential allotment or qualified institutions placement.

Disclosure of Loans and advances in the nature of loans to firms/ companies in which Directors are interested

During the Financial Year ended March 31, 2025, no loans or advances were provided by the Company to firms/ Companies in which Directors were interested.

Disclosure of the number of agreements that subsist as on the date of notification of clause 5A to para A of part A of Schedule III

As on March 31, 2024, there existed, Shareholders’ agreement dated August 30, 2004 (‘Shareholders’ Agreement’), read together with the addendum dated October 07, 2004 (‘Addendum’, and together with the Shareholders’ Agreement, the ‘SHA’) entered into amongst Telecommunications Consultants India Limited (‘TCIL’) and the erstwhile Bharti Tele-Ventures Limited, the entity whose name was subsequently changed to Bharti Airtel Limited (‘Airtel’, and together with TCIL, the ‘Parties’), as amended by the amendment agreement dated January 19, 2024 (‘Amendment Agreement’) executed by and amongst the parties stated in the SHA.

It defined their inter-se rights and obligations as shareholders of the Company and provided for certain matters in connection with the ongoing management and operation of the Company.

However, upon listing of equity shares of the Company, the SHA has been terminated.

Status of Dividend declared

Status of the dividend declared by the Company for the last seven years is as under:

Financial Year ¹	Amount of Dividend per equity share of ₹ 5/- each	Total Pay-out	₹ (Mn)	
			Amount paid to the shareholders upto March 31, 2025	Unclaimed dividend as on March 31, 2025
2023-24	4.00	1,929.37	1,929.31	0.06
2022-23	3.00	750.00	750.00	0.00

Note:

1. No dividend was declared by the Company from the Financial Year 2017-18 to 2021-22.

The Company constantly endeavours to reduce the unpaid & unclaimed dividend amount. The shareholders, who have not claimed their dividend for the above financial years, are requested to contact the Company or its Share Transfer Agent.

Transfer of unclaimed dividend and shares to Investor Education and Protection Fund

During FY 2024-25, no shares or dividend have been transferred to Investor Education and Protection Fund.

Equity Shares in the Unclaimed Suspense Account

In terms of Regulation 39 of the SEBI Listing Regulations, details of the equity shares lying in the Unclaimed Suspense Account are as follows:

Particulars	Number of Shareholders	Number of Equity Shares
Paid-up shares		
Number of shareholders and aggregate number of fully paid-up shares in the Unclaimed Suspense Account lying as on April 12, 2024	09	234
Add: Number of shareholders and aggregate number of shares transferred to the Unclaimed Suspense Account during the year	-	-
Less: Number of shareholders who approached the Company for transfer of shares transferred from Unclaimed Suspense Account during the year	06	156
Aggregate number of shareholders and the outstanding paid-up shares in the Unclaimed Suspense Account lying as on March 31, 2025	03	78

Note: The voting rights on the shares in the suspense accounts as on March 31, 2025 shall remain frozen till the rightful owners of such shares claim the shares.



Annexure A

DECLARATION OF COMPLIANCE WITH CODE OF CONDUCT

I hereby confirm that the Company has received from all members of the Board and Senior Management that they are in compliance with the Company’s Code of Conduct for the financial year ended March 31, 2025.

For Bharti Hexacom Limited

Date: May 13, 2025
Place: New Delhi

Marut Dilawari
Chief Executive Officer

Annexure B

CHIEF EXECUTIVE OFFICER (CEO) / CHIEF FINANCIAL OFFICER (CFO) CERTIFICATION

We, Marut Dilawari, CEO and Akhil Garg, CFO of Bharti Hexacom Limited, to the best of our knowledge and belief hereby certify that:

- (a) We have reviewed financial statements and cash flow statements for the year ended March 31, 2025 and that to the best of our knowledge and belief:
 - (i) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading; and
 - (ii) these statements together present a true and fair view of the Company’s affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- (b) There are, to the best of our knowledge and belief, no transactions entered into by the Company during the period which are fraudulent, illegal or violative of the Company’s code of conduct.
- (c) We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and we have disclosed to the auditors and the Audit Committee, deficiencies in the design and operations of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- (d) We have indicated to the auditors and the Audit Committee:
 - (i) significant changes in the internal control over financial reporting during the period;
 - (ii) significant changes in the accounting policies during the period and that the same have been disclosed in the notes to the financial statements; and
 - (iii) instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company’s internal control system over financial reporting.

Marut Dilawari
Chief Executive Officer

Date: May 13, 2025
Place: New Delhi

Akhil Garg
Chief Financial Officer

Date: May 13, 2025
Place: New Delhi

Annexure C

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

[Pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]

To,
The Members
Bharti Hexacom Limited
Airtel Center, Plot No. 16,
Udyog Vihar, Phase IV,
Gurugram – 122015, India

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of Bharti Hexacom Limited bearing CIN L74899DL1995PLC067527 and having registered office at Airtel Center, Plot No. 16, Udyog Vihar, Phase IV, Gurugram – 122015, India (hereinafter to be referred as ‘the **Company**’), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to us by the Company & its officers and based on declarations received from respective Directors, we hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ended on March 31, 2025, have been debarred or disqualified from being appointed or continuing as Directors of Companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such other Statutory Authority:

Sl. No.	Name of Director	DIN	Original date of appointment in the Company
1.	Mr. Ashok Tyagi	00784563	February 14, 2022
2.	Mr. Arun Gupta	00002157	December 22, 2023
3.	Mr. Arvind Kohli	00001920	March 22, 2023
4.	Mr. Devendra Khanna	01996768	August 10, 2013
5.	Mr. JS Deepak	02194470	May 20, 2022
6.	Mr. Kanwaljit Singh Cheema	10655273	November 20, 2024
7.	Mr. Kapal Kumar Vohra	07384162	December 22, 2023
8.	Ms. Nalina Suresh	10429755	December 22, 2023
9.	Mr. Rakesh Bharti Mittal	00042494	October 28, 2024
10.	Mr. Soumen Ray	09484511	February 14, 2022

Ensuring the eligibility for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For CL & Associates
Company Secretaries

Harish Chawla
(Partner)
Membership No. F9002
CP No. 15492
PR No. 4741/2023
UDIN: F009002G000316309

Date: May 12, 2025
Place: New Delhi



Independent Auditor’s Report

To The Members of BHARTI HEXACOM LIMITED

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of Bharti Hexacom Limited (the “Company”), which comprise the Balance Sheet as at March 31, 2025, and the Statement of Profit and Loss (including Other Comprehensive loss), the Statement of Changes in Equity and the Statement of Cash Flows for the year ended on that date, and notes to the financial statements, including a summary of material accounting policies and other explanatory information (hereinafter referred to as “the Financial Statements”).

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 (the “Act”) in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards (“Ind AS”) as notified by the Ministry of Corporate Affairs (‘MCA’) under Section 133 of the Companies Act, 2013 (“Act”), read together with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time) and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2025, and its profit, total comprehensive income, the changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the financial statements in accordance with the Standards on Auditing (“SA”)s specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor’s Responsibility for the Audit of the Financial Statements section of our report below. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (“ICAI”) together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI’s Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

Sr. No.	Key Audit Matter	Auditor’s Response
1	Revenue from operations: We considered accuracy of revenues relating to prepaid mobile services as a key audit matter because of the complexity of the IT systems, significance of volumes of data processed by the IT systems and updation of tariff plans. Refer Note 2.16 “Revenue recognition” for accounting policies, Note 3.2.a ‘Revenue recognition and presentation’ under the head ‘Critical judgements in applying the Company’s accounting policies’ and Note 21 on disclosures related to Revenue from operations in the financial statements.	Principal Audit Procedures We obtained an understanding, evaluated the design, tested the implementation and operating effectiveness of (i) the general IT controls, automated controls, interfaces, and system generated reports relevant for revenue recognition by involving our IT specialist; (ii) control over tariff plan configuration in the relevant IT systems; and (iii) control over validation of validity provided to the customer as per masters and rate charged in call data records (CDRs) with price masters. We tested reconciliations between prepaid application systems with general ledger, and performed verification of revenue recognised and deferred revenue. We performed independent testing to evidence that the amount charged, benefit given and validity provided to the subscribers are consistent with the approved tariff plans. We used data analytics to perform substantive analytical procedure to develop an expectation of the revenue basis number of subscribers and ARPU trends and compared the results of the expectation with actual revenue. We verified the appropriateness of the accounting policies and the disclosures related to Revenue from operations in Notes 2.16, 3.2.a and 21 respectively in the financial statements.
2	Provisions and contingencies relating to regulatory and tax matters: The Company has recognised provisions for probable outflows relating to tax and regulatory matters and have disclosed contingencies for tax and regulatory matters where the obligations are considered possible. The Company in consultation with the legal, tax and other advisors assess a likelihood that a pending matter relating to tax or regulatory will succeed. In performing this assessment, the Company has applied judgement and accordingly, has recognised provision where economic outflows are probable and disclosed contingent liabilities where economic outflows are considered possible. We have considered the provisions recorded and the contingencies relating to tax and regulatory matters as a key audit matter as there is significant judgement to determine the possible outcome of matters under dispute and determining the amounts involved, which may vary depending on the outcome of the matters. Refer Note 2.15 “Contingencies” for accounting policies, Note 3.1.d ‘Contingent liabilities and provisions’ under the head “Key sources of estimation uncertainties”, Note 17 “Provisions” for disclosure related to provisions for subjudice matters, Note 4(iv) for Variable licence fees matter and Note 20 (I) in respect of details of Contingent liabilities in the financial statements.	Principal Audit Procedures: We obtained an understanding, evaluated the design and tested the operating effectiveness of internal controls relating to: (1) identification, evaluation, recognition of provisions, disclosure of contingencies for matters under review or appeal with relevant adjudicating authorities by considering the assumptions and information used by management in performing this assessment; (2) completeness and accuracy of the underlying data / information used in the assessment. For tax matters, with the help of our tax specialist, we evaluated the reasonableness of the management’s positions by considering tax regulations and past decisions from tax authorities, new information and opinions obtained by the Company from its external tax advisors, where applicable. For regulatory matters, we evaluated the reasonableness of the management’s positions by considering relevant assessment orders, court judgements, statutes, interpretations and amendments, circulars and external legal opinion obtained by the Company, where applicable. We also evaluated the disclosures provided in the notes to the financial statements concerning these matters.

Information Other than the Financial Statements and Auditor's Report Thereon

- The Company's Board of Directors are responsible for the other information. The other information comprises the Management Discussion and Analysis, Board's Report including Annexures to the Board's Report, Business Responsibility & Sustainability Report and Corporate Governance Report, but does not include the financial statements and our auditor's report thereon.
- Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.
- In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.
- If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

The Company's Board of Directors are responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income/ (loss), changes in equity and cash flows of the Company in accordance with the Ind AS and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the management and the Board of Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Company's Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibility for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of Company's internal financial controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal financial controls that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books except for the matter as stated in (i)(vi) below for reporting related to requirements of audit trail.
 - c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Loss, Statement of Changes in Equity and the Statement of Cash Flows dealt with by this Report are in agreement with the books of account.
 - d) In our opinion, the aforesaid financial statements comply with the Ind AS specified under Section 133 of the Act.
 - e) On the basis of the written representations received from the directors as on March 31, 2025 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2025 from

being appointed as a director in terms of Section 164(2) of the Act.

- f) The modification relating to the maintenance of accounts and other matters connected therewith, is as stated in paragraph (b) above.
- g) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in **"Annexure A"**. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls with reference to financial statements.
- h) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended, in our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.
- i) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements - Refer Note 20 (I) to the financial statements.
 - ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts (Refer Note 17 to the financial statements).
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
 - iv. (a) The Management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

- (b) The Management has represented, that, to the best of its knowledge and belief, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities (“Funding Parties”), with the understanding, whether recorded in writing or otherwise, that the Company shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(c) Based on the audit procedures performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.
- v. The final dividend proposed in the previous year, declared and paid by the Company during the year is in accordance with section 123 of the Act, as applicable.

As stated in Note 14(e) to the financial statements, the Board of Directors of the Company has proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. Such dividend proposed is in accordance with section 123 of the Act, as applicable.
- vi. Based on our examination which included test checks, the Company has used various accounting and related softwares for maintaining its books of account for the year ended March 31, 2025, wherein the audit trail (edit log) feature was enabled through-out the year for accounting and related softwares used by the Company for maintaining its books of accounts, except for certain accounting and related softwares used by the Company for maintaining its books of accounts for which audit trail (edit log) feature was enabled for part the year (Refer Note 36 of the financial statements).

Further, during the course of our audit, we did not come across any instances of audit trail (edit log) feature being tampered with for aforesaid accounting and related softwares for the period for which the audit trail feature was enabled and operating.

Additionally, the audit trail has been preserved by the Company as per the statutory requirements for record retention for the period for which it was enabled.
2. As required by the Companies (Auditor’s Report) Order, 2020 (“the Order”) issued by the Central Government in terms of Section 143(11) of the Act, we give in “Annexure B” a statement on the matters specified in paragraphs 3 and 4 of the Order.

For **Deloitte Haskins & Sells LLP**
Chartered Accountants
(Firm's Registration No.117366W / W-100018)

Gautam Wadhera
(Partner)
Place: New Delhi (Membership No. 508835)
Date: May 13, 2025 (UDIN: 25508835BMLBQN4233)

Annexure “A” to the Independent Auditor’s Report

(Referred to in paragraph 1(g) under ‘Report on Other Legal and Regulatory Requirements’ section of our report of even date)

Report on the Internal Financial Controls with reference to financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (the “Act”)

We have audited the internal financial controls with reference to financial statements of **Bharti Hexacom Limited** (the “Company”) as at March 31, 2025, in conjunction with our audit of the Ind AS financial statements of the Company for the year ended on that date.

Management’s and Those Charged with Governance Responsibilities for Internal Financial Controls

The Company’s management and the Board of Directors are responsible for establishing and maintaining internal financial controls with reference to financial statements based on the internal control with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the “Guidance Note”). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor’s Responsibility

Our responsibility is to express an opinion on the Company’s internal financial controls with reference to financial statements of the Company based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls with reference to financial statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with

reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor’s judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company’s internal financial controls with reference to financial statements.

Meaning of Internal Financial Controls with reference to financial statements

A company’s internal financial control with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company’s internal financial control with reference to financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company’s assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls with reference to financial statements

Because of the inherent limitations of internal financial controls with reference to financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to financial statements to future periods are subject to the risk that the internal financial control with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, to the best of our information and according to the explanations given to us the Company has, in all material respects, an adequate internal financial controls with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2025, based on the criteria for internal financial control with reference to financial statements established by the Company considering the essential components of internal control stated in the Guidance Note.

For **Deloitte Haskins & Sells LLP**
Chartered Accountants
(Firm's Registration No.117366W / W-100018)

Gautam Wadhera
(Partner)
Place: New Delhi (Membership No. 508835)
Date: May 13, 2025 (UDIN: 25508835BMLBQN4233)

Annexure “B” to the Independent Auditor’s Report

(Referred to in paragraph 2 under ‘Report on Other Legal and Regulatory Requirements’ section of our report of even date)

In terms of the information and explanations sought by us and given by the Company and the books of account and records examined by us in the normal course of audit and to the best of our knowledge and belief, we state that:

- (i) In respect of Property, Plant and Equipment, Right-of-use assets and Intangible Assets:-
 - (a) A. The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment, capital work-in-progress and relevant details of right-of-use assets except in the case of certain Plant and Machinery which is relocated for various network requirements and Company is in the process of updating the records for situation of these assets.
 - B. The Company has maintained proper records showing full particulars of intangible assets.
- (b) The Company, except for customer premises equipment, bandwidth and optic fiber cable which due to their nature or location are not verifiable, has a program of verification of property, plant and equipment, capital work in-progress, and right-of-use assets so to cover all the items once every 3 years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program, certain Property, Plant and Equipment, capital work-in progress and right-of-use assets (based on underlying agreements / other relevant documents and refer sub-clause (c) below) were due for verification during the year and were physically verified by the Management during the year. According to the information and explanations given to us, no material discrepancies were noticed on such verification.
- (c) With respect to immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the Company) disclosed in the Financial Statements included in property, plant and equipment and according to the information and explanations given to us and based on the examination of the property tax receipts and utility bills for self-constructed buildings, we report that, such immovable properties are held in the name of the Company as at the balance sheet date.
- (d) The Company has not revalued any of its property, plant and equipment, right-of-use assets and intangible assets during the year.

- (e) According to the information and explanations given to us, no proceedings have been initiated during the year or are pending against the Company as at March 31, 2025 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.
- (ii) In respect of Inventory:
 - (a) The Company does not have any inventory and hence reporting under clause 3 (ii)(a) of the order is not applicable to the Company.
 - (b) According to the information and explanations given to us, at any point of time of the year, the Company has not been sanctioned any working capital facility from banks or financial institutions on the basis of security of current assets, and hence reporting under clause (ii)(b) of the Order is not applicable.
- (iii) The Company has not made any investments in, provided any guarantee or security, and granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties during the year, and hence reporting under clause (iii) of the Order is not applicable.
- (iv) The Company has not granted any loans, made investment or provided guarantees or securities and hence reporting under clause (iv) of the Order is not applicable.
- (v) The Company has not accepted any deposit or amounts which are deemed to be deposits. Hence, reporting under clause (v) of the Order is not applicable.
- (vi) The maintenance of cost records has been specified by the Central Government under section 148(1) of the Companies Act, 2013. We have broadly reviewed the books of account maintained by the Company pursuant to the Companies (Cost Records and Audit) Rules, 2014, as amended, prescribed by the Central Government for maintenance of cost records under Section 148(1) of the Companies Act, 2013, and are of the opinion that, prima facie, the prescribed cost records have been made and maintained by the Company. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.
- (vii) In respect of statutory dues:
 - (a) Undisputed statutory dues, including Goods and Service tax, Provident Fund, Employees’ State Insurance, Income-tax, Duty of custom, cess and

other material statutory dues applicable to the Company have been regularly deposited by it with the appropriate authorities in all cases during the year. Sales tax, service tax, value added tax and duties of excise is not applicable on the Company.

There were no undisputed amounts payable in respect of Goods and Service tax, Provident Fund, Employees' State Insurance, Income-tax, Duty of custom, cess and other material statutory dues in arrears as at March 31, 2025 for a period of more than six months from the date they became payable.

- (b) Details of statutory dues referred to in sub-clause (a) above which have not been deposited as on March 31, 2025 on account of disputes are given below:

Name of Statute	Nature of dues	Amount Disputed (In ₹ million)	Period to which the Amount Relates	Forum where dispute is pending
Custom Act, 1962	Custom Act	182	2001-2005	Supreme Court
Sub Total (A)		182		
Finance Act, 1994 (Service tax)	Service Tax	96	2016-2017	1 st Appellate Authority
Sub Total (B)		96		
The Rajasthan Value Added Tax Act, 2003	Value Added Tax	227	2006-2010	Supreme Court
Sub Total (C)		227		
Goods & Services Tax Act, 2017	Rajasthan GST	118	2017-2018	1 st Appellate Authority
Goods & Services Tax Act, 2017	Nagaland GST	22	2017-2019	Tribunal
Goods & Services Tax Act, 2017	Assam GST	8	2017-2019	Tribunal
Goods & Services Tax Act, 2017	Tripura GST	5	2017-2018	Tribunal
Sub Total (D)		153		
Income Tax Act, 1961	Income Tax	75	FY 2003-04 to FY 2011-12	Supreme Court
Income Tax Act, 1961	Income Tax	16	FY 2015-16 to FY 2018-19	Income Tax Appellate Tribunal (ITAT)
Sub Total (E)		91		
Grand Total (A+B+C+D+E)		749		

The above-mentioned figures represent the total disputed cases without any assessment of probable, possible and remote, as done in case of contingent liabilities. Of the above cases, total amount paid under protest in respect of duties of custom, service tax, GST and income tax is ₹ 91 million, ₹ 20 million, ₹ 87 million and ₹ 28 million respectively.

- (viii) There were no transactions relating to previously unrecorded income that were surrendered or disclosed as income in the tax assessments under the Income Tax Act, 1961 (43 of 1961) during the year.

- (ix) In respect of loans and borrowings:

- (a) In our opinion, the Company has not defaulted in the repayment of loans or other borrowings or in the payment of interest thereon to any lender during the year.
- (b) The Company has not been declared willful defaulter by any bank or financial institution or government or any government authority.
- (c) The Company has not taken any term loan during the year and there are no unutilised term loans at the beginning of the year and hence, reporting under clause (ix)(c) of the Order is not applicable.

- (d) To the best of our knowledge and belief and according to the information and explanations given to us, the management of the Company is of the view that the Company is able to generate sufficient funds from long term sources either through its operations or other means to meet the working capital requirements arising from the event of short-term sources falling due for payment. On an overall examination of the financial statements of the Company, funds raised on short-term basis have been used during the year for long-term purposes by the Company. Refer Note 15 to the financial statements.
- (e) The Company did not have any subsidiaries or associates or joint ventures during the year, hence reporting under clause (ix)(e) and (ix)(f) are not applicable.

- (x) In respect of issue of securities:

- (a) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) during the year and hence reporting under clause (x)(a) of the Order is not applicable. Further, the Company has raised moneys through commercial papers from Qualified Institutional Buyers (QIBs) for general purpose use.
- (b) During the year, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally) and hence reporting under clause (x)(b) of the Order is not applicable to the Company.

- (xi) In respect of Fraud:

- (a) To the best of our knowledge, no fraud by the Company and no material fraud on the Company has been noticed or reported during the year.
- (b) To the best of our knowledge, no report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and upto the date of this report.
- (c) We have taken into consideration the whistle blower complaints received by the Company during the year (and upto the date of this report) and provided to us, when performing our audit.

- (xii) The Company is not a Nidhi Company and hence reporting under clause (xii) of the Order is not applicable.

- (xiii) In our opinion, the Company is in compliance with Section 177 and 188 of the Companies Act, where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the financial statements etc. as required by the applicable accounting standards.

- (xiv) In respect of internal audit:

- (a) In our opinion the Company has an adequate internal audit system commensurate with the size and the nature of its business.
- (b) We have considered, the internal audit reports issued to the Company during the year and covering the period upto March 31, 2025.

- (xv) In our opinion during the year, the Company has not entered into any non-cash transactions with any of its directors or directors of its holding company, subsidiary company, associate company or persons connected with such directors and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.

- (xvi) (a) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clause (xvi)(a), (b) and (c) of the Order is not applicable.

- (b) The Parent Group has more than one CIC as part of the Parent Group. There are 2 CIC forming part of Parent Group.

- (xvii) The Company has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.

- (xviii) There has been no resignation of the statutory auditors of the Company during the year.

- (xix) On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

- (xx) In respect of ongoing projects, the Company has transferred unspent Corporate Social Responsibility (CSR) amount, to a Special account before the date of this report and within a period of 30 days from the end of the financial year in compliance with the provision of section 135(6) of the Act.

For **Deloitte Haskins & Sells LLP**

Chartered Accountants

(Firm's Registration No. 117366W / W-100018)

Gautam Wadhwa

(Partner)

(Membership No. 508835)

(UDIN: 25508835BMLBQN4233)

Place: New Delhi
Date: May 13, 2025

Balance Sheet

(All amounts are in millions of Indian Rupee)

	Notes	As of	
		March 31, 2025	March 31, 2024
Assets			
Non-current assets			
Property, plant and equipment	5	54,165	53,444
Capital work-in-progress	5	2,973	1,969
Right-of-use assets	32	30,643	28,596
Intangible assets	6	62,521	54,110
Intangible assets under development	6	-	2,476
Financial assets			
- Investments	7	0	0
- Other financial assets	8	4,576	4,874
Income tax assets (net)		4,242	2,265
Deferred tax assets (net)	9	10,220	8,578
Other non-current assets	10	3,987	4,890
		173,327	161,202
Current assets			
Financial assets			
- Investments	7	739	2,376
- Derivative instruments		6	-
- Trade receivables	11	1,083	4,446
- Cash and cash equivalents	12	171	398
- Other bank balances	13	199	345
- Other financial assets	8	11,065	10,514
Other current assets	10	5,920	5,893
		19,183	23,972
Total assets		192,510	185,174
Equity and liabilities			
Equity			
Equity share capital	14	2,500	2,500
Other equity		56,821	43,887
		59,321	46,387
Non-current liabilities			
Financial liabilities			
- Borrowings	15	26,522	27,924
- Lease liabilities	32	30,690	28,306
- Other financial liabilities	16	172	-
Deferred revenue	21	7,129	6,817
Provisions	17	263	228
		64,776	63,275
Current liabilities			
Financial liabilities			
- Borrowings	15	11,277	20,422
- Derivative instruments		15	-
- Lease liabilities	32	5,039	4,394
- Trade payables	18		
- Total outstanding dues of micro enterprises and small enterprises		46	46
- Total outstanding dues of creditors other than micro enterprises and small enterprises		15,814	14,802
- Other financial liabilities	16	8,015	9,543
Deferred revenue	21	6,968	5,145
Provisions	17	13,871	11,968
Current tax liabilities (net)		4,611	7,785
Other current liabilities	19	2,757	1,407
		68,413	75,512
Total liabilities		133,189	138,787
Total equity and liabilities		192,510	185,174

The accompanying notes 1 to 38 form an integral part of these Financial Statements.

As per our report of even date
For Deloitte Haskins & Sells LLP
Chartered Accountants
(Firm's Registration No: 117366W / W-100018)

Gautam Wadhwa
Partner
Membership No: 508835

Place: New Delhi
Date: May 13, 2025

For and on behalf of the Board of Directors of Bharti Hexacom Limited

Marut Dilawari
Chief Executive Officer

Akhil Garg
Chief Financial Officer

Jagdish Saksena Deepak
Director
DIN: 02194470

Amit Chaturvedi
Company Secretary

Statement of Profit and Loss

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

	Notes	For the year ended	
		March 31, 2025	March 31, 2024
Income			
Revenue from operations	21	85,479	70,888
Other income	21.1	1,818	2,487
		87,297	73,375
Expenses			
Network operating expenses	22	19,047	16,849
Access charges		9,219	7,461
License fee / Spectrum charges		7,824	6,520
Employee benefits expense	23	1,342	1,054
Sales and marketing expenses	24	4,073	3,692
Other expenses	25	2,002	1,700
		43,507	37,276
Profit before depreciation, amortisation, finance costs, exceptional items and tax		43,790	36,099
Depreciation and amortisation expenses	26	20,945	17,392
Finance costs	27	6,883	6,444
Profit before exceptional items and tax		15,962	12,263
Exceptional items (net)	28	(2,126)	3,030
Profit before tax		18,088	9,233
Tax expense / (credit)			
Current tax	9	5,013	5,135
Deferred tax	9	(1,861)	(946)
		3,152	4,189
Profit for the year		14,936	5,044
Other comprehensive income ('OCI')			
Items not to be reclassified to profit or loss:			
Re-measurement loss on defined benefit plans		(3)	(3)
Tax credit		1	1
Other comprehensive loss for the year		(2)	(2)
Total comprehensive income for the year		14,934	5,042
Earnings per share (Face value : ₹ 5 each)			
Basic and diluted earnings per share	29	29.87	10.09

The accompanying notes 1 to 38 form an integral part of these Financial Statements.

As per our report of even date
For Deloitte Haskins & Sells LLP
Chartered Accountants
(Firm's Registration No: 117366W / W-100018)

Gautam Wadhwa
Partner
Membership No: 508835

Place: New Delhi
Date: May 13, 2025

For and on behalf of the Board of Directors of Bharti Hexacom Limited

Marut Dilawari
Chief Executive Officer

Akhil Garg
Chief Financial Officer

Jagdish Saksena Deepak
Director
DIN: 02194470

Amit Chaturvedi
Company Secretary



Statement of Changes in Equity

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

	Equity share capital		Other equity - Reserves and surplus							Total equity
	No. of shares (in '000)	Amount	Securities premium	Retained earnings	General reserve	Capital reserve	Capital redemption reserve ('CRR')	Debt redemption reserve ('DRR')	Total	
As of April 1, 2023	250,000	2,500	1,040	35,282	900	873	0	1,500	39,595	42,095
Profit for the period	-	-	-	5,044	-	-	-	-	5,044	5,044
Other comprehensive loss (net of tax)	-	-	-	(2)	-	-	-	-	(2)	(2)
Total comprehensive income	-	-	-	5,042	-	-	-	-	5,042	5,042
Transfer from DRR to retained earnings	-	-	-	1,500	-	-	-	(1,500)	-	-
Debt redemption reserve created	-	-	-	(2,000)	-	-	-	2,000	-	-
Transfer from CRR to retained earnings	-	-	-	0	-	-	(0)	-	-	-
Dividend to shareholders	-	-	-	(750)	-	-	-	-	(750)	(750)
Impact of split of shares (Refer Note 4(v))	250,000	-	-	-	-	-	-	-	-	-
As of March 31, 2024	500,000	2,500	1,040	39,074	900	873	-	2,000	43,887	46,387
Profit for the period	-	-	-	14,936	-	-	-	-	14,936	14,936
Other comprehensive loss (net of tax)	-	-	-	(2)	-	-	-	-	(2)	(2)
Total comprehensive income	-	-	-	14,934	-	-	-	-	14,934	14,934
Transfer from DRR to retained earnings	-	-	-	2,000	-	-	-	(2,000)	-	-
Dividend to shareholders	-	-	-	(2,000)	-	-	-	-	(2,000)	(2,000)
As of March 31, 2025	500,000	2,500	1,040	54,008	900	873	-	-	56,821	59,321

The accompanying notes 1 to 38 form an integral part of these Financial Statements.

As per our report of even date
For Deloitte Haskins & Sells LLP
Chartered Accountants
(Firm's Registration No: 117366W / W-100018)

Gautam Wadhwa
Partner
Membership No: 508835

Place: New Delhi
Date: May 13, 2025

For and on behalf of the Board of Directors of Bharti Hexacom Limited

Marut Dilawari
Chief Executive Officer

Akhil Garg
Chief Financial Officer

Jagdish Saksena Deepak
Director
DIN: 02194470

Amit Chaturvedi
Company Secretary

Statement of Cash Flows

(All amounts are in millions of Indian Rupee)

	For the year ended	
	March 31, 2025	March 31, 2024
Cash flows from operating activities		
Profit before tax	18,088	9,233
Adjustments for:		
Depreciation and amortisation expenses	20,945	17,392
Finance costs	6,876	6,441
Exceptional items (net)	(2,126)	3,030
Interest income	(48)	(773)
Net gain on derivative financial instruments	(47)	-
Net gain on Fair value through profit and loss (FVTPL) instruments	(99)	(421)
Provision for doubtful debts / bad debts written off	97	18
Other non-cash items (net)	24	18
Operating cash flow before changes in assets and liabilities	43,710	34,938
Changes in assets and liabilities		
Trade receivables	3,265	(2,975)
Trade payables	(56)	33
Provisions	722	652
Other financial and non-financial liabilities	4,056	1,510
Other financial and non-financial assets	876	1,477
Net cash generated from operations before tax	52,573	35,635
Income tax paid - (net)	(6,747)	(174)
Net cash generated from operating activities (a)	45,826	35,461
Cash flows from investing activities		
Purchase of property, plant and equipment and capital-work-in-progress	(14,694)	(20,583)
Proceeds from sale of property, plant and equipment	138	106
Purchase of intangible assets	(227)	-
Proceeds from sale of current investments (net)	1,736	8,505
Payment towards Spectrum (including deferred payment liability)*	(10,388)	(352)
Interest received	29	773
Net cash used in investing activities (b)	(23,406)	(11,551)
Cash flows from financing activities		
Repayment of long term borrowings	(20,000)	(15,000)
Proceeds from short-term borrowings (net)	8,210	-
Interest and other finance charges paid#	(5,395)	(5,356)
Payment of lease liabilities	(3,462)	(2,930)
Dividend paid	(2,000)	(750)
Net cash used in financing activities (c)	(22,647)	(24,036)
Net decrease in cash and cash equivalents during the year (a+b+c)	(227)	(126)
Add : Cash and cash equivalents as at the beginning of the year	398	524
Cash and cash equivalents as at the end of the year (refer Note 12)	171	398

*Cash flows towards spectrum acquisitions to Department of Telecommunications ('DoT') includes upfront / deferred / prepaid payments.

#includes interest towards payment of deferred liabilities pertaining to spectrum acquired in auction of year 2021, 2022 and 2024.

The above Statement of Cash Flows has been prepared under the "indirect method" as set out in Ind AS 7 "Statement of Cash Flows". Refer Note 33(1)(v) for the disclosure pursuant to Ind AS 7 "Statement of Cash Flows" - Changes in liabilities arising from financing activities. The accompanying notes 1 to 38 form an integral part of these Financial Statements.

As per our report of even date
For Deloitte Haskins & Sells LLP
Chartered Accountants
(Firm's Registration No: 117366W / W-100018)

Gautam Wadhwa
Partner
Membership No: 508835

Place: New Delhi
Date: May 13, 2025

For and on behalf of the Board of Directors of Bharti Hexacom Limited

Marut Dilawari
Chief Executive Officer

Akhil Garg
Chief Financial Officer

Jagdish Saksena Deepak
Director
DIN: 02194470

Amit Chaturvedi
Company Secretary

Notes to Financial Statements

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

1 Corporate information

Bharti Hexacom Limited ('the Company' or 'BHL') (CIN: L74899DL1995PLC067527) is domiciled and incorporated in India as a Public Limited Company listed on the National Stock Exchange of India Limited and the BSE Limited. The registered office of the Company is situated at Airtel Center, Plot No. 16, Udyog Vihar, Phase – IV, Gurugram – 122015, Haryana, India.

The company is a subsidiary of Bharti Airtel Limited ('the parent'), a company registered in India. The registered address of the parent is Airtel Center, Plot no. 16, Udyog Vihar, Phase – IV, Gurugram – 122015, Haryana, India.

The Company is providing telecom services in Rajasthan and North East telecom circles in terms of Unified License (with Access Service Authorization) granted by the Department of Telecommunications ('DoT'), Government of India ('Gol'). The details as to the services provided by the Company are further provided in Note 21.

2 Summary of material accounting policies

2.1 Basis of preparation

These Financial Statements have been prepared to comply in all material respects with the Indian Accounting Standards ('Ind AS') as notified by the Ministry of Corporate Affairs ('MCA') under section 133 of the Companies Act, 2013 ('Act'), read together with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time) and other accounting principles generally accepted in India.

The Financial Statements are approved for issue by the Company's Board of Directors on May 13, 2025.

The Financial Statements are based on the classification provisions contained in Ind AS 1, 'Presentation of Financial Statements' and Division II of Schedule III (as amended) to the Act. Further, for the purpose of clarity, various items are aggregated in the Balance Sheet, Statement of Profit and Loss, Statement of Changes in Equity, Statement of Cash Flows and accompanying notes. Nonetheless, these items are dis-aggregated separately in the notes to the Financial Statements, where applicable or required.

All the amounts included in the Financial Statements are reported in millions of Indian Rupee ('Rupee' or '₹') and are rounded to the nearest million, except per share data and unless stated otherwise. Further, due to rounding off, certain amounts are appearing as '0'

The preparation of the said Financial Statements requires the use of certain critical accounting estimates and judgements. It also requires the management to exercise judgement in the process of applying the Company's accounting policies.

The areas where estimates are significant to the Financial Statements, or areas involving a higher degree of judgement or complexity, are disclosed in Note 3.

The accounting policies, as set out in the following paragraphs of this note, have been consistently applied, by the Company, to all the periods presented in the said Financial Statements, except in case of adoption of any new standards and / or amendments during the year.

Amendments to Ind AS

New amendments adopted during the year

The Ministry of Corporate Affairs ('MCA'), vide notification no. G.S.R. 492(E) dated August 12, 2024, issued the Companies (Indian Accounting Standards) Amendment Rules, 2024, introducing a new accounting standard, Ind AS 117 relating to the accounting of Insurance Contracts and MCA through notification no. G.S.R. 554(E) dated September 9, 2024, issued the Companies (Indian Accounting Standards) Second Amendment Rules, 2024, amending Ind AS 116 relating to the accounting for sale and leaseback transactions with variable lease payments. Both these amendments were applicable for annual periods beginning on or after April 1, 2024. The Company has reviewed both these pronouncements and based on its evaluation has determined that it does not have any significant impact in its financial statements.

Amendments to Ind AS issued but not yet effective

The MCA has notified amendment to Ind AS 21, The Effects of Changes in Foreign Exchange Rates, vide the Companies (Indian Accounting Standards) Amendment Rules, 2025 through Notification No. G.S.R. 291(E) dated May 7, 2025. The amendment provide comprehensive guidance on assessing the exchangeability of currencies, determining spot exchange rates when currencies are not exchangeable, and enhancing related disclosures. The amendment is effective for annual reporting periods beginning on or after April 1, 2025. The Company will evaluate the impact of this amendment and implement the necessary changes in its financial reporting for periods commencing on or after the effective date.

2.2 Basis of measurement

The Financial Statements have been prepared on the accrual and going concern basis, and the historical cost convention except where the Ind AS requires a different accounting treatment. The principal variations from the historical cost convention relate to financial instruments classified as fair value through profit or loss ('FVTPL') (refer Note 2.8) which are measured at fair value.

Fair value measurement

Fair value is the price at the measurement date, at which an asset can be sold or a liability can be transferred, in an orderly transaction between market participants. The Company's

Notes to Financial Statements

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

accounting policies require, measurement of certain financial instruments at fair values (either on a recurring or non-recurring basis).

The Company is required to classify the fair valuation method of the financial / non-financial assets and liabilities, either measured or disclosed at fair value in the Financial Statements, using a three level fair-value-hierarchy (which reflects the significance of inputs used in the measurement). Accordingly, the Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data is available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

The three levels of the fair-value-hierarchy are described below:

Level 1: Quoted (unadjusted) prices for identical assets or liabilities in active markets

Level 2: Significant inputs to the fair value measurement are directly or indirectly observable

Level 3: Significant inputs to the fair value measurement are unobservable

2.3 Foreign currency transactions

a. Functional and presentation currency

The Financial Statements are presented in Indian Rupee which is the functional and presentation currency of the Company.

b. Transactions and balances

Transactions in foreign currencies are initially recorded in the relevant functional currency at the exchange rate prevailing at the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the closing exchange rate prevailing as at the reporting date with the resulting foreign exchange differences, on subsequent re-statement / settlement, recognised in the Statement of Profit and Loss. Non-monetary assets and liabilities denominated in foreign currencies are translated into the functional currency using the exchange rate prevalent, at the date of initial recognition (in case they are measured at historical cost) or at the date when the fair value is determined (in case they are measured at fair value) – the resulting foreign exchange difference, on subsequent re-statement / settlement, recognised in the Statement of Profit and Loss, except to the extent that it relates to items recognised in the other comprehensive income ('OCI') or directly in equity.

2.4 Current versus non-current classification

The Company presents assets and liabilities in the Balance Sheet based on current / non-current classification.

Deferred tax assets and liabilities, and all other assets and liabilities which are not current (as discussed in the below paragraphs) are classified as non-current assets and liabilities.

An asset is classified as current when it is expected to be realised or intended to be sold or consumed in normal operating cycle, held primarily for the purpose of trading, expected to be realised within twelve months after the reporting period, or cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

A liability is classified as current when it is expected to be settled in normal operating cycle, it is held primarily for the purpose of trading, it is due to be settled within twelve months after the reporting period, or there is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

2.5 Property, plant and equipment ('PPE')

An item is recognised as an asset, if and only if, it is probable that the future economic benefits associated with the item will flow to the Company and its cost can be measured reliably. PPE are initially recognised at cost. The initial cost of PPE comprises its purchase price (including non-refundable duties and taxes but excluding any trade discounts and rebates), asset retirement obligations ('ARO') and any directly attributable cost of bringing the asset to its working condition and location for its intended use. Further, it includes assets installed on the premises of customers as the associated risks, rewards and control remain with the Company.

Subsequent to initial recognition, PPE are stated at cost less accumulated depreciation and impairment losses, if any. When significant parts of PPE are required to be replaced at regular intervals, the Company recognises such parts as separate component of assets. When an item of PPE is replaced, then its carrying amount is de-recognised from the Balance Sheet and cost of the new item of PPE is recognised. Further, in case the replaced part was not being depreciated separately, the cost of the replacement is used as an indication to determine the cost of the replaced part at the time it was acquired.

Cost of assets not ready for intended use, as on the Balance Sheet date, is shown as capital work-in-progress ('CWIP'), advances given towards acquisition of PPE outstanding at each Balance Sheet date are disclosed under other non-current assets.

The expenditures that are incurred after the item of PPE has been available for use, such as repairs and maintenance, are normally charged to the Statement of Profit and Loss in the period in which such costs are incurred. However, in situations where the said expenditure can be measured reliably, and is probable that future economic benefits associated with it will flow to the Company, it is included in the asset's carrying value or as a separate asset, as appropriate.

Notes to Financial Statements

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

Depreciation on PPE is computed using the straight-line method over the estimated useful life. The management basis its past experience and technical assessment has estimated the useful life, which is at variance with the life prescribed in Part C of Schedule II of the Act and has accordingly, depreciated the assets over such useful life.

The Company has established the estimated range of useful life for different categories of PPE as follows:

Categories	Years
Buildings	20
Building on leased land	Lease term or 20 years, whichever is less
Leasehold improvements	Lease term or 20 years, whichever is less
Plant and equipment	
- Network equipment (including passive infrastructure)	3 – 25
- Customer premise equipment	3 – 7
Computers / servers	3 – 5
Furniture & fixtures and office equipments	2 – 5
Vehicles	3 – 5

The useful life, residual values and depreciation method of PPE are reviewed, and adjusted appropriately, at least as at each financial year end so as to ensure that the method and period of depreciation are consistent with the expected pattern of economic benefits from these assets. The effect of any change in the estimated useful life, residual values and / or depreciation method are accounted prospectively, and accordingly the depreciation is calculated over the PPE's remaining revised useful life. The cost and the accumulated depreciation for PPE sold, scrapped, retired or otherwise disposed off are de-recognised from the Balance Sheet and the resulting gains / losses are included in the Statement of Profit and Loss within other income / other expenses.

2.6 Intangible assets

Intangible assets are recognised when the Company controls the asset, it is probable that future economic benefits attributed to the asset will flow to the Company and the cost of the asset can be measured reliably.

The intangible assets are initially recognised at cost. Those assets having finite useful life are carried at cost less accumulated amortisation and impairment losses, if any. Amortisation is computed using the straight-line method over the expected useful life of intangible assets.

The Company has established the estimated useful life of different categories of intangible assets as follows:

a. Software

Software (including platform as a service) are amortised over the period of license, generally not exceeding five years.

b. Licenses (including spectrum)

Acquired licenses and spectrum are amortised commencing from the date when the related network is available for intended use in the relevant jurisdiction. The useful life of acquired licenses and spectrum ranges upto twenty 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.

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

Further, the cost of intangible assets under development ('IAUD') includes the following:

- (a) the amount of spectrum allotted to the Company and related costs (including borrowing costs) that are directly attributable to the acquisition or construction of qualifying assets (refer Note 6), if any, for which services are yet to be rolled out and are presented separately in the Balance Sheet.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the Statement of Profit and Loss when the asset is derecognised.

2.7 Impairment of non-financial assets

PPE, right-of-use assets ('ROU'), intangible assets and IAUD

PPE (including CWIP), ROU and intangible assets with definite life, are reviewed for impairment, whenever events or changes in circumstances indicate that their carrying values may not be recoverable. IAUD is tested for impairment, at least annually and whenever circumstances indicate that it may be impaired.

For the purpose of impairment testing, the recoverable amount (that is, higher of the fair value less costs to sell and

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

the value in use) is determined on an individual asset basis, unless the asset does not generate cash flows that are largely independent of those from other assets, in which case the recoverable amount is determined at the cash-generating-unit ('CGU') level to which the said asset belongs. If such individual assets or CGU are considered to be impaired, the impairment to be recognised in the Statement of Profit and Loss is measured by the amount by which the carrying value of the asset / CGU exceeds their estimated recoverable amount and allocated on pro rata basis.

A CGU is the smallest identifiable group of assets that generates cash inflows that are largely independent of the cash inflows from other assets or group of assets.

Reversal of impairment losses

Impairment losses are reversed in Statement of Profit and Loss and the carrying value is increased to its revised recoverable amount provided that this amount does not exceed the carrying value that would have been determined had no impairment loss been recognised for the said asset / CGU previously.

2.8 Financial instruments

a. Recognition, classification and presentation

The financial instruments are recognised in the Balance Sheet when the Company becomes a party to the contractual provisions of the financial instrument.

The Company determines the classification of its financial instruments at initial recognition.

The Company classifies its financial assets in the following categories: a) those to be measured subsequently at fair value through profit or loss, and b) those to be measured at amortised cost.

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

The Company measures all the non-derivative financial liabilities at amortised cost.

Financial assets and liabilities arising from different transactions are off-set against each other and the resultant net amount is presented in the Balance Sheet, if and only when, the Company currently has a legally enforceable right to set-off the related recognised amounts and intends either to settle on a net basis or to realise the assets and settle the liabilities simultaneously.

b. Measurement – Non derivative financial instruments

I. Initial measurement

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at FVTPL, transaction costs that are attributable to the acquisition of the financial asset. However, trade receivables that do not contain a significant financing component are measured at transaction price. All financial liabilities are recognised initially at fair value, in the case of loans and borrowings and payables, net of directly attributable transaction costs. Other transaction costs are expensed as incurred in the Statement of Profit and Loss.

The transaction price is generally the best evidence of the financial instrument's initial fair value. However, it is possible for an entity to determine that the instrument's fair value is not the transaction price. The difference between the transaction amount and the fair value (if any) is accounted for as follows:

- The difference is recognised as a gain or loss in the statement of Profit and Loss only if fair value is evidenced by a quoted price in an active market for an identical asset or liability (that is, a Level 1 input) or based on a valuation technique that uses only data from observable markets.
- In all other cases, an entity recognises the instrument at fair value and defers the difference between the fair value at initial recognition and the transaction price in the statement of financial position.

II. Subsequent measurement - financial assets

The subsequent measurement of the non-derivative financial assets depends on their classification as follows:

i. Financial assets measured at amortised cost

Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost using the effective-interest rate ('EIR') method (if the impact of discounting / any transaction costs is significant). Interest income from these financial assets is included in other income.

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ii. Financial assets at fair value through profit or loss ('FVTPL')

All financial assets that do not meet the criteria for amortised cost are measured at FVTPL. Interest (basis EIR method) from financial assets at FVTPL is recognised in the Statement of Profit and Loss within other income separately from the other gains / losses arising from changes in the fair value.

Impairment

The Company assesses on a forward looking basis the expected credit losses ('ECL') associated with its assets carried at amortised cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk since initial recognition. If credit risk has not increased significantly, twelve months ECL is used to provide for impairment loss, otherwise lifetime ECL is used.

However, only in case of trade receivables, the company applies the simplified approach which requires expected lifetime losses to be recognised from initial recognition of the receivables.

III. Subsequent measurement - financial liabilities

Financial liabilities are subsequently measured at amortised cost using the EIR method (if the impact of discounting / any transaction costs is significant). For trade and other payables maturing within one year from the Balance Sheet date, the carrying amounts approximate the fair value due to the short maturity of these instruments.

c. Derecognition

The financial liabilities are derecognised from the Balance Sheet when the under-lying obligations are extinguished, discharged, lapsed, cancelled, expires or legally released. The financial assets are de-recognised from the Balance Sheet when the rights to receive cash flows from the financial assets have expired, or have been transferred and the Company has transferred substantially all risks and rewards of ownership. The difference in the carrying amount is recognised in the Statement of Profit and Loss.

2.9 Leases

The Company, at the inception of a contract, assesses the contract is, or containing, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether the contract involves the use of an identified asset, the Company has the right to obtain

substantially all of the economic benefits from use of the asset throughout the period of use; and the Company has the right to direct the use of the asset.

Company as a lessee

The Company recognises a ROU and a corresponding lease liability with respect to all lease agreements in which it is the lessee in the 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 using the incremental borrowing rate (as the rate implicit in the lease cannot be readily determined). Lease liabilities include the net present value of fixed payments (including any in-substance fixed payments) and payments of penalties for terminating the lease, if the lease term reflects the lessee exercising that option.

Subsequently, the lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a change in future lease payments including or when the lease contract is modified and the lease modification is not accounted for as a separate lease. The corresponding adjustment is made to the carrying amount of the ROU, or is recorded in profit or loss if the carrying amount of the related ROU has been reduced to zero and there is a further reduction in the measurement of the lease liability.

ROU are measured at cost comprising the amount of the initial measurement of lease liability, any lease payments made at or before the commencement date and any initial direct costs less any lease incentives received.

Subsequent to initial recognition, ROU are stated at cost less accumulated depreciation and any impairment losses and adjusted for certain remeasurements of the lease liability. Depreciation is computed using the straight-line method from the commencement date to the end of the useful life of the underlying asset or the end of the lease term, whichever is shorter. The estimated useful lives of ROU are determined on the same basis as those of the underlying asset.

In the Balance Sheet, the ROU and lease liabilities are presented separately. In the Statement of Profit and Loss, interest expense on lease liabilities are presented separately from the depreciation charge for the ROU. Interest expense on the lease liability is a component of finance costs, which are presented separately in the Statement of Profit and Loss. In the Statement of Cash Flows, cash payments for the principal portion of lease payments and the interest portion of lease liability are presented as financing activities.

When a contract includes lease and non-lease components, the Company allocates the consideration in the contract on the basis of the relative standalone prices of each lease component and the aggregate standalone price of the non-lease components.

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Short-term leases and leases of low-value assets

The Company has elected not to recognise ROU and lease liabilities for short term leases that have a lease term of twelve months or less and leases of low value assets. The Company recognises lease payments associated with these leases as an expense on a straight-line basis over the lease term.

Company as a lessor

Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases.

Amounts due from lessees under a finance lease are recognised as receivables at an amount equal to the net investment in the leased assets. Finance lease income is allocated to the periods so as to reflect a constant periodic rate of return on the net investment outstanding in respect of the finance lease.

Rental income from operating leases is recognised on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised on a straight line basis over the lease term.

When a contract includes lease and non-lease components, the Company applies Ind AS 115 'Revenue from Contracts with Customers' to allocate the consideration under the contract to each component.

The Company enters into 'Indefeasible right to use' ('IRU') arrangements wherein the right to use the assets is given over the substantial part of the asset life. However, as the title to the assets and the significant risks associated with the operation and maintenance of these assets remains with the Company, such arrangements are recognised as operating lease. The contracted price is recognised as revenue during the tenure of the agreement. Unearned IRU revenue received in advance is presented as deferred revenue within liabilities in the Balance Sheet.

2.10 Taxes

The income tax expense comprises of current and deferred income tax. Income tax is recognised in the Statement of Profit and Loss, except to the extent that it relates to items recognised in the OCI or directly in equity, in which case the related income tax is also recognised accordingly.

a. Current tax

The current tax is calculated on the basis of the tax rates, laws and regulations, which have been enacted or substantively enacted as at the reporting date. The payment made in excess / (shortfall) of the Company's income tax obligation for the period are recognised in

the Balance Sheet under assets as income tax assets / under current liabilities as current tax liabilities.

Any interest, related to accrued liabilities for potential tax assessments are not included in income tax charge or (credit), but are rather recognised within finance costs.

The Company periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation. The Company considers whether it is probable that a taxation authority will accept an uncertain tax treatment. If the Company concludes it is probable that the taxation authority will accept an uncertain tax treatment, it determines the taxable profit (tax loss), tax bases, unused tax losses, unused tax credits or tax rates consistently with the tax treatment used or planned to be used in its income tax filings. If the Company concludes it is not probable that the taxation authority will accept an uncertain tax treatment, the entity reflects the effect of uncertainty in determining the related taxable profit (tax loss), tax bases, unused tax losses, unused tax credits or tax rates.

Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

b. Deferred tax

Deferred tax is recognised on temporary differences arising between the tax bases of assets and liabilities and their carrying values in the Financial Statements. Deferred tax is also recognised in respect of carried forward tax losses and tax credits. Deferred tax assets / liabilities recognised for temporary differences arising from a business combination, affect the amount of goodwill or the bargain purchase gain that the Company recognises. However, deferred tax liabilities are not recognised if they arise from the initial recognition of goodwill. Deferred tax is not recognised if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets are recognised only to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised. The Company considers the projected future taxable income and tax planning strategies in making this assessment.

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

Deferred tax is determined using tax rates (and laws) that have been enacted or substantively enacted by the reporting date and are expected to apply when the asset is realised or the liability is settled.

Deferred tax assets and liabilities are off-set where there is a legally enforceable right to offset current tax assets and liabilities and where the deferred tax balances relate to the same taxation authority.

2.11 Cash and cash equivalents ('C&CE')

Cash and cash equivalents include cash in hand, bank balances and any deposits with original maturities of three months or less (that are readily convertible to known amounts of C&CE and subject to an insignificant risk of changes in value). However, for the purpose of the Statement of Cash Flows, in addition to above items, any bank overdrafts / cash credits that are integral part of the Company's cash management, are also included as a component of C&CE.

2.12 Equity share capital

Ordinary shares are classified as Equity when the Company has an un-conditional right to avoid delivery of cash or another financial asset, that is, when the dividend and repayment of capital are at the sole and absolute discretion of the Company and there is no contractual obligation whatsoever to that effect.

2.13 Employee benefits

The Company's employee benefits mainly include wages, salaries, bonuses, defined contribution plans, defined benefit plans, compensated absences and deferred compensation. The employee benefits are recognised in the year in which the associated services are rendered by the Company employees. Short-term employee benefits are recognised in Statement of Profit and Loss at undiscounted amounts during the period in which the related services are rendered.

a. Defined contribution plans

The contributions to defined contribution plans are recognised in profit or loss as and when the services are rendered by employees. The Company has no further obligations under these plans beyond its periodic contributions.

b. Defined benefit plans

In accordance with the local laws and regulations, all the employees in India are entitled for the Gratuity plan. The said plan requires a lump-sum payment to eligible employees (meeting the required vesting service

condition) at retirement or termination of employment, based on a pre-defined formula.

The Company provides for the liability towards the said plans on the basis of actuarial valuation carried out quarterly as at the reporting dates, by an independent qualified actuary using the projected-unit-credit method.

The obligation towards the said benefits is recognised in the Balance Sheet, at the present value of the defined benefit obligations. The present value of the said obligation is determined by discounting the estimated future cash outflows, using interest rates of government bonds.

The interest expense is calculated by applying the above mentioned discount rate to defined benefits obligations. The interest expenses on the defined benefits obligations are recognised in the Statement of Profit and Loss. However, the related re-measurements of the defined benefits obligations are recognised directly in the OCI in the period in which they arise. The said re-measurements comprise of actuarial gains and losses (arising from experience adjustments and changes in actuarial assumptions). Re-measurements are not re-classified to the Statement of Profit and Loss in any of the subsequent periods.

c. Other long-term employee benefits

The employees of the Company are entitled to compensated absences as well as other long-term benefits. Compensated absences benefits comprises of encashment and availment of leave balances that were earned by the employees over the period of past employment.

The Company provides for the liability towards the said benefits on the basis of actuarial valuation carried out quarterly as at the reporting dates, by an independent qualified actuary using the projected-unit-credit method. The related re-measurements are recognised in the Statement of Profit and Loss in the period in which they arise.

2.14 Provisions

a. General

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources will be required to settle the said obligation, and the amounts of the said obligation can be reliably estimated.

Provisions are measured at the present value of the expenditures expected to settle the relevant obligation (if the impact of discounting is significant), using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the

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obligation. The increase in the provision due to unwinding of interest over passage of time is recognised within finance costs.

The Company is involved in various legal and taxation matters, and the matters are in legal course. Management, in consultation with legal, tax and other advisors, assesses the likelihood that a pending claim will succeed. The Group recognises a provision in cases where it is probable that an outflow of resources embodying economic benefits will be required to settle the obligations arising from such claims.

2.15 Contingencies

A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. When there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made. Contingent assets are not recognised and are disclosed only where an inflow of economic benefits is probable.

2.16 Revenue recognition

Revenue is recognised upon transfer of control of promised products or services to the customer at the amount of transaction price which the Company has received or expects to receive in exchange of those products or services, net of any taxes / duties, discounts and process waivers. When determining the consideration to which the Company is entitled for providing promised products or services via intermediaries, the Company assesses whether it is primarily responsible for fulfilling the performance obligation and whether it controls the promised service before transfer to customers. To the extent that the intermediary is considered a principal, the consideration to which the Company is entitled is determined to be that received from the intermediary.

Revenue is recognised when, or as, each distinct performance obligation is satisfied. The main categories of revenue and the basis of recognition are as follows:

a. Service revenues

Service revenues mainly pertain to pack subscription, 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.

Telecommunication services (comprising voice, data and SMS) are considered to represent a single performance obligation as all are provided over the Company's network and transmitted as data representing a digital signal on the network. The transmission consumes network bandwidth and therefore, irrespective of the

nature of the communication, the customer ultimately receives access to the network and the right to consume network bandwidth.

Revenue is recognised upon transfer of control of promised services to the customers. Pack subscription charges are recognised over the subscription pack validity period and where there is no uncertainty as to collectability of consideration. Revenue in excess of invoicing are classified as unbilled revenue while invoicing / collection in excess of revenue are classified as deferred revenue / advance from customers.

b. Costs to obtain or fulfill a contract with a customer

The Company incurs certain costs to obtain or fulfill contracts with customers viz. intermediary commission etc. The Company estimated that the average customer life derived from customer churn rate is longer than 12 months and thus such costs are recognized over the average expected customer life.

c. Interest income

The interest income is recognised using the EIR method. For further details, (refer Note 2.8).

2.17 Government grants

Grants from the government are recognised where there is a reasonable assurance that the grant will be received and the Company will comply with all attached conditions.

Government grants relating to income are deferred and recognised in the Statement of Profit and Loss over the period necessary to match them with the costs that they are intended to compensate.

Government grants relating to the purchase of PPE are included in non-current liabilities as deferred income and are credited to Statement of Profit and Loss on a straight line basis over the expected life of the related assets.

2.18 Borrowing costs

Borrowing costs consist of interest and other ancillary costs that the Company incurs in connection with the borrowing of funds. The borrowing costs directly attributable to the acquisition or construction of any asset that takes a substantial period of time to get ready for its intended use or sale are capitalised. All the other borrowing costs are recognised in the Statement of Profit and Loss within finance costs in the period in which they are incurred.

2.19 Exceptional items

Exceptional items refer to items of income or expense within the Statement of Profit and Loss from ordinary activities which are non-recurring and are of such size, nature or incidence

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that their separate disclosure is considered necessary to explain the performance of the Company.

2.20 Earnings per share ('EPS')

The Company presents the Basic and Diluted EPS.

Basic EPS is computed by dividing the profit for the year attributable to the shareholders of the Company by the weighted average number of shares outstanding during the period.

Diluted EPS is computed by adjusting, the profit for the year attributable to the shareholders and the weighted average number of shares considered for deriving Basic EPS, for the effects of all the shares that could have been issued upon conversion of all dilutive potential shares. The dilutive potential shares are adjusted for the proceeds receivable had the shares been actually issued at fair value. Further, the dilutive potential shares are deemed converted as at beginning of the year, unless issued at a later date during the period.

2.21 Dividend paid

Dividend to shareholders is recognised as a liability on the date of approval by the shareholders. However, interim dividend is recorded as a liability on the date of declaration by the Company's Board of Directors.

3 Key sources of estimation uncertainties and critical judgements

The estimates and judgements used in the preparation of the said Financial Statements are continuously evaluated by the Company, and are based on historical experience and various other assumptions and factors (including expectations of future events), that the Company believes to be reasonable under the existing circumstances. The said estimates and judgements are based on the facts and events, that existed as at the reporting date, or that occurred after that date but provide additional evidence about conditions existing as at the reporting date.

Although the Company regularly assesses these estimates, actual results could differ materially from these estimates - even if the assumptions underlying such estimates were reasonable when made, if these results differ from historical experience or other assumptions do not turn out to be substantially accurate. The changes in estimates are recognised in the Financial Statements in the period in which they become known.

3.1 Key sources of estimation uncertainties

The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying values of assets and liabilities within the next financial year are discussed below.

a. Useful life of PPE

As described at Note 2.5 above, the Company reviews the estimated useful life of PPE at the end of each reporting period. After considering market conditions, industry practice, technological developments and other factors, the Company determined that the current useful life of its PPE remain appropriate. However, changes in economic conditions of the markets, competition and technology, among others, are unpredictable and they may significantly impact the useful life of PPE and therefore the depreciation charges.

b. Taxes

Deferred tax assets are recognised for the unused tax losses for which there is probability of utilisation against the future taxable profit. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits, future tax planning strategies and recent business performances and developments.

c. Allowance for impairment of trade receivables

The expected credit loss is mainly based on the ageing of the receivable balances and historical experience. The receivables are assessed on an individual basis or grouped into homogeneous groups and assessed for impairment collectively, depending on their significance. Moreover, trade receivables are written off on a case-to-case basis if deemed not to be collectible on the assessment of the underlying facts and circumstances.

d. Contingent Liabilities and provisions

The Company is involved in various legal, tax and regulatory matters, the outcome of which may not be favourable to the Company. Management in consultation with the legal, tax and other advisors assess the likelihood that a pending claim will succeed. The Company has applied its judgement and has recognised liabilities based on whether additional amounts will be payable and has included contingent liabilities where economic outflows are considered possible but not probable.

3.2 Critical judgement's in applying the Company's accounting policies

a. Revenue recognition and presentation

The Company assesses its revenue arrangements in order to determine if it is acting as a principal or as an agent by determining whether it has primary obligation basis pricing latitude and exposure to credit / inventory risks associated with the sale of goods / rendering of services.

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In the said assessment, both the legal form and substance of the agreement are reviewed to determine each party's role in the transaction.

b. Separating lease and non-lease components

The consideration paid by the Company in telecommunication towers lease contracts include the use of land and passive infrastructure as well as maintenance, security, provision of energy services etc. Therefore in determining the allocation of consideration between lease and non-lease components, for the additional services that are not separately priced, the Company performs analysis of cost split to arrive at relative standalone prices of each of the components. The bifurcation of the consideration paid (excluding energy) between lease versus non-lease component across the Company has been accordingly considered at 60% as lease component on an overall basis.

c. Determining the lease term

Under Ind AS 116 if it is reasonably certain that a lease will be extended / will not be early terminated, the Company is required to estimate the expected lease period which may be different from the contractual tenure. The Company has various tower lease agreements with a right to extend / renew / terminate wherein it considers the nature of the contractual terms and economic factors to determine the lease term. After assessing such factors, the lease liability has been calculated using the remaining lease period until which significant exit penalties are payable.

d. Determining the incremental borrowing rate for lease contracts

The initial recognition of lease liabilities at present value requires the identification of an appropriate discount rate. The Company has determined the incremental borrowing rate based on considerations specific to the leases by taking consideration of the risk free borrowing rates as adjusted for country / company specific risk premiums (basis the readily available data points).

4 Significant transactions / new developments

i. During the year ended March 31, 2025, the Company has completed its Initial Public Offering, comprising of an offer for sale by Telecommunications Consultants India Limited (selling shareholder) of 75,000,000 equity shares of ₹ 5 each at a premium of ₹ 565 per share aggregating to ₹ 42,750. The equity shares are listed and started trading on BSE Limited and National Stock Exchange of India Limited with effect from April 12, 2024.

ii. The Company has redeemed 20,000 and 15,000 listed, unsecured, non-convertible debentures, of face value of ₹ 1 each aggregating to ₹ 20,000 and ₹ 15,000 with interest of ₹ 1,180 and ₹ 895 on April 30, 2024 & January 19, 2024 respectively.

iii. During the year ended March 31, 2025, the Company has participated in the latest spectrum auction conducted by the Department of Telecommunications, Government of India ('DOT') and acquired 15 MHz spectrum in 900 MHz, 1800 MHz and 2100 MHz frequency bands. This entire spectrum bank was secured for a total consideration of ₹ 10,010 for 20 years, for which the allocation has been received upon the payment of the dues as per the demand note received.

On March 26, 2025, the Company has pre-paid ₹ 8,576 to the Department of Telecommunications, Government of India for the spectrum acquired in auction of year 2024. The Company has now fully paid all deferred liabilities pertaining to spectrum acquired in auction of year 2024.

iv. During the year ended March 31, 2024, the Hon'ble Supreme Court of India pronounced a judgement regarding the tax treatment of adjusted revenue linked Variable License Fee ('VLF') payable to DOT since July 1999 and held that it is capital in nature and not revenue expenditure for the purpose of computation of taxable income. This decision does not alter the total amount of VLF allowed as deduction over the license period but creates a timing difference wherein later years would have a higher deduction. This had resulted in an additional tax provision of ₹ 1,054 primarily due to change in effective tax rate on account of adoption of new tax regime. The interest charge of ₹ 2,977 on the above matter was presented as an exceptional item.

Further, during the year ended March 31, 2025, the company has recognised exceptional gain of ₹ 3,183 on account of favorable judgement by Hon'ble Supreme Court of India regarding waiver of interest on tax treatment of adjusted revenue linked Variable License Fee ('VLF') payable to DOT.

v. During the year ended March 31, 2024, pursuant to a resolution passed in extra-ordinary general meeting dated December 29, 2023, shareholders had approved the split of each equity share of face value of ₹ 10 into two equity shares of face value of ₹ 5 each. Accordingly, the issued, subscribed and paid-up capital of the Company was sub-divided from 250,000,000 equity shares of face value of ₹ 10 each to 500,000,000 equity shares of face value of ₹ 5 each.

The impact of split of shares has been retrospectively considered for the computation of EPS as per the requirement of Ind AS 33.

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5 Property, plant and equipment ('PPE')

The following table presents the reconciliation of changes in the carrying value of PPE for year ended March 31, 2025 and March 31, 2024:

	Leasehold improvements	Buildings	Plant and equipment	Furniture & fixtures	Vehicles	Office equipments	Computer and servers	Total	CWIP*
Gross carrying value									
As of April 1, 2023	89	156	109,355	82	3	255	456	110,396	4,563
Additions	0	-	22,734	4	-	25	122	22,885	20,291
Disposals / adjustment	-	-	(9,877)	(1)	-	(14)	(6)	(9,898)	(22,885)
As of March 31, 2024	89	156	122,212	85	3	266	572	123,383	1,969
As of April 1, 2024	89	156	122,212	85	3	266	572	123,383	1,969
Additions	-	5	13,123	11	-	17	19	13,175	14,179
Disposals / adjustment	(0)	-	(6,005)	(15)	-	(36)	(34)	(6,090)	(13,175)
As of March 31, 2025	89	161	129,330	81	3	247	557	130,468	2,973
Accumulated depreciation									
As of April 1, 2023	85	110	68,917	69	2	195	310	69,688	-
Charge	0	7	9,741	3	1	20	108	9,880	-
Disposals / adjustment	-	-	(9,608)	(1)	-	(14)	(6)	(9,629)	-
As of March 31, 2024	85	117	69,050	71	3	201	412	69,939	-
As of April 1, 2024	85	117	69,050	71	3	201	412	69,939	-
Charge	-	7	11,890	5	-	22	89	12,013	-
Disposals / adjustment	(0)	-	(5,564)	(15)	-	(36)	(34)	(5,649)	-
As of March 31, 2025	85	124	75,376	61	3	187	467	76,303	-
Net carrying value									
As of March 31, 2024	4	39	53,162	14	-	65	160	53,444	1,969
As of March 31, 2025	4	37	53,954	20	-	60	90	54,165	2,973

*mainly pertains to plant and equipments.

CWIP Ageing Schedule

The following table presents the CWIP ageing schedule as of March 31, 2025 and March 31, 2024:

March 31, 2025

	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 Years	2-3 Years	More than 3 Years	
Projects in Progress	2,920	53	-	-	2,973

March 31, 2024

	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 Years	2-3 Years	More than 3 Years	
Projects in Progress	1,924	45	-	-	1,969

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

6 Intangible assets

The following table presents the reconciliation of changes in the carrying value of intangible assets for the year ended March 31, 2025 and March 31, 2024:

	Software	Licenses (including spectrum)	Other acquired intangibles	Total	IAUD*
Gross carrying value					
As of April 1, 2023	-	68,884	41	68,925	14,797
Additions	-	13,119	-	13,119	798
Disposals / adjustment	-	-	-	-	(13,119)
As of March 31, 2024	-	82,003	41	82,044	2,476
As of April 1, 2024	-	82,003	41	82,044	2,476
Additions	444	12,635	-	13,079	10,603
Disposals / adjustment	-	-	-	-	(13,079)
As of March 31, 2025	444	94,638	41	95,123	-
Accumulated amortisation					
As of April 1, 2023	-	24,242	40	24,282	-
Amortisation	-	3,651	1	3,652	-
Disposals / adjustment	-	-	-	-	-
As of March 31, 2024	-	27,893	41	27,934	-
As of April 1, 2024	-	27,893	41	27,934	-
Amortisation	126	4,542	-	4,668	-
Disposals / adjustment	-	-	-	-	-
As of March 31, 2025	126	32,435	41	32,602	-
Net Carrying Amount					
As of March 31, 2024	-	54,110	-	54,110	2,476
As of March 31, 2025	318	62,203	-	62,521	-

*mainly pertains to spectrum.

Weighted average remaining amortisation period of spectrum license as of March 31, 2025 and March 31, 2024 is 13.86 and 13.81 years, respectively.

IAUD Ageing Schedule

March 31, 2024

	Amount in IAUD for a period of				Total
	Less than 1 year	1-2 Years	2-3 Years	More than 3 Years	
Projects in Progress	145	2,331	-	-	2,476

The Company has capitalised borrowing cost of ₹ 140 and ₹ 799 during the year ended March 31, 2025 and March 31, 2024 respectively. The rate used to determine the amount of borrowing costs eligible for capitalisation is 7.2% for the year ended March 31, 2025 and March 31, 2024.



Notes to Financial Statements

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

7 Investments

Non-current

	As of			
	March 31, 2025		March 31, 2024	
	No. of units	Cost	No. of units	Cost
Government securities (NSC)	1	0	1	0
	1	0	1	0
Aggregate book / market value of unquoted investments		0		0

Current

	As of	
	March 31, 2025	March 31, 2024
Investments carried at FVTPL		
Mutual funds (quoted)	739	137
Investments carried at amortised cost		
Commercial papers (quoted)	-	2,239
	739	2,376
Aggregate book / market value of quoted investments	739	2,376

8 Other financial assets

Non-current

	As of	
	March 31, 2025	March 31, 2024
Margin money deposit	60	-
Claims recoverable*	2,128	2,514
Indemnification assets^	1,930	1,930
Security deposits	458	430
	4,576	4,874

Current

	As of	
	March 31, 2025	March 31, 2024
Unbilled revenue (refer Note 21)	348	440
Interest accrued on investments	14	9
Claims recoverable*	971	1,064
Indemnification assets^	9,669	8,953
Others#	63	48
	11,065	10,514

*pertains to Universal Service Obligation Fund ('USOF') subsidy (refer Note 21.1).

^pursuant to merger with Tata Teleservices Limited ('TTSL').

#includes recoverable from related parties (refer Note 31).

Notes to Financial Statements

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

9 Income tax

The major components of Income Tax Expense are:

	For the year ended	
	March 31, 2025	March 31, 2024
Amounts recognised in Statement of Profit and Loss		
Current tax		
- For the year	5,013	1,271
- Adjustments for prior periods	-	3,864
	5,013	5,135
Deferred tax		
- Origination and reversal of temporary differences	(1,861)	1,864
- Adjustments for prior periods	-	(2,810)
	(1,861)	(946)
Income tax expense	3,152	4,189
Amounts recognised in OCI		
Deferred tax related to items charged to OCI during the year:		
- Re-measurement loss on defined benefit plans	(1)	(1)
Deferred Tax credited to OCI	(1)	(1)

The reconciliation between the amount computed by applying the statutory income tax rate to the profit before tax and income tax expense is summarised below:

	For the year ended	
	March 31, 2025	March 31, 2024
Profit before tax	18,088	9,233
Tax charge @ 25.168%	4,553	2,324
Effect of:		
Adjustment in respect to current income tax of previous years	(801)	1,054
Losses and deductible temporary differences on which deferred tax not recognised / reinstated	(882)	-
Expense not deductible (net)	282	812
Others	-	(1)
Income tax expense	3,152	4,189

The analysis of deferred tax assets / (liabilities) is as follows:

	As of	
	March 31, 2025	March 31, 2024
Deferred tax asset / (liabilities)		
Trade receivables	537	536
Provision for employee benefits	27	20
Variable license fees	6,215	5,486
Fair valuation of financial instruments and exchange differences	-	(1)
Property, plant and equipments, intangible assets and leases	1,400	656
Government grants	1,170	977
Rates and taxes	871	904
Net deferred tax asset	10,220	8,578

Notes to Financial Statements

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

	For the year ended	
	March 31, 2025	March 31, 2024
Deferred tax income / (expense)		
Trade receivables	1	36
Carry forward losses	-	(5,360)
Provision for employee benefits	7	2
Variable license fees	719	5,486
Fair valuation of financial instruments and exchange differences	1	10
Property, plant and equipments, intangible assets and leases	938	422
Government grants	228	255
Rates and taxes	(33)	98
Others	-	(3)
Net deferred tax income	1,861	946

The movement in deferred tax assets / (liabilities) during the period is as follows:

	For the year ended	
	March 31, 2025	March 31, 2024
Opening balance	8,578	7,629
Tax credit recognised in Statement of profit or loss	1,861	946
Tax credit recognised in OCI	1	1
Others	(220)	2
Closing balance	10,220	8,578

Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available in future against which the deductible temporary differences and carry forward tax losses / credits can be utilised.

Further, the Company has fully recognised deferred tax assets on carry forwayd losses / unabsorbed depreciation as of March 31, 2025

10 Other assets

Non-current

	As of	
	March 31, 2025	March 31, 2024
Advances (net)*	333	301
Cost to obtain a contract with a customer (refer Note 21)	1,104	1,323
Capital advance	176	69
Taxes recoverable#	208	545
Prepaid expenses	2,130	2,591
Rent equalisation	15	40
Others	21	21
	3,987	4,890

Current

	As of	
	March 31, 2025	March 31, 2024
Taxes recoverable#	3,185	3,052
Advances to suppliers (net)**	306	251
Prepaid expenses	611	662
Cost to obtain a contract with a customer (refer Note 21)	1,809	1,921
Others	9	7
	5,920	5,893

*Advances represent payments made to various Government authorities under protest and are disclosed net of provision.

#Taxes recoverable primarily include Goods & Services Tax ('GST') and customs duty.

**Advance to suppliers are disclosed net of allowance of ₹ 99 and ₹ 97 as of March 31, 2025 and March 31, 2024, respectively.

Notes to Financial Statements

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

11 Trade receivables

	As of	
	March 31, 2025	March 31, 2024
Trade receivable considered good - unsecured*	2,924	6,285
Less: Allowances for doubtful receivables	(1,841)	(1,839)
	1,083	4,446

* It includes amount due from related parties (refer Note 31).

Refer Note 33 (1) (iv) for credit risk.

Movement in allowance for doubtful receivables is as follows:

	For the year ended	
	March 31, 2025	March 31, 2024
Opening balance	1,839	1,639
Additions	99	134
Write off (net of recovery)	(97)	(2)
Adjustments	-	68
Closing balance	1,841	1,839

The following table presents the trade receivable ageing as of March 31, 2025 and March 31, 2024:

March 31, 2025

Particulars	Outstanding for following periods from due date of payment						Total
	Not due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables - considered good	246	756	61	117	66	1,209	2,455
(ii) Disputed Trade receivables - considered good	-	-	-	-	-	109	109
(iii) Disputed Trade receivables - credit impaired	-	-	-	-	-	360	360
Less: Allowance for doubtful receivables							(1,841)
Total Trade receivables							1,083
Unbilled Revenue (refer Note 21)							348

March 31, 2024

Particulars	Outstanding for following periods from due date of payment						Total
	Not due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables - considered good	2,197	2,270	75	73	64	1,137	5,816
(ii) Disputed Trade receivables - considered good	-	-	-	-	-	109	109
(iii) Disputed Trade receivables - credit impaired	-	-	-	-	-	360	360
Less: Allowance for doubtful receivables							(1,839)
Total Trade receivables							4,446
Unbilled Revenue (refer Note 21)							440



Notes to Financial Statements

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

12 Cash and cash equivalents ('C&CE')

	As of	
	March 31, 2025	March 31, 2024
Balances with banks		
– On current accounts	30	24
– Bank deposits with original maturity of 3 months or less	141	374
Cash in hand	0	0
	171	398

13 Other bank balances

	As of	
	March 31, 2025	March 31, 2024
Margin money*	213	354
Less :- Interest accrued (refer Note 8)	14	9
	199	345

*Margin money represents amount given as collateral for legal cases and / or bank guarantees for disputed matter.

For the purpose of Statement of Cash Flows, cash and cash equivalents comprise the following:

	As of	
	March 31, 2025	March 31, 2024
C&CE as per balance sheet	171	398
	171	398

14 Equity share capital

	As of	
	March 31, 2025	March 31, 2024
Authorised shares		
500,000,000 equity shares of ₹ 5 each (March 31, 2024 - 500,000,000 equity shares of ₹ 5 each)	2,500	2,500
520 (March 31, 2024 - 520) preference shares of ₹ 100 each	0	0
	2,500	2,500
Issued, subscribed and fully paid-up shares		
500,000,000 equity shares of ₹ 5 each (March 31, 2024 - 500,000,000 equity shares of ₹ 5 each)	2,500	2,500
	2,500	2,500

a. Reconciliation of the equity shares outstanding at the beginning and at the end of the period

	For the year ended			
	March 31, 2025		March 31, 2024	
	No. of shares (in '000)	Amount	No. of shares (in '000)	Amount
At the beginning of the year	500,000	2,500	250,000	2,500
Issued on account of split off of shares during the year (Refer Note 4(v))	-	-	250,000	-
Outstanding at the end of the year	500,000	2,500	500,000	2,500

Notes to Financial Statements

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

b. Rights, Preferences and restrictions attached to shares

The Company has only one class of equity shares having par value of ₹ 5 each. The holder of the equity share is entitled to dividend right and voting right in the same proportion as the capital paid-up on such equity share bears to the total paid-up equity share capital of the Company. In the event of liquidation of the Company, the holder of equity shares will be entitled to receive the remaining assets of the Company, after distribution of all preferential amounts, in proportion to the number of equity shares held by the shareholders.

c. Details of shareholders (as per the register of shareholders) holding more than 5% shares in the Company

	As of			
	March 31, 2025		March 31, 2024	
	No of shares (in '000)	% holding	No of shares (in '000)	% holding
Bharti Airtel Limited	350,000	70%	350,000	70%
Telecommunications Consultants India Limited ('TCIL')#	75,000	15%	150,000	30%

#Post initial public offering of Company (refer Note 4(i)), TCIL shareholding has reduced to 15%.

d. Shareholding of promoters

For the purpose of disclosure, definition of promoter as per Companies Act, 2013 has been considered.

Shares held by promoters as of March 31, 2025:

S No.	Promoter Name	As of				% Change during the year
		April 1, 2024		March 31, 2025		
		No. of shares ('000)	% of total shares	No. of shares ('000)	% of total shares	
1	Bharti Airtel Limited*	350,000	70.00	350,000	70.00	-

Shares held by promoters as of March 31, 2024:

S No.	Promoter Name	As of				% Change during the year
		April 1, 2023		March 31, 2024		
		No. of shares ('000)	% of total shares	No. of shares ('000)	% of total shares	
1	Bharti Airtel Limited*	175,000	70.00	350,000	70.00	-

*4 shares held by nominees.

e. Dividend

	For the period ended	
	March 31, 2025	March 31, 2024
A Declared and paid during the year		
Final dividend for FY 2023-24 : ₹ 4 per share (FY 2022-23 : ₹ 3 per share)	2,000	750
B Proposed Dividend		
Proposed dividend for FY 2024-25 : ₹ 10 per share (FY 2023-24 : ₹ 4 per share)	5,000	2,000

f. Reserve and surplus

- i. **Retained earnings:** Retained earnings represent the amount of accumulated earnings of the Company, re-measurement differences on defined benefit plans and any transfer from general reserve.
- ii. **Securities premium :** Securities premium is used to record the premium on issue of equity shares. The same is utilised in accordance with the provisions of the Act.

Notes to Financial Statements

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

- iii. **General reserve:** The Company has transferred a portion of its profit before declaring dividend in respective prior years to general reserve, as stipulated under the erstwhile Companies Act 1956. Mandatory transfer to general reserve is not required under the Act.
- iv. **Capital reserve:** It pertains to capital reserve acquired pursuant to the scheme of arrangement under the Act accounted under pooling of interest method and excess of purchase consideration over fair value of net assets (for certain business combinations).
- v. **Capital redemption reserve:** The Company has created this reserve on redemption of redeemable preference shares out of the profits, as stipulated under the Act.
- vi. **Debenture redemption reserve:** The Company has created this reserve for redemption of debentures, as stipulated under the Act.

15 Borrowings

Non-current

	As of	
	March 31, 2025	March 31, 2024
Unsecured		
Deferred payment liabilities*	29,626	28,938
Non convertible debentures	-	21,087
	29,626	50,025
Less: Interest accrued	(573)	(1,682)
Less: Current maturities of long-term borrowings	(2,531)	(20,419)
	26,522	27,924

Current

	As of	
	March 31, 2025	March 31, 2024
Unsecured		
Working capital demand loan	-	3
Commercial papers	3,946	-
Term Loan	4,803	-
	8,749	3
Less: interest accrued	(3)	-
	8,746	3
Current maturities of long term borrowings		
Unsecured		
Non convertible debentures (refer Note 4(ii))	-	19,999
Deferred payment liabilities*	2,531	420
	2,531	20,419
	11,277	20,422

*In line with the Telecom reforms announced by Union Cabinet in October 2021, the Company has availed a moratorium of 4 years towards the Adjusted Gross Revenue (AGR). The DoT has subsequently shared the revised payment schedule in respect of these AGR by revising the instalment amounts without any increase in the existing time period specified for making the installment payments.

Notes to Financial Statements

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

Analysis of borrowings

The details given below are gross of debt origination cost.

15.1 Maturity of borrowings, interest rate and currency of borrowings

Borrowings are at floating and fixed rate of interest. The table below summarises the maturity profile and interest rates of the Company's borrowings based on contractual undiscounted payments.

Borrowings	Interest rate (range)	As of March 31, 2025	Maturity Profile				Terms of repayment
			Within one year	between one and two years	between two and five years	Over five years	
Term Loan	7.67%	4,800	4,800	-	-	-	Bullet payment, payable on due date
Commercial papers	7.2%	3,946	4,000	-	-	-	Bullet payment, payable on due date
Deferred payment liabilities for spectrum	7.2% - 7.3%	13,800	452	485	1,673	11,190	15 to 17 installments, payable annually
Deferred payment liability for adjusted gross revenue	8.0%	15,254	2,079	2,246	7,874	3,055	6 installments, payable annual
Total		37,800	11,331	2,730	9,547	14,245	

Borrowings	Interest rate (range)	As of March 31, 2024	Maturity Profile				Terms of repayment
			Within one year	between one and two years	between two and five years	Over five years	
Working capital demand loan	8.6% - 9.2%	3	3	-	-	-	Payable on demand
Non-Convertible debentures	5.9%	20,000	20,000	-	-	-	Bullet payment, payable on due date
Deferred payment liabilities for spectrum	7.2% - 7.3%	14,219	420	452	1,560	11,787	15 to 18 installments, payable annually
Deferred payment liability for adjusted gross revenue	8.0%	14,124	-	949	7,291	5,884	6 installments, payable annual
Total		48,346	20,423	1,401	8,850	17,672	

	Weighted average rate of interest	Total borrowings	Floating rate borrowings	Fixed rate borrowings
INR	7.6%	37,799	4,800	32,999
March 31, 2025		37,799	4,800	32,999
INR	6.9%	48,346	3	48,343
March 31, 2024		48,346	3	48,343

16 Others financial liabilities

Non-current

	As of	
	March 31, 2025	March 31, 2024
Payable against capital expenditure	172	-
	172	-

Notes to Financial Statements

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

Current

	As of	
	March 31, 2025	March 31, 2024
Payable against capital expenditure	6,798	7,444
Security deposits	239	218
Dues to employees	210	31
Interest accrued (refer Note 15)	576	1,682
Others*	192	168
	8,015	9,543

*It mainly includes payable against certain unclaimed liabilities with respect to distributors and provision for unspent CSR amount.

17 Provisions

Non-current

	As of	
	March 31, 2025	March 31, 2024
Asset retirement obligations	192	182
Gratuity	64	42
Other employee benefit plans	7	4
	263	228

Current

	As of	
	March 31, 2025	March 31, 2024
Gratuity	10	12
Other employee benefit plans	29	21
Sub judice matters	13,832	11,935
	13,871	11,968

Refer Note 23 for movement of provision towards various employee benefits.

The movement of provision towards assets retirement obligations is as below:

	For the year ended	
	March 31, 2025	March 31, 2024
Opening Balance	182	195
Net additions / (reversals)	10	(2)
Net interest costs	(0)	(11)
	192	182

The provision for ARO is in relation to the site restoration related obligation arising from the land taken on lease and represent the management's best estimate of the costs which will be incurred in the future to meet the Company's obligation under these lease arrangements.

The movement of provisions towards sub-judice matters is as below:

	For the year ended	
	March 31, 2025	March 31, 2024
Opening	11,935	11,000
Provision during the year#	1,903	935
Payment during the year	(6)	-
Closing*	13,832	11,935

#It includes provision of ₹ 722 and ₹ 663 towards AGR pursuant to merger with TTSL for the year ended March 31, 2025 and 2024 respectively.

*Closing balance includes ₹ 9,675 and ₹ 8,953 for TTSL for the year ended March 31, 2025 and 2024 respectively. The Company has recognised an indemnification asset towards the said provisions except ₹ 6 for TTSL for which there is no indemnification asset.

Notes to Financial Statements

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

18 Trade payable

	As of	
	March 31, 2025	March 31, 2024
Dues to micro and small enterprises	46	46
Others*	15,814	14,802
	15,860	14,848

*Trade payables includes dues to related parties (refer Note 31).

Micro, Small & Medium Enterprises Development Act, 2006 ('MSMED') disclosure

The dues to micro and small enterprises as required under the MSMED Act, 2006 based on the information available with the Company is given below:

Sr. No.	Particulars	For the year ended	
		March 31, 2025	March 31, 2024
1	Principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting period^	141	183
2	Amount of interest paid by the buyer in terms of section 16 of the MSMED Act, 2006, along with the amounts of the payment made to the supplier beyond the appointed day during each accounting period	-	-
3	Amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the period) but without adding the interest specified under MSMED Act, 2006	-	-
4	Amount of interest accrued and remaining unpaid at the end of each accounting period	-	-
5	Amount of further interest remaining due and payable even in the succeeding periods, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the MSMED Act, 2006	-	-

^Includes ₹ 95 (March 31, 2024 - ₹ 137) related to dues of micro and small enterprises included in other financial liabilities.

Trade payable ageing

The following table presents the trade payable ageing as of March 31, 2025 and March 31, 2024:

March 31, 2025

Particulars	Outstanding for following periods from due date of payment						Total
	Unbilled	Not due	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) Dues to micro and small enterprises (A)	-	26	20	0	-	0	46
(ii) Others (B)	8,825	1,058	240	2	1	24	10,150
(iii) Disputed dues to micro and small enterprises (C)	-	-	-	-	-	-	-
(iv) Disputed dues – Others (D)	-	1	992	473	120	4,078	5,664
Total dues to micro and small enterprises (A + C)							46
Total Others (B + D)							15,814



Notes to Financial Statements

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

March 31, 2024

Particulars	Outstanding for following periods from due date of payment						Total
	Unbilled	Not due	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) Dues to micro and small enterprises (A)	-	40	6	-	-	-	46
(ii) Others (B)	8,991	974	101	6	2	64	10,138
(iii) Disputed dues to micro and small enterprises (C)	-	-	-	-	-	-	-
(iv) Disputed dues – Others (D)	-	0	474	121	363	3,706	4,664
Total dues to micro and small enterprises (A + C)							46
Total Others (B + D)							14,802

19 Other current liabilities

	As of	
	March 31, 2025	March 31, 2024
Taxes payable*	2,417	1,162
Advance from subscribers	340	245
	2,757	1,407

*Taxes payable mainly pertains to GST and payable towards sub-judice matters.

20 Contingencies and commitments

(i) Contingent liabilities*

Claims against the company not acknowledged as debt:

	As of	
	March 31, 2025	March 31, 2024
(i) Taxes, duties and other demands (under adjudication / appeal / dispute)		
- Service tax and GST	68	763
- DoT demands**	1,370	1,240
- Other miscellaneous demands	21	21
(ii) Claims under legal cases including arbitration matters		
- Access Charges / port Charges	65	65
- Others	33	42
	1,557	2,131

*Per demand order.

**Includes self assessed amounts.

The category wise details of the contingent liabilities has been given below:-

a) Service tax and GST

The Company has received demands from service tax authorities in relation to applicability of service tax under reverse charge on License Fees, Spectrum Usage Charges paid to DOT for the quarter ended June 30, 2017.

The Company has received demands from GST authorities on availment of Transitional Credit of Capital Goods and for differences between ITC claimed and as available over portal.

Notes to Financial Statements

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

b) DOT demands

DOT demands mainly includes:

- (i) Demands for the contentious matters in respect of subscriber verification guidelines including validity of certain documents allowed as proof of address / identity. Telecommunications Dispute Settlement and Appellate Tribunal ('TDSAT') has granted interim stay on the demand notices and the matters are pending for adjudication.
- (ii) DoT had enhanced the microwave rates by introducing slab-wise rates based on the number of carriers vide circulars issued in 2006 and 2008 from erstwhile basis being allocated frequency. The Company had challenged the matter in TDSAT and it has set aside the respective circulars of DoT vide its Judgement dated April 22, 2010. Thereafter, DoT has challenged the order of TDSAT before the Supreme Court, which is pending for adjudication. An amount of ₹ 595 which pertains to pre-migration to Unified License 'UL' / Unified access Service License 'UASL' is disclosed as contingent liability as on March 31, 2025.

In addition to the amounts disclosed in the table above, the contingent liability on DOT matters includes the following:

In respect of levy of one time spectrum charge ('OTSC'), the DoT has raised demand on the Company in January 2013. The company challenged the OTSC Demand and the High Court of Bombay vide its order dated January 28, 2013, stayed the enforcement of the demand and directed DoT not to take any coercive action. The DoT has filed its reply and this matter is currently pending with High Court of Bombay. The DoT has issued revised demands on the Company aggregating ₹ 4,737 in June 2018, including a retrospective charge and a prospective charge till the expiry of the initial terms of the respective licenses. The said revised demand has subsequently also been brought within the ambit of the earlier order of no coercive action by the High Court of Bombay. The Company intends to continue to pursue its legal remedies.

Further, in a similar matter on a petition filed by another telecom service provider, the TDSAT, vide its judgement dated July 4, 2019, has set aside the DoT order for levy of OTSC with retrospective effect. Accordingly, as per the said order of the TDSAT; DoT can levy OTSC on the Spectrum beyond 6.2 MHz allotted after July 1, 2008, only from the date of allotment of such spectrum and in case of Spectrum beyond 6.2 MHz allotted before July 1, 2008, only prospectively i.e. w.e.f. January 1, 2013.

Further, demand for OTSC on spectrum allotted beyond start-up and up-to the limit of 6.2 MHz has been set aside. The TDSAT has asked DoT to issue revise demands, if any, in terms of the above directions. The said telecom service provider filed an appeal before the Supreme Court against judgment passed by TDSAT. On March 16, 2020, the Supreme Court dismissed the appeal of the telecom service providers and did not interfere with the TDSAT judgement. Thereafter, the Telecom service provider had filed a review petition against the judgment dated March 16, 2020. The Supreme Court allowed the review petition and restored the telecom service provider appeal. The matter is pending adjudication before the Supreme Court.

DoT's appeal against the said TDSAT Order for the levy on Spectrum below 6.2 MHz is pending. The Supreme Court vide order dated August 21, 2020, stayed the TDSAT judgement of July 4, 2019 in a case of another telecom service provider. The Supreme Court, vide order dated December 7, 2020, directed status quo to be maintained in case of another telecom service provider.

On account of prudence, of the total demands of ₹ 4,737, the Company had recorded a charge of ₹ 160 during the year ended March 31, 2020 and an interest charge thereon till March 31, 2025 amounting to ₹ 885. Balance demand amount of ₹ 4,577 (without interest) has continued to be disclosed as contingent liability.

Considering the nature of above disputes / litigations, it is difficult to reliably ascertain the amount or timing of outflow on settlement.

Guarantees:

Bank guarantee amounting to ₹ 398 outstanding as of March 31, 2025 and March 31, 2024 have been issued by the Company with respect to initial public offering.

Notes to Financial Statements

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

(ii) Commitments

Capital commitments

The Company has contractual commitments towards capital expenditure (net of related advances paid) of ₹ 5,652 and ₹ 7,361 as of March 31, 2025 and March 31, 2024 respectively.

21 Revenue from operations

	For the year ended	
	March 31, 2025	March 31, 2024
Service revenue	85,479	70,888
	85,479	70,888

Disaggregation of revenue

Revenue is disaggregated by geographical market, major products / service lines and timing of revenue recognition as follows:

Particulars	For the year ended					
	Mobile Services		Home and Office Services		Total	
	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024
Geographical markets						
India	82,834	68,707	2,517	2,059	85,351	70,766
Outside India	128	122	-	-	128	122
	82,962	68,829	2,517	2,059	85,479	70,888
Major products / Service lines						
Data and Voice Services	81,991	67,718	2,453	2,011	84,444	69,729
Others	971	1,111	64	48	1,035	1,159
	82,962	68,829	2,517	2,059	85,479	70,888
Timing of revenue recognition						
Services transferred at a point in time	484	579	12	12	496	591
Services transferred over time	82,478	68,250	2,505	2,047	84,983	70,297
	82,962	68,829	2,517	2,059	85,479	70,888

Contract Balances

The following table provides information about unbilled revenue and deferred revenue from contract with customers:

	As of	
	March 31, 2025	March 31, 2024
Unbilled revenue (refer Note 8)	348	440
Deferred revenue - Non-current	7,129	6,817
Deferred revenue - Current	6,968	5,145

Significant changes in the unbilled revenue and deferred revenue balance during the period are as follows:

	For the year ended	
	March 31, 2025	
	Unbilled Revenue	Deferred Revenue
Revenue recognised that was included in deferred revenue at the beginning of the year	-	5,145
Increase due to cash received, excluding amounts recognised as revenue during the year	-	7,280
Transfer from unbilled revenue recognised at the beginning of the year to receivables	440	-

Notes to Financial Statements

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

Costs to obtain or fulfil a contract with a customer

Reconciliation of costs to obtain or fulfil contracts with customers

The Company estimated that the historical average customer life is longer than 12 months and believes that its churn rate provides the best indicator of anticipated average customer life.

	For the year ended	
	March 31, 2025	March 31, 2024
Opening balance	3,244	3,190
Costs incurred and deferred	1,914	2,147
Less: Cost amortized	2,245	2,093
Closing balance	2,913	3,244
Non-current	1,104	1,323
Current	1,809	1,921

21.1 Other Income

	For the year ended	
	March 31, 2025	March 31, 2024
Net gain on marketable securities and derivative financial instrument	146	421
Interest income	47	774
Government grant*	1,472	1,192
Lease termination gain	49	25
Miscellaneous income	104	75
	1,818	2,487

*The Company has entered into respective agreements with Universal Service Obligation Fund ('USOF') to provide mobile services in identified uncovered villages and seamless mobile coverage on the national highways. The Company has recognised deferred income for front loaded subsidy (representing 50% of eligible USOF subsidy) on receipt of approved Proof of Concept (PoC) for a particular USOF site and for equated quarterly subsidy (representing remaining 50% of the eligible USOF subsidy receivable in twenty quarterly instalments). The deferred income is amortised over the period they are required to operate and maintain the asset. The company has recognized government grant of ₹ 1,472 and ₹ 1,192 during the year ended March 31, 2025 and March 31, 2024.

22 Network operating expenses

	For the year ended	
	March 31, 2025	March 31, 2024
Power and fuel	8,562	7,798
Passive infrastructure charges	4,253	4,107
Repair and maintenance	2,534	2,764
Internet, bandwidth and leasedline charges	3,111	1,448
Others*	587	732
	19,047	16,849

*It includes charges towards installation, insurance and security.

Notes to Financial Statements

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

23 Employee benefits expense

	For the year ended	
	March 31, 2025	March 31, 2024
Salaries, wages and bonus	1,245	972
Contribution to provident and other funds	27	22
Defined benefit obligation / other long term benefits	23	20
Staff welfare expenses	34	31
Others	13	9
	1,342	1,054

23.1 Employee benefits

The details of significant defined benefit obligations are as follows:

	For the year ended			
	March 31, 2025		March 31, 2024	
	Gratuity	Compensated absences	Gratuity	Compensated absences
Obligation:				
Balance as at beginning of the year	54	21	49	19
Current service cost	11	6	8	5
Interest cost	4	2	4	1
Benefits paid	(8)	(3)	(10)	(4)
Transfers	10	5	(0)	1
Remeasurements	3	(2)	3	(1)
Present value of obligation	74	29	54	21
Current portion	10	29	12	21
Non-current portion	64	-	42	-

As of March 31, 2025, expected contributions for the next annual reporting period is ₹ 17.

Amount recognised in OCI

	For the year ended	
	March 31, 2025	March 31, 2024
Experience losses	3	2
Losses / (gain) from change in demographic assumptions	0	0
Losses / (gain) from change in financial assumptions	(0)	1
Remeasurements on defined benefit plans	3	3

Notes to Financial Statements

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

Due to its defined benefit plans, the Company is exposed to the following significant risks:

Changes in bond yields - A decrease in bond yields will increase plan liability.

Salary risk - The present value of the defined benefit plans liability is calculated by reference to the future salaries of the plan participants. As such, an increase in the salary of the plan participants will increase the plan's liability.

The financial (per annum rates) and demographic assumptions used to determine defined benefit obligations are as follows:

	As of	
	March 31, 2025	March 31, 2024
Discount rate	7.1%	7.1%
Rate of salary increase	7.0%	7.0%
Rate of attrition	6% to 26%	13% to 27%
Retirement age	58	58

Sensitivity analysis

The Company regularly assesses these assumptions with the projected long-term plans and prevalent industry standards.

The impact of sensitivity due to changes in the significant actuarial assumptions on the defined benefit obligations is given in the table below:

	Change in assumption	As of	
		March 31, 2025	March 31, 2024
		Gratuity	
Discount rate	+1%	(4)	(2)
	-1%	5	2
Salary growth rate	+1%	5	2
	-1%	(4)	(2)

The above sensitivity analysis is determined based on a method that extrapolates the impact on the net defined benefit obligations, as a result of reasonable possible changes in the significant actuarial assumptions. Further, the above sensitivity analysis is based on a reasonably possible change in a particular underlying actuarial assumption, while assuming all other assumptions to be constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated.

The methods and types of assumptions used in preparing the sensitivity analysis did not change compared to the prior period.

The table below summarises the maturity profile of the Company's gratuity liability:

	As of	
	March 31, 2025	March 31, 2024
Within one year	10	12
Between one and three years	14	16
Between three and five years	12	9
Above five years	38	17
Weighted average duration (in years)	5.60	3.63

24 Sales and marketing expense

	For the year ended	
	March 31, 2025	March 31, 2024
Sales commission and distribution expenses	2,940	2,766
Advertisement and marketing	785	392
Business promotion	61	42
Others	287	492
	4,073	3,692

Notes to Financial Statements

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

25 Other expenses

	For the year ended	
	March 31, 2025	March 31, 2024
Content cost	333	345
Legal & professional charges	41	40
Customer care expenses	108	102
IT expenses	591	331
Bad debts written off	97	2
Provision for doubtful receivables	2	132
Collection and recovery expense	89	109
Charity and donation [#]	124	-
Payment made to statutory auditors ^{\$}	8	7
Other administrative expenses [@]	609	632
	2,002	1,700

@ It includes short term and low value lease payments, printing & stationary security, travelling and conveyance expenses, etc.

^{\$} Details of Auditor's remuneration (excluding GST):

Auditor's Remuneration

	For the year ended	
	March 31, 2025	March 31, 2024
Audit fee*	7	7
Reimbursement of expenses	0	0
Other services (including certification)	1	0
	8	7

*For the year ended March 31, 2024, Audit fees excludes ₹ 16 with respect to audit and certification services for initial public offering of the Company, which is borne by Telecommunication Consultants India Limited (selling shareholders).

#Additional information pertaining to Corporate Social Responsibility (CSR)

	For the year ended	
	March 31, 2025	March 31, 2024
(i) amount required to be spent by the company during the year	₹ 124	Nil
(ii) amount of expenditure incurred		
(a) on construction / acquisition of any asset	-	-
(b) on purpose other than (a) above	₹ 74	Nil
(iii) shortfall at the end of the year	₹ 50	Nil
(iv) total of previous years shortfall	MCA vide notification dated January 22, 2021 laid down provisions for mandatory spend of required CSR contribution applicable for the year ended March 31, 2021 onwards. The shortfall for financial year ended March 31, 2025 and March 31, 2024 is ₹ 50 and ₹ Nil respectively. The company has transferred the shortfall in the unspent CSR account on April 21, 2025 (within 30 days from the end of financial year)	
(v) nature of CSR activities	The Company's CSR activities focus on promoting education for the underprivileged with special emphasis on girl child, livelihood enhancement education programs, eradicating hunger, promoting preventive health care and sanitation.	
(vi) details of related party transactions	Contributed ₹ 74 to Bharti Airtel Foundation	Nil

Notes to Financial Statements

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

Details of unspent CSR amount (for ongoing projects) during the year:

Opening Balance		Amount required to be spent during the year	Amount spent during the year		Closing Balance	
With Compny	In separate CSR unspent account		From Company's bank account	From separaet CSR unspent account	With Compny	In separate CSR unspent account
-	-	-	-	-	-	₹ 50

26 Depreciation & amortisation expenses

	For the year ended	
	March 31, 2025	March 31, 2024
Depreciation on property plant and equipment	12,013	9,880
Depreciation on right-of-use assets	4,264	3,860
Amortisation	4,668	3,652
	20,945	17,392

27 Finance costs

	For the year ended	
	March 31, 2025	March 31, 2024
Interest expense	3,276	3,197
Net exchange loss / (gain)	3	(9)
Interest expense on leases	2,762	2,379
Other finance charges*	842	877
	6,883	6,444

* It includes bank charges, trade finance charges and interest charges towards sub-judice matters.

28 Exceptional Items

- i. For the year ended March 31, 2025, exceptional items comprise of the following:

 - Gain of ₹ 3,183 on account of favorable judgement regarding waiver of interest on tax treatment of adjusted revenue linked VLF payable to DoT (refer Note 4(iv)).
 - Gain of ₹ 346 on account of reversal of provision created for input tax credit on passive infrastructure services.
 - Charge of ₹ 1,403 on account of regulatory levies.
- ii. For the year ended March 31, 2024, exceptional items comprise of the following:

 - Interest charge of ₹ 2,977 pertaining to tax treatment of adjusted revenue linked Variable License Fee from revenue expenditure to capital in nature for the purpose of computation of taxable income.
 - Charge of ₹ 53 on account of re-assessment of regulatory levies.

Tax expenses includes:

- I. For the year ended March 31, 2025

 - Charge of ₹ 33 on exceptional item pertaining to regulatory levies.
 - Credit of ₹ 882 arising from recognition of unrecognized deferred tax assets on tax losses.
- II. For the year ended March 31, 2024,

 - Charge of ₹ 1,054 primarily due to change in effective tax rate due to adoption of new tax regime pertaining to tax treatment of adjusted revenue linked Variable License Fee from revenue expenditure to capital in nature for the purpose of computation of taxable income.
 - Credit of ₹ 13 on exceptional item pertaining to re-assessment of regulatory levies.

Notes to Financial Statements

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

29 Earnings per share ('EPS')

The details used in the computation of basic and diluted EPS:

	For the year ended	
	March 31, 2025	March 31, 2024
Profit attributable to equity shareholder as per Statement of profit and loss (A)	14,936	5,044
Weighted average number of equity shares for calculation of basic / diluted EPS (in thousand) (B)	500,000	500,000
Earning per share		
Equity share of face value ₹ 5 per share		
Basic / diluted earnings per share (A) / (B) (Refer Note 4(v))	29.87	10.09

30 Segment Reporting

The Company's operating segments are organised and managed separately through the respective business managers, according to the nature of products and services provided with each segment representing a strategic business unit. These business units are reviewed by one of the Directors of the Company (Chief Operating Decision Maker - 'CODM').

The amounts reported to CODM are based on the accounting principles used in the preparation of Financial Statements as per Ind AS. Segment's performance is evaluated based on segment revenue and segment result viz. profit or loss from operating activities before exceptional items and tax, after excluding charity and donation cost. Accordingly, finance costs, non – operating expenses and exceptional items are not allocated to individual segment.

Inter-segment pricing and terms are reviewed and changed by the management to reflect changes in market conditions and changes to such terms are reflected in the period in which the changes occur. Inter-segment revenues are eliminated upon consolidation of segments and reflected in the 'Eliminations' column.

Segment assets / liabilities comprise assets / liabilities directly managed by each segment. Segment assets primarily include receivables, right-of-use asset ('ROU'), property, plant and equipment, CWIP, intangible assets, IAUD and cash and cash equivalents. Segment liabilities primarily include operating and lease liabilities. Segment capital expenditure comprises of additions to property, plant and equipment, CWIP, intangible assets, IAUD and capital advances.

The reporting segments of the Company are as below:

Mobile Services: These services cover voice and data telecom services provided through wireless technology (2G/4G/5G). This also includes intra city fibre networks.

Homes and Office Services: These services cover voice and data communications through fixed-line network and broadband technology for homes and offices.

Unallocated: Unallocated items include expenses / results, assets and liabilities of corporate headquarters of the Company, current taxes, deferred taxes, borrowings (which includes external borrowings and deferred payment liabilities) and certain financial assets and liabilities, not allocated to the operating segments.

Summary of Segmental Information for the year ended and as of March 31, 2025 is as follows:

	Mobile Services	Homes and Office Services	Unallocated	Eliminations	Total
Revenue from external customers	82,961	2,518	-	-	85,479
Inter segment revenue	256	3	-	(259)	-
Total revenue	83,217	2,521	-	(259)	85,479
Segment results	22,620	156	-	-	22,776
Less:					
Finance costs (net)*					6,690
Charity and donation					124
Exceptional items					(2,126)
Profit before tax					18,088

Notes to Financial Statements

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

	Mobile Services	Homes and Office Services	Unallocated	Eliminations	Total
Other segment items					
Capital expenditure	22,745	2,144	-	-	24,889
Addition to ROU	6,959	1	-	-	6,960
Depreciation and amortisation expenses	20,294	651	-	-	20,945
As of March 31, 2025					
Segment assets	177,809	9,235	9,887	(4,421)	192,510
Segment liabilities	92,795	6,970	37,845	(4,421)	133,189

*net of interest income and net gain on fair value through profit and loss.

Summary of the segmental information for the year ended and as of March 31, 2024 is as follows:

	Mobile Services	Homes and Office Services	Unallocated	Eliminations	Total
Revenue from external customers	68,829	2,059	-	-	70,888
Inter segment revenue	382	-	-	(382)	-
Total revenue	69,211	2,059	-	(382)	70,888
Segment results	17,307	205	-	-	17,512
Less:					
Finance costs (net)*					5,249
Exceptional items					3,030
Profit before tax					9,233
Other segment items					
Capital expenditure	19,769	1,265	-	-	21,034
Addition to ROU	6,398	15	-	-	6,413
Depreciation and amortisation expenses	16,897	495	-	-	17,392
As of March 31, 2024					
Segment assets	172,999	4,556	9,129	(1,510)	185,174
Segment liabilities	82,945	2,935	54,417	(1,510)	138,787

*net of interest income and net gain on fair value through profit and loss.

Geographical information:

The Company is operating mainly in single geographic segment, i.e. in India. Thus, no information concerning geographical areas is applicable to the Company.

31 Related party disclosures

- i.

Parent Company
Bharti Airtel Limited
- ii.

Ultimate controlling entity*
Bharti Enterprises (Holding) Private Limited. It is held by private trusts of Bharti family, with Mr. Sunil Bharti Mittal's family trust effectively controlling the said company.
- iii.

Entity having significant influence over the Company
Telecommunications Consultants India Limited (upto April 12, 2024)
- iv.

Entity having significant influence over the Parent Company*
Singapore Telecommunications Limited

Notes to Financial Statements

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

v. Other entities with whom transactions have taken place during the period

a. Fellow Subsidiaries

- Indian

Bharti Airtel Services Limited
Bharti Telemedia Limited
Nxtra Data Limited
Xtelify Limited
Beetel Teletech Limited (w.e.f. January 01, 2024)
Indus Towers Limited (w.e.f. November 19, 2024)

- Foreign

Airtel (Seychelles) Limited
Airtel Congo RDC S.A.
Airtel Congo S.A
Airtel Gabon S.A.
Airtel Malawi Public Limited Company
Airtel Madagascar S.A.
Airtel Networks Kenya Limited
Airtel Networks Zambia Plc
Airtel Rwanda Limited
Airtel Tanzania Public Limited Company
Airtel Tchad S.A.
Airtel Uganda Limited
Bharti Airtel Lanka (Private) Limited (ceased to be subsidiary w.e.f. June 26, 2024)
Bharti Airtel Nigeria B.V.
Celtel Niger S.A.

b. Entity where parent company exercises significant influence

Airtel Payments Bank Limited
Robi Axiata Limited
Hughes Communication India Private Limited
HCIL Comtel Private Limited
Dixon Electro Appliances Private Limited (w.e.f. January 01, 2024)

c. Joint venture of the Parent company

Indus Towers Limited (upto November 18, 2024)
FireFly Networks Limited (ceased to be joint venture w.e.f. January 06, 2025)

d. Other related parties#

Bharti Airtel Foundation
Telecommunications Consultants India Limited (w.e.f. April 13, 2024)
Jersey Airtel Limited
Bharti AXA Life Insurance Company Limited
Singtel Mobile Singapore Pte. Ltd

*There is no transaction with Ultimate Controlling entity and Entity having significant influence over Parent Company during the reported periods.

#‘Other related parties’ though not ‘Related Parties’ as per the definition under Ind AS 24, have been included by way of a voluntary disclosure, following the best corporate governance practices.

Notes to Financial Statements

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

vi. Key Management Personnel

Marut Dilawari, Chief Executive Officer
Akhil Garg, Chief Financial Officer
Richa Gupta Rohatgi, Company Secretary (upto January 20, 2025)
Amit Chaturvedi, Company Secretary (w.e.f. April 18, 2025)

Non-Executive Director

Jagdish Saksena Deepak
Devendra Khanna
Rakesh Bharti Mittal (w.e.f. October 28, 2024)
Surajit Mandol (upto April 11, 2024)
Sanjeev Kumar (upto April 11, 2024)
Soumen Ray
Ashok Tyagi
Arvind Kohli
Arun Gupta
Kapal Kumar Vohra
Nalina Suresh
Kanwaljit Singh Cheema (w.e.f. November 20, 2024)

Transactions with Key Management Personnel (‘KMP’) and Directors

KMPs are those persons having authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly, including any director, whether executive or otherwise.

Remuneration to KMP and Directors were as follows:#

	For the year ended	
	March 31, 2025	March 31, 2024
Short-term employee benefits	8	-
Performance linked incentive (PLI)	2	-
Post-employment benefit	1	-
Other benefits*	12	4
	23	4

#Other than disclosed above, the remuneration paid to few Key Management Personnel of the Company is borne by its Holding Company, Bharti Airtel Limited and has been allocated to the Company as common cost allocation charges alongwith other employees of Bharti Airtel Limited deputed to Company and no breakup of this amount is available.

*Represents sitting fees and commission paid to Non-Executive Directors (including Independent Directors).

1. Value of PLI, as shown above, represents incentive at 100% performance level. However, the same will be paid in the next year on the basis of actual performance parameters.
2. As the liabilities for the gratuity and compensated absences are provided on an actuarial basis, and calculated for the Company as a whole rather than each of the individual employees, the said liabilities pertaining specifically to KMP are not known and hence, not included in the above table.

Notes to Financial Statements

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

The summary of transactions with the above mentioned parties are as follows:

	For the year ended March 31, 2025					
	Parent Company	Fellow subsidiaries	Entity where parent company exercise significant influence	Joint venture of the Parent company	Entity having significant influence over the Company	Other related parties
Purchase of fixed assets/bandwidth	1,915	519	-	90	-	69
Sale of fixed assets/IRU given	88	-	-	-	-	-
Rendering of services	9,494	35	1	-	-	-
Receiving of services	13,641	2,347	312	1,924	-	-
Expenses incurred on behalf of others	24	24	1	-	-	3
Expenses incurred on behalf of the company	1,721	793	-	-	-	-
Donation	-	-	-	-	-	124
Interest charged by others	-	4	-	-	-	-
Interest charged by the company	-	-	-	-	-	-
Reimbursement of energy expenses	-	1,858	-	3,244	-	-
Receiving of assets(ROU/Ind AS 116)*#	-	651	-	4,778	-	-
Repayment of Lease liability	-	1,718	-	2,271	-	-
Guarantees and collaterals	1	-	-	-	-	-
Repayment of Long Term License	-	197	-	-	-	-
Receiving of Asset (Long Term License)	-	444	-	-	-	-
Dividend paid	1,400	-	-	-	-	300

	For the year ended March 31, 2024					
	Parent Company	Fellow subsidiaries	Entity where parent company exercise significant influence	Joint venture of the Parent company	Entity having significant influence over the Company	Other related parties
Purchase of fixed assets/bandwidth	1,194	26	10	695	-	101
Sale of fixed assets/IRU given	260	18	-	-	-	-
Rendering of services	7,266	24	5	0	-	18
Receiving of services	9,571	525	389	3,003	-	2
Expenses incurred on behalf of others	19	13	2	-	12	-
Expenses incurred on behalf of the company	1,743	645	-	-	-	-
Interest charged by others	-	20	-	-	-	-
Interest charged by the company	415	-	-	-	-	-
Reimbursement of energy expenses	-	-	-	4,136	-	-
Receiving of assets(ROU/Ind AS 116)*#	-	11	-	5,188	-	-
Repayment of Lease liability	-	86	-	3,064	-	-
Guarantees and collaterals	(0)	-	-	-	-	-
Dividend paid	525	-	-	-	225	-

Notes to Financial Statements

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

The details of significant transactions with related parties for the year ended March 31, 2025 and March 31, 2024 are provided below:

	For the year ended	
	March 31, 2025	March 31, 2024
(i) Receiving of services		
Parent Company		
Bharti Airtel Limited*	13,641	9,571
Fellow Subsidiary		
Xtelify Limited	987	391
Indus Towers Limited (w.e.f. November 19, 2024)#	1,110	-
Joint venture of the parent company		
Indus Towers Limited (upto November 18, 2024)#	1,924	3,003
(ii) Rendering of services		
Parent Company		
Bharti Airtel Limited	9,494	7,266
(iii) Reimbursement of energy expenses		
Fellow Subsidiary		
Indus Towers Limited (w.e.f. November 19, 2024)	1,858	-
Joint venture of the parent company		
Indus Towers Limited (upto November 18, 2024)	3,244	4,136
(iv) Purchase of fixed assets / bandwidth (net)		
Parent Company		
Bharti Airtel Limited	1,915	1,194
Fellow Subsidiary		
Indus Towers Limited (w.e.f. November 19, 2024)	74	-
Joint venture of the parent company		
Indus Towers Limited (upto November 18, 2024)	90	695
(v) Fund received / Expenses incurred on behalf of the company		
Parent Company		
Bharti Airtel Limited	1,714	1,743
Fellow Subsidiary		
Bharti Airtel Services Limited	626	376
(vi) Receiving / termination of assets (ROU)#§		
Fellow Subsidiary		
Indus Towers Limited (w.e.f. November 19, 2024)	765	-
Joint venture of the parent company		
Indus Towers Limited (upto November 18, 2024)	4,778	5,188
(vii) Dividend		
Parent Company		
Bharti Airtel Limited	1,400	525
Entity having significant influence over the Company		
Telecommunications Consultants India Limited (upto April 12, 2024)	-	225
Other related party		
Telecommunications Consultants India Limited (w.e.f. April 13, 2024)	300	-

*Amount excluding goods and service tax.
#Amount disclosed above is net of termination.
§During the year ended March 31, 2025 and March 31, 2024, the Company has made payment of ₹ 3,970 and ₹ 3,064 respectively in respect of lease liabilities.

Notes to Financial Statements

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

The outstanding balances of the above mentioned related parties are as follow:

	Parent Company	Fellow subsidiaries	Entity where parent company exercise significant influence	Joint venture of the Parent company	Entity having significant influence over the Company	Other related parties
As of March 31, 2025						
Trade Receivables	-	-	162	-	-	2
Other Financial assets	33	13	-	-	-	-
Trade Payables	966	3,002	11	-	-	119
Security Deposit/Advances	-	98	-	-	-	-
Guarantees and collaterals	46	-	-	-	-	-
Long term License (Liabilty)	-	252	-	-	-	-
Lease liabilities@	-	23,359	-	-	-	-
As of March 31, 2024						
Trade Receivables	1,842	10	1	0	-	3
Other Financial assets	7	1	5	98	12	-
Trade Payables	-	175	38	2,704	-	0
Guarantees and collaterals	47	-	-	-	-	-
Lease liabilities@	-	230	-	20,002	-	-

@It include discounted value of future cash payouts.

Outstanding balances at period end are un-secured and settlement occurs in cash.

32 Leases

Company as a lessee

Right-of-use assets ('ROU')

The following table presents the reconciliation of changes in the carrying value of ROU assets for the year ended March 31, 2025 and March 31, 2024:

	Bandwidth	Plant and equipment	Building	Leasehold land	Total
Balance as at April 1, 2023	880	21,813	335	3,362	26,390
Additions	-	6,103	63	248	6,414
Depreciation expense	(78)	(3,390)	(52)	(340)	(3,860)
Disposals / adjustments	-	(312)	(11)	(25)	(348)
Balance as at March 31, 2024	802	24,214	335	3,245	28,596
Balance as at April 1, 2024	802	24,214	335	3,245	28,596
Additions	-	6,068	621	271	6,960
Depreciation expense	(78)	(3,752)	(88)	(346)	(4,264)
Disposals / adjustments	-	(578)	(19)	(52)	(649)
Balance as at March 31, 2025	724	25,952	849	3,118	30,643

Bandwidth

The Company's leases of bandwidth comprise of dark fiber taken on lease.

Plant and equipment

The Company leases passive infrastructure for providing telecommunication services under composite contracts that include lease of passive infrastructure and land on which the passive infrastructure is built as well as maintenance, security, provision of energy etc. services.

Notes to Financial Statements

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

Building

The Company's leases of building comprise of lease of offices, warehouses and shops.

Leasehold land

The Company's leases of land comprise of land taken on lease on which passive infrastructure and offices are built.

Amounts recognised in profit or loss

Leases under Ind AS 116	For the year ended	
	March 31, 2025	March 31, 2024
Interest on lease liabilities	2,762	2,379
Expenses relating to leases of low-value assets, excluding short-term leases of low value assets	6	5

Amounts recognised in Statement of Cash Flow

Leases under Ind AS 116	For the year ended	
	March 31, 2025	March 31, 2024
Principal payment of lease liabilities	3,462	2,930

The following table sets out a maturity analysis of lease payments, showing the undiscounted lease payments to be paid after the reporting date.

Operating leases under Ind AS 116	For the year ended	
	March 31, 2025	March 31, 2024
Not later than one year	7,660	6,805
Later than one year but not later than five years	24,176	21,183
Later than five years	16,029	16,587
	47,865	44,575
Lease liability - non current	30,690	28,306
Lease liability - current	5,039	4,394
	35,729	32,700

Company as a lessor - operating lease

The Company enters into 'Indefeasible right to use' ('IRU') arrangements wherein the right to use the assets is given over the substantial part of the asset life. However, as the title to the assets and the significant risks associated with the operation and maintenance of these assets remains with the Company, such arrangements are recognised as operating lease. The contracted price is recognised as revenue during the tenure of the agreement. Unearned IRU revenue received in advance is presented as deferred revenue within liabilities in the Balance Sheet.

Amounts recognised in Statement of Profit and Loss

Leases under Ind AS 116	For the year ended	
	March 31, 2025	March 31, 2024
Lease income	256	272

Notes to Financial Statements

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

The following table sets out a maturity analysis of lease payments, showing the undiscounted lease payments to be received after the reporting date.

Operating leases under Ind AS 116	For the year ended	
	March 31, 2025	March 31, 2024
Less than one year	61	257
One to two years	39	61
Two to three years	30	39
Three to four years	26	30
Four to five years	24	26
More than five years	33	59
	213	472

Company has entered into non–cancellable lease arrangements to provide dark fiber on IRU basis and tower assets on site-sharing basis. Due to the nature of these transactions, it is not possible to compute gross carrying amount, depreciation for the year and accumulated depreciation of the asset given on operating lease as of March 31, 2025 and March 31, 2024 and accordingly, the related disclosures are not provided.

33 Financial and capital risk

1. Financial Risk

The business activities of the Company expose it to a variety of financial risks, namely market risks (that is, foreign exchange risk, interest rate risk and price risk), credit risk and liquidity risk. The Company’s risk management strategies focus on the un-predictability of these elements and seek to minimise the potential adverse effects on its financial performance.

The financial risk management for the Company is driven by the Company’s senior management (‘CSM’), in close co-ordination with internal / external experts subject to necessary supervision. The Company does not undertake any speculative transactions either through derivatives or otherwise. The CSM are accountable to the Board of Directors and Audit Committee. They ensure that the Company’s financial risk-taking activities are governed by appropriate financial risk governance framework, policies and procedures. The Board of Directors of the Company periodically reviews the exposures to financial risks, and the measures taken for risk mitigation and the results thereof.

(i) Foreign currency risk

Foreign exchange risk arises on all recognised monetary assets and liabilities, and any highly probable forecasted transactions, which are denominated in a currency other than the functional currency of the Company. The Company has foreign currency trade payables and receivables. However, foreign exchange exposure mainly arises from trade payables denominated in foreign currencies.

Foreign currency exposure

The Company’s exposure to foreign currency exchange risk at the end of the reporting period expressed in rupee are as follows:

Particulars	As of March 31, 2025	
	US Dollar	EURO
Trade and other receivables	49	-
Trade and other payables	98	-
Equipment supply payables	1,031	-
Net assets/(liabilities) (a)	(1,080)	-
Derivative Assets		
Foreign Currency Forward and option contracts (b)	2,713	-
Net Exposure (a+b)	1,633	-

Notes to Financial Statements

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

Particulars	As of March 31, 2024	
	US Dollar	EURO
Trade and other receivables	47	-
Trade and other payables	142	-
Equipment supply payables	319	41
Net assets/(liabilities) (a)	(415)	(41)
Derivative Assets		
Foreign Currency Forward and option contracts (b)	-	-
Net Exposure (a+b)	(415)	(41)

Foreign currency sensitivity

The impact of foreign exchange sensitivity on profit for the year and OCI is given in the table below:

	Change in currency exchange rate	Effect on profit before tax	Effect on equity (OCI)
For the year ended March 31, 2025			
US Dollars	+5%	82	-
	-5%	(82)	-
EURO	+5%	-	-
	-5%	-	-
For the year ended March 31, 2024			
US Dollars	+5%	(21)	-
	-5%	21	-
EURO	+5%	(2)	-
	-5%	2	-

The sensitivity disclosed in the above table is mainly attributable to foreign exchange gains / (losses) on translation of USD denominated trade payables and trade receivables.

The above sensitivity analysis is based on a reasonable possible change in the under-lying foreign currency against the respective functional currency while assuming all other variables to be constant.

Based on the movements in the foreign exchange rates historically and the prevailing market conditions as at the reporting date, the Company’s management has concluded that the above mentioned rates used for sensitivity are reasonable benchmarks.

(ii) Interest rate risk

As the Company does not have exposure to any floating-interest bearing assets, or any significant long-term fixed-interest bearing assets, its interest income and related cash inflows are not affected by changes in market interest rates. Consequently, the Company’s interest rate risk arises mainly from borrowings.

Borrowings

Borrowings with floating and fixed interest rates expose the Company to cash flow and fair value interest rate risk respectively. However, the short-term borrowings of the Company do not have a significant fair value or cash flow interest rate risk due to their short tenure. Accordingly, the components of the debt portfolio are determined by the CSM in a manner which enables the Company to achieve an optimum debt-mix basis its overall objectives and future market expectations.

The Company monitors the interest rate movement and manages the interest rate risk based on its risk management policies - as considered appropriate and whenever necessary.

Notes to Financial Statements

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

Interest rate sensitivity of borrowings

The impact of the interest rate sensitivity on Profit before tax is given in the table below:

Interest rate sensitivity	Increase / decrease in basis points	Effect on profit before tax
For the year ended March 31, 2025		
INR - borrowings	+100	(48)
	-100	48
For the year ended March 31, 2024		
INR - borrowings	+100	(0)
	-100	0

The sensitivity disclosed in the above table is attributable to floating-interest rate borrowings.

The above sensitivity analysis is based on a reasonably possible change in the under-lying interest rate of the Company's borrowings, while assuming all other variables to be constant.

Based on the movements in the interest rates historically and the prevailing market conditions as at the reporting date, the Company's management has concluded that the above mentioned rates used for sensitivity are reasonable benchmarks.

(iii) Price risk

The Company invests its surplus funds in various mutual funds (debt fund, equity fund, liquid schemes and income funds etc.), short term debt funds, government securities and fixed deposits. In order to manage its price risk arising from investments, the Company diversifies its portfolio in accordance with the limits set by the risk management policies.

(iv) Credit risk

Credit risk refers to the risk of default on its obligation by the counter-party, the risk of deterioration of credit-worthiness of the counter-party as well as concentration risks of financial assets, and thereby exposing the Company to potential financial losses.

The Company is exposed to credit risk mainly with respect to trade receivables.

Trade receivables

The Trade receivables of the Company are typically non-interest bearing un-secured and derived from sales made to a large number of independent customers. As the customer base is widely distributed both economically and geographically, there is no concentration of credit risk. The credit period provided by the Company to its customers (other than Group entities), generally ranges between 14-30 days. For details of trade receivables / revenues from related-parties, refer Note 31.

The Company uses a provision matrix to measure the ECL of trade receivables, which comprise a very large numbers of small balances. Refer Note 11 for details on the impairment of trade receivables. Based on the industry practices and the business environment in which the entity operates, management considers that the trade receivables are impaired if the payments are more than 90 days past due.

The ageing analysis of trade receivables as of the reporting date is as follows:

	Neither past due nor impaired	Past due but not impaired				Total
		Less Than 30 days	30 to 60 days	60 to 90 days	Above 90 days	
Trade receivables as of March 31, 2025	246	610	64	28	135	1,083
Trade receivables as of March 31, 2024	2,197	1,971	162	103	13	4,446

The Company performs on-going credit evaluations of its customers' financial condition and monitors the credit-worthiness of its customers to which it grants credit in its ordinary course of business.

Notes to Financial Statements

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

Financial instruments and cash deposits

The Company's treasury, in accordance with the board approved policy, maintains its cash and cash equivalents, deposits and investment in mutual funds, having good reputation and past track record, and high credit rating. Similarly, counter-parties of the Company's other receivables carry either no or very minimal credit risk. Further, the Company reviews the credit-worthiness of the counter-parties (on the basis of its ratings, credit spreads and financial strength) of all the above assets on an on-going basis, and if required, takes necessary mitigation measures.

(v) Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they become due. Accordingly, as a prudent liquidity risk management measure, the Company closely monitors its liquidity position and deploys a robust cash management system. It maintains adequate sources of financing including bilateral loans, debt and overdraft from domestic at an optimised cost. It also enjoys strong access to domestic and international capital markets across debt and equity.

Moreover, the Company's senior management regularly monitors the rolling forecasts of the entity's liquidity reserve (comprising of the amount of available un-drawn credit facilities and Cash and cash equivalents) and the related requirements, to ensure they have sufficient cash on an on-going basis to meet operational needs while maintaining sufficient headroom at all times on its available un-drawn committed credit facilities, so that there is no breach of borrowing limits or relevant covenants on any of its borrowings. For details as to the Borrowings, refer Note 15.

Based on past performance and current expectations, the Company believes that the Cash and cash equivalents, cash generated from operations and available un-drawn credit facilities, will satisfy its working capital needs, capital expenditure, investment requirements, commitments and other liquidity requirements associated with its existing operations, through at least the next twelve months.

The table below summarises the maturity profile of the Company's financial liabilities based on contractual undiscounted payments:

	As of March 31, 2025						Total
	Carrying amount	On demand	Less than 6 months	6 to 12 months	1 to 2 years	> 2 years	
Interest bearing borrowings*#	38,375	-	10,151	3,425	4,746	34,523	52,845
Other financial liabilities#	7,611	239	7,372	-	-	-	7,611
Trade payables	15,860	-	15,860	-	-	-	15,860
Lease liabilities	35,729	-	4,470	3,190	6,285	33,920	47,865
Financial liabilities	97,575	239	37,853	6,615	11,032	68,443	124,180

	As of March 31, 2024						Total
	Carrying amount	On demand	Less than 6 months	6 to 12 months	1 to 2 years	> 2 years	
Interest bearing borrowings*#	50,028	3	23,678	125	4,542	38,248	66,596
Other financial liabilities#	7,861	218	7,643	-	-	-	7,861
Trade payables	14,848	-	14,848	-	-	-	14,848
Lease liabilities	32,700	-	4,015	2,790	5,500	32,270	44,575
Financial liabilities	105,437	221	50,184	2,915	10,042	70,519	133,881

*Includes contractual interest payment based on interest rate prevailing at the end of the reporting period over the tenor of the borrowings.

#Interest accrued has been included in interest bearing borrowings and excluded from other financial liabilities.



Notes to Financial Statements

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

The following table provides the reconciliation of liabilities whose cash flow movements are disclosed as part of financing activities of Statement of Cash Flows:

	April 1, 2024	Cash flows	Non-cash changes		March 31, 2025
			Interest expense	Others	
Borrowings*	48,346	(11,790)	-	1,243	37,799
Interest accrued	1,682	(5,395)	6,880	(2,591)^	576
Lease liabilities	32,700	(3,462)	-	6,491	35,729

	April 1, 2023	Cash flows	Non-cash changes		March 31, 2024
			Interest expense	Others	
Borrowings*	62,693	(15,000)	-	653	48,346
Interest accrued	1,865	(5,356)	6,453	(1,280)^	1,682
Lease liabilities	29,343	(2,930)	-	6,287	32,700

*It does not include lease liabilities.
^Mainly pertains to provision on regulatory matters, spectrum interest & interest capitalisation.

(vi) Disclosure of non-cash transactions

	For the year ended	
	March 31, 2025	March 31, 2024
ROU additions during the year by means of lease	6,960	6,414

2. Capital Risk

The Company's objective while managing capital is to safeguard its ability to continue as a going concern (so that it is enabled to provide returns and create value for its shareholders, and benefits for other stakeholders), support business stability and growth, ensure adherence to the covenants and restrictions imposed by lenders and / or relevant laws and regulations, and maintain an optimal and efficient capital structure so as to reduce the cost of capital. However, the key objective of the Company's capital management is to, ensure that it maintains a stable capital structure with the focus on total equity, uphold investor, creditor and customer confidence, and ensure future development of its business activities. In order to maintain or adjust the capital structure, the Company may issue new shares, declare dividends, return capital to shareholders, etc.

The Company manages its capital structure and makes adjustments to it, in light of changes in economic conditions or its business requirements.

The Company monitors capital using a gearing ratio calculated as below:

	As of	
	March 31, 2025	March 31, 2024
Borrowings	37,799	48,346
Less: Cash and cash equivalents	171	398
Net Debt (A)	37,628	47,948
Equity	59,321	46,387
Total Capital (B)	59,321	46,387
Capital and Net Debt (C = A+B)	96,949	94,335
Gearing Ratio (A/C)	38.8%	50.8%

Notes to Financial Statements

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

34 Fair Value of financial assets and liabilities

The category wise details as to the carrying value and fair value of the Company's financial instruments are as follows:

		Carrying Value as of		Fair Value as of	
		March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024
Financial Assets					
FVTPL					
Derivatives					
- Forward and option contracts	Level 2	6	-	6	-
Investments - quoted	Level 1	739	137	739	137
Amortised cost					
Investments - quoted	Level 1	-	2,239	-	2,239
Trade receivables		1,083	4,446	1,083	4,446
Cash and cash equivalents		171	398	171	398
Other bank balances		199	345	199	345
Other financial assets		15,641	15,388	15,641	15,388
		17,839	22,953	17,839	22,953
Financial Liabilities					
FVTPL					
Derivatives					
- Forward and option contracts	Level 2	15	-	15	-
Amortised cost					
Borrowings - fixed rate	Level 1	3,946	19,999	3,946	18,862
Borrowings - fixed rate	Level 2	29,053	28,344	28,355	27,595
Borrowings - floating rate		4,800	3	4,800	3
Trade payables		15,860	14,848	15,860	14,848
Other financial liabilities		8,187	9,543	8,187	9,543
		61,861	72,737	61,163	70,851

The following methods / assumptions were used to estimate the fair values:

- i. The carrying value of other bank balances, trade receivables, trade payables, floating – rate borrowings, other current financial assets and liabilities approximate their fair value mainly due to the short-term maturities of these instruments being subject to floating – rates.
- ii. The fair value of non – current financial assets, other long-term borrowing and other financial liabilities is estimated by discounting future cash flows using current rates applicable to instruments with similar terms, currency, credit risk and remaining maturities.

The following table describes the key inputs used in the valuation (basis discounted cash flow technique) of the Level 2 financial assets / liabilities as of March 31, 2025 and March 31, 2024:

Financial liabilities	Inputs used
Fixed Rate borrowings	Prevailing interest rates market, future payouts, interest rates

During the year ended March 31, 2025 and March 31, 2024, there were no transfers between Level 1 and Level 2 fair value measurements. None of the financial assets and financial liabilities are in Level 3.

Notes to Financial Statements

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

35 Ratios

The following are analytical ratios for the year ended March 31, 2025 and March 31, 2024:

Ratio	Numerator	Denominator	March 31, 2025	March 31, 2024	% Variance
Current Ratio - [no. of times]	Current Assets	Current Liabilities	0.28	0.32	(11.7%)
Debt-equity Ratio - [no. of times]*	Non-Current borrowings (+) current borrowings (-) cash and cash equivalents	Equity	0.63	1.03	(38.6%)
Debt service coverage ratio - [no. of times]	Profit before depreciation, amortisation, finance costs, exceptional items and tax	Interest expenses (+) principal repayments of long-term debt (+) (excluding prepayment of deferred payment liabilities) (+) payment of lease liabilities	1.42	1.51	(6.0%)
Return on equity ratio - [no. of times]	Profit for the year	Average Equity	0.28	0.11	147.9%
Trade receivables turnover ratio - [no. of days]	Average trade receivables	Revenue from operations / no. of days for the year	12	15	(21.3%)
Net capital turnover ratio - [no. of times]	Revenue from operations	Working Capital (i.e. Current assets – Current liabilities)	(1.74)	(1.38)	(26.2%)
Net profit ratio (%)	Profit for the year	Revenue from operations	17.5%	7.1%	145.6%
Return on capital employed (%)	EBIT	Average Capital Employed#	17.6%	14.1%	24.9%
Return on investment	Income generated from investments	Time weighted average investment	7.12%	4.69%	51.8%

*excluding lease liabilities.

#Average capital employed = Average of (Equity + Net Debt)

Explanation where variance in ratio is more than 25%

Debt-equity ratio

Decrease is majorly on account of decrease in debt.

Return on equity ratio

Increase is on account of increase in net profits.

Net capital turnover ratio

Decrease is on account of increase in revenue from operations.

Net profit ratio

Increase is on account of increase in net profits.

Return on investment

Increase on account of favourable market conditions

Notes to Financial Statements

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

36 Audit Trail

The Company had assessed all of its IT applications including supporting applications considering the guidance provided in “Implementation guide on reporting on audit trail under rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 (Revised 2024 edition)” and identified applications that are relevant for maintaining books of accounts. In the previous Financial Year, the Company had enabled audit trail feature in certain critical applications including the ERP application which maintain the general ledger for financial reporting purpose, accordingly the audit trail feature for these critical applications is active through-out the current financial year. For the remaining applications the audit trail feature was enabled in a phased manner during the current financial year. Audit trail feature has been enabled for all relevant IT applications at the end of the current Financial Year. The audit trail feature has operated effectively during the year post implementation, and there were no instances of audit trail feature being tampered with where it is implemented. For the retention of the data, the same is and will be retained for the respective period of 8 years from the date of such audit trail implementation.

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During the year ended March 31, 2025 and March 31, 2024, no funds have been advanced / loaned / invested by the Company to any other person(s) or entity(ies), including foreign entities (intermediaries), with the understanding that the intermediary shall (i) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (ultimate beneficiaries) or (ii) provide any guarantee, security on behalf of the ultimate beneficiaries.

During the year ended March 31, 2025 and March 31, 2024, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities (funding parties), with the understanding that the Company shall (i) directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (ultimate beneficiaries) or (ii) provide any guarantee, security on behalf of the ultimate beneficiaries.

38 Relationship with struck off companies

March 31, 2025

S No.	Name of struck off company	Nature of transactions	Balance outstanding as of March 31, 2025
1	Status Leasing And Finance Limited	Receivables	-
2	V N Buildtech Pvt Ltd	Receivables	-
3	Orbit Hotel Private Limited	Receivables	0
4	Shree Sanware Organic Private Limited	Receivables	-
5	Trueblue Tours And Taxi Private Limited	Receivables	0

March 31, 2024

S No.	Name of struck off company	Nature of transactions	Balance outstanding as of March 31, 2024
1	Sarvcon Training And Consultants Pvt. Ltd.	Receivables	-
2	Trueblue Tours And Taxi Private Limited	Receivables	0
3	Shree Sanware Organic Private Limited	Receivables	-
4	Climax Technologies Private Limited	Receivables	-



Corporate Information

Board of Directors

Mr. Jagdish Saksena Deepak, Chairman
Mr. Arun Gupta
Mr. Arvind Kohli
Mr. Ashok Tyagi
Mr. Devendra Khanna
Mr. Kanwaljit Singh Cheema
Mr. Kapal Kumar Vohra
Ms. Nalina Suresh
Mr. Rakesh Bharti Mittal
Mr. Soumen Ray

Chief Executive Officer

Mr. Marut Dilawari

Chief Financial Officer

Mr. Akhil Garg

Company Secretary & Compliance Officer

Mr. Amit Chaturvedi

Statutory Auditors

Deloitte Haskins & Sells, LLP, Chartered Accountants

Internal Assurance Partners

Ernst & Young LLP, Chartered Accountants
ANB & Co., Chartered Accountants

Cost Auditors

Sanjay Gupta & Associates, Cost Accountants

Secretarial Auditors

Makarand M. Joshi & Co., Company Secretaries

Registered Office

Airtel Center, Plot No. 16,
Udyog Vihar, Phase IV,
Gurugram - 122015, India

Corporate Office

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

Circle Offices

Northeast Circle

Subham Buildwell, Sundarpur,
RG Baruah Road,
Guwahati - 781006, Assam

Rajasthan Circle

K-21, Sunny House, Malviya Marg,
C-Scheme, Jaipur - 302001, Rajasthan

Website

www.bhartihexacom.in



Registered Office

Bharti Hexacom Limited

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Fax No.: +91 114 6666100

Corporate Office

Bharti Hexacom Limited

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Email: bhartihexacom@bharti.in