



18 March 2024

**National Stock Exchange of India Limited**  
“Exchange Plaza”,  
Bandra - Kurla Complex,  
Bandra (E),  
Mumbai – 400 051

**BSE Limited**  
Phiroze Jeejeebhoy Towers,  
Dalal Street,  
Mumbai – 400 001

Dear Sirs,

**Sub: Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015 (“SEBI Listing Regulations”) – Investor Presentation**

**Ref: “Vodafone Idea Limited” (IDEA/532822)**

Further to our intimation dated 11 March 2024, please find enclosed an updated Investor Presentation being uploaded on the website of the Company at [www.myvi.in](http://www.myvi.in).

Kindly take the same on record.

Thanking you,

Yours truly,  
For **Vodafone Idea Limited**

**Pankaj Kapdeo**  
**Company Secretary**

Encl: As above



# Vodafone Idea Limited



# Executive Summary

## ✓ **Indian telecom industry has considerable growth potential**

- ✓ 4G/5G wireless penetration in India (66%) is lower than global peers
- ✓ While data traffic in India is high ~19GB per month per mobile connection, ARPU is lower than major world economies at \$2.1 per month

## ✓ **Wireless infrastructure is the backbone of Digital India**

- ✓ Government push: JAM (Jan Dhan, Aadhar, and Mobile) trinity is the key enabler of India's transformed and well-developed digital landscape
- ✓ Digital revolution in India offers substantial growth opportunities driven by rapid digitalization of Indian market

## ✓ **Rising per capita GDP yet to reflect in ARPU growth**

- ✓ Headroom in ARPU as usage has increased significantly but ARPU has not increased in line with usage & customer ability to pay higher is already established
- ✓ Since 2015 (before Jio's entry in 2016), India's per capita GDP has doubled; however, ARPUs have grown only by ~23%
- ✓ Prices need further uptick to generate reasonable returns and support future investments

## ✓ **VIL poised to benefit from operating leverage**

- ✓ VIL is 6th largest cellular operator globally (by subscribers in a single country of operations) and is 3rd largest in India, the 2nd largest wireless market in the world
- ✓ Demonstrated strong execution capabilities in the past and network expansion can be achieved at a fast run-rate post the fund raise

## ✓ **Trusted brand with extensive reach and strong proposition**

- ✓ Trusted Indian brand: 3+ decades of operations backed by strong brand recall and management with global expertise
- ✓ Extensive reach: 95%+ district distribution coverage, serving customer across 787k+ retailers and 2.3k+ branded urban stores
- ✓ Strong proposition: Gross adds share for VIL is higher than its Customer Market Share (CMS) indicating its ability to effectively compete in market

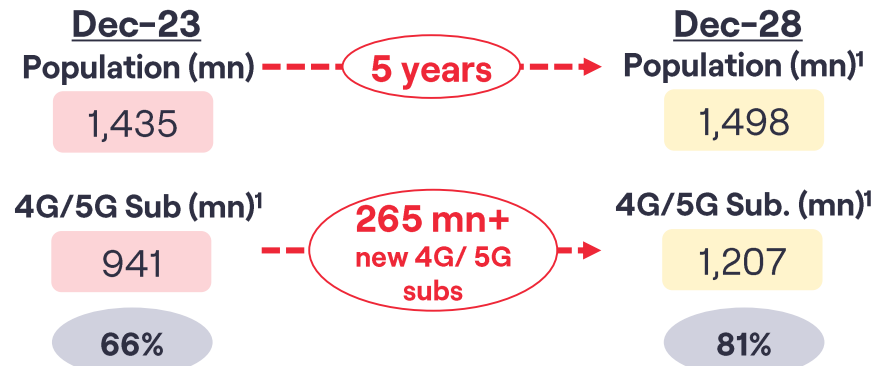
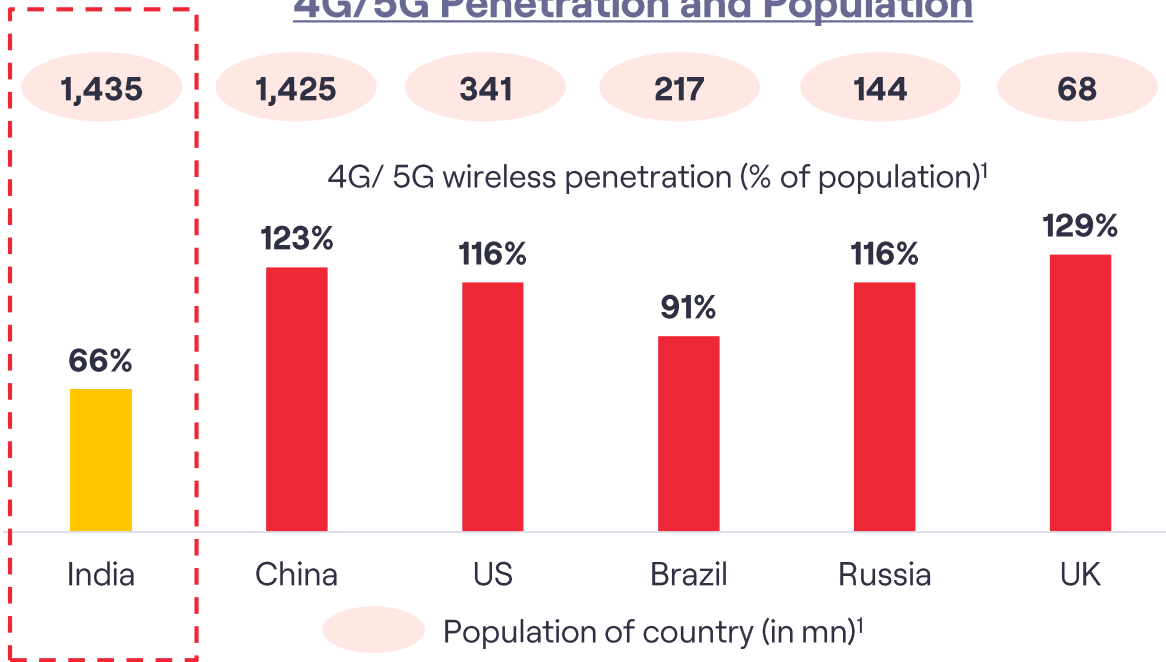
## ✓ **Other updates**

- ✓ VIL has strong parentage with the promoters, Aditya Birla Group and Vodafone Group, who have invested ~Rs. 230 bn into the business since merger
- ✓ In addition to being the policy maker and largest creditor, the Govt. of India owns a 33.1% equity stake in VIL
- ✓ VIL plans to raise funds through a combination of equity & debt for Expansion of 4G coverage, 5G network rollout, and Capacity expansion

# Indian telecom industry has considerable growth potential

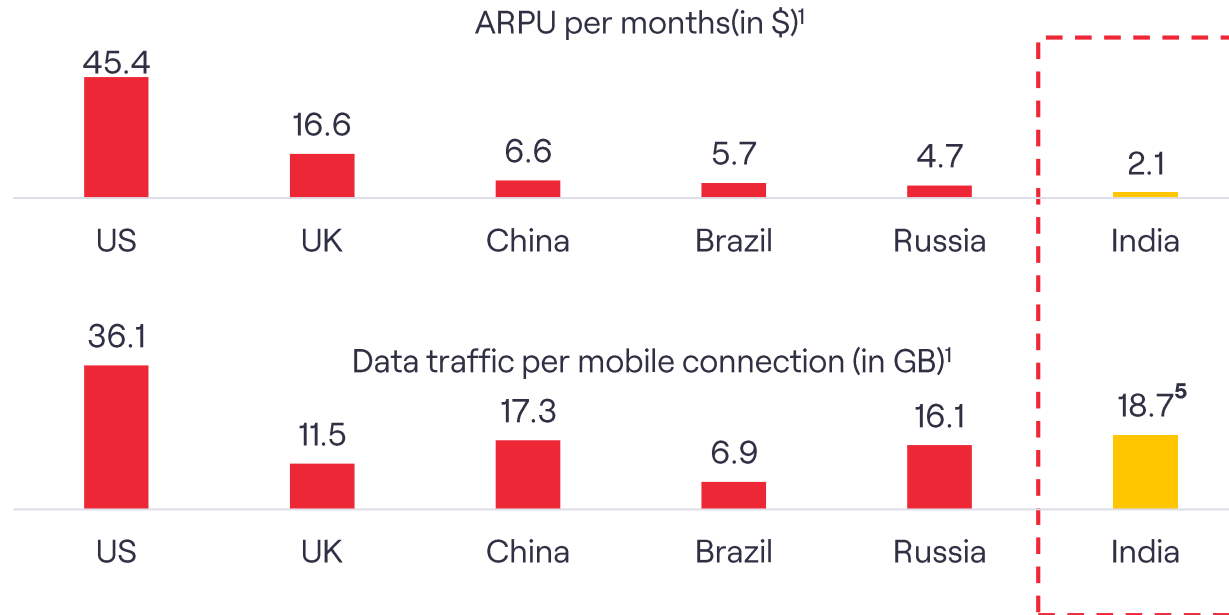
4G/5G wireless penetration is lower than global peers (66%)

## 4G/5G Penetration and Population



While data traffic is high, ARPU is lower than major world economies

## ARPU and Data usage



- ARPU growth has been marginal compared to other household expenditure, due to intensified competition in Indian telecom sector, which is now a 3 private player market

**+9.1% CAGR**

Non-food per capita expenditure growth (Urban) 2012-23<sup>2</sup>

**+10.5% CAGR**

Non-food per capita expenditure growth (Rural) 2012-23<sup>2</sup>

**+4.2% CAGR**

ARPU growth 2012-23<sup>3</sup>

- ARPU on unlimited data plans (ULD) is 3x<sup>4</sup> of non-ULD plans – Enhanced 4G/5G penetration to drive ARPU



1. GSMA Intelligence Database; 2. Household Consumption Expenditure Survey by Ministry of Statistics and Program Implementation (National Sample Survey Office); 3. Source: TRAI Performance Indicator Report (Sep-12 to Sep-23); 4. Company Information; 5. 19.1 GB/ month as per TRAI Performance Indicator Report (Sep-23)

# Wireless infrastructure is the backbone of Digital India

## Data – Lifeline of Digital India

- ✓ Government push: JAM (Jan Dhan, Aadhar, and Mobile) trinity is the key enabler of India's transformed and well-developed digital landscape<sup>1</sup>
- ✓ Digital revolution in India offers substantial growth opportunities



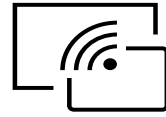
Online Banking



Digital Payments



Online Weather



OTT Streaming



Live Sports Streaming



Online Education



**1.4bn**  
people in world's largest unique identity program with authentication by mobile<sup>2</sup>



**~1bn**  
active wireless phone subscribers<sup>3</sup>



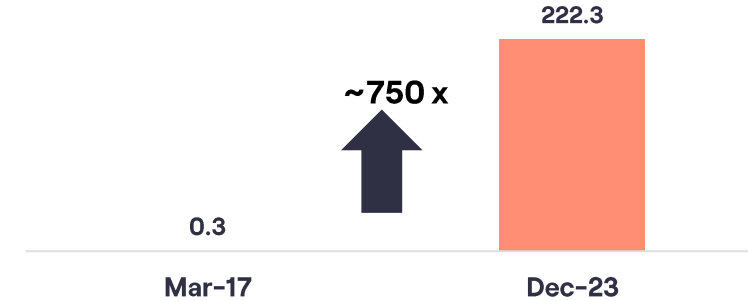
**~866mn**  
wireless broadband subs<sup>3</sup>



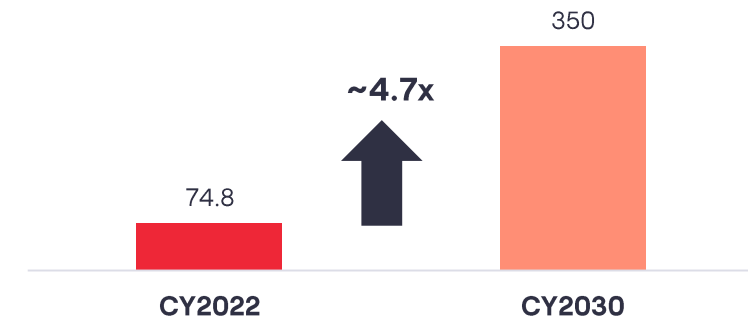
**41.7%**  
rural internet penetration Sep 23<sup>4</sup>; increased from 34%<sup>4</sup> in Sep20 to only grow further

## Rapid digitalization of Indian market

UPI monthly transaction amount (USD bn)<sup>5</sup>



Indian E-Commerce Market (USD bn)<sup>6</sup>

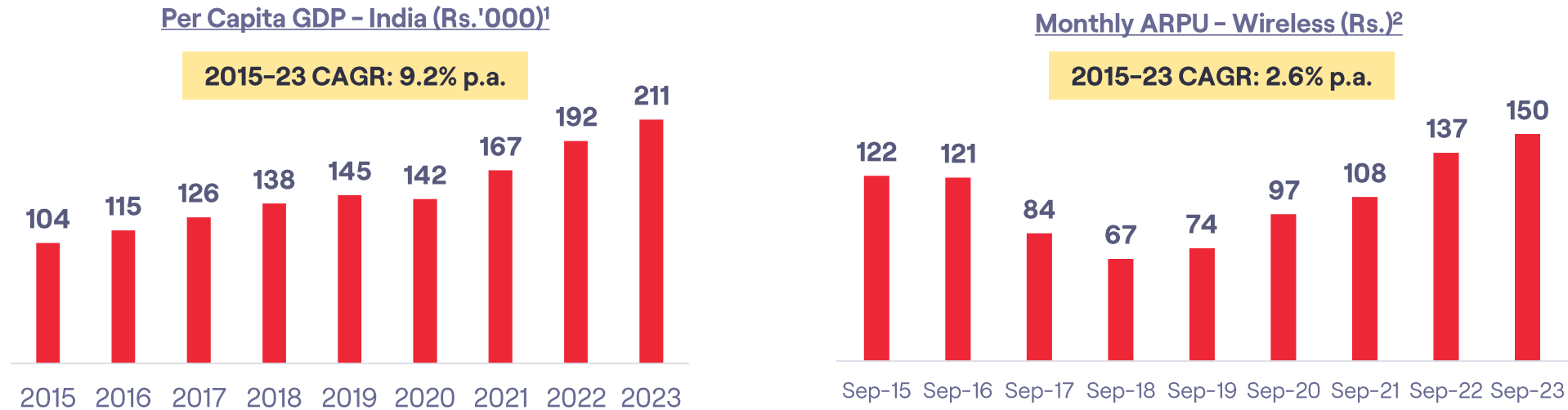


Note: FX 1USD=82 Rs..

Sources : 1. <https://pib.gov.in/PressReleaselframePage.aspx?PRID=1955439>; 2. Unique Identification Authority of India; 3. TRAI Subscription Report Dec 2023; 4. TRAI Performance Indicator Report Sep. Internet subscribers includes wireless and wireline subscribers; 5. NPCI Database. A Unified Payment Interface (UPI) is an instant real-time payment system developed by National Payments Corporation of India ("NPCI") facilitating inter-bank transaction via a smartphone application; 6. E-commerce in India by Statista

# Rising per capita GDP yet to reflect in ARPU growth

ARPU growth has been marginal despite improved affordability

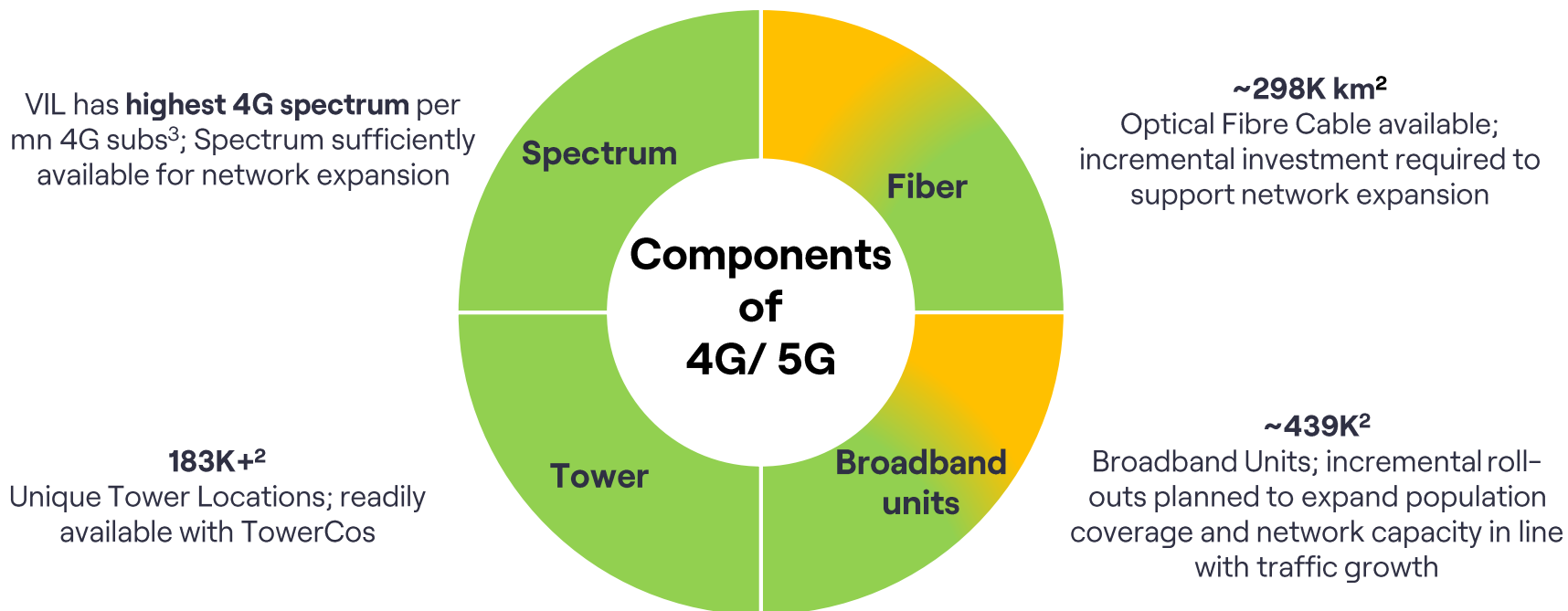


- ✓ Data consumption increased from ~**0.1<sup>2</sup>** GB/ month in Sep-15 to ~**19.1<sup>2</sup>** GB/ month in Sep-23; however, ARPU only grew from Rs. **122<sup>2</sup>** to Rs. **150<sup>2</sup>**
- ✓ Significant headroom in ARPU as usage has increased significantly but ARPU has not increased in line with usage and customer ability to pay higher is already established
- ✓ Since 2015 (before Jio's entry in 2016), India's per capita GDP has **doubled**; however, ARPUs have grown only by ~**23%**
  - Last tariff hike was taken in Nov 2021, tariffs in India are lower than major countries in the world. Further given inflation, prices need to catch up
- ✓ Prices need further uptick to generate reasonable returns and support future investments

# VIL poised to benefit from operating leverage

## Ready platform for rapid execution

- ✓ VIL is 6<sup>th</sup> largest cellular operator globally (by subscribers in a single country of operations) and is 3<sup>rd</sup> largest in India, the 2<sup>nd</sup> largest wireless market in the world<sup>1</sup>
- ✓ Demonstrated strong execution capabilities in the past
- ✓ Existing network built on 5G-Ready Architecture
- ✓ Network expansion can be achieved at a fast run-rate post the fund raise



**Proposed fundraise to focus on investments to enhance 4G/5G coverage and network capacity in line with traffic growth**

1. GSMA Intelligence Database; 2. Company filings; 3. Calculated by dividing 4G Spectrum holding with 4G subscribers for top 3 operators by subscribers; 4G Spectrum excludes non-liberalised spectrum as well as 700 MHz, 3300 MHz and 26GHz spectrum; Source: Department of Telecommunications; 4G subscribers as reported in quarterly results as on Dec 31, 2023. In case of Airtel, this represents Mobile Services India segment and in case of Jio, reported subs are considered as 4G subs

# Trusted brand with extensive reach and strong proposition

## Trusted Indian brand



### Together For Tomorrow

- ✓ 3+ decades of operations backed by strong brand recall and management with global expertise
- ✓ Strong unified brand brings together the power of two brands – Vodafone and Idea into one
- ✓ Trusted by 215+ million customers in India
- ✓ Large Enterprise customer base with long standing relationships

## Extensive reach



- ✓ 95%+ district distribution coverage, serving customer across 787k+ retailers and 2.3k+ branded urban stores
- ✓ Strong data and analytics enabling personalization at large scale
- ✓ With capex investments, it is our intent to improve our population coverage in line with the peers

## Strong proposition

- ✓ Gross adds share for VIL is higher than its Customer Market Share (CMS) indicating its ability to effectively compete in market
- ✓ Focused capex in 17 priority circles to improve competitiveness with enhanced 4G coverage and roll out of 5G
- ✓ Investments in network will help further enhance brand proposition and customer experience
  - Enhance proportion of high ARPU subscribers through superior network experience
  - Drive migration of subscribers from 2G to 4G



# Other updates

- **Vi has strong parentage with the promoters, Aditya Birla Group and Vodafone Group**
- **Both Vodafone and Aditya Birla Group have invested significant capital into the business**
  - VIL raised Rs. 250 bn (~\$3.0 bn) in May 2019 through a rights issue, including Rs. 179.2 bn (~\$2.2 bn) contributed by the promoter group
  - Promoter group invested a further ~Rs. 49.4 bn (~\$600 mn) in 2022
  - Further, one of the promoter group entities has committed to provide equity funding to the extent of Rs 20 bn
- **In addition to being the policy maker and largest creditor, the Government of India now owns a 33.1%<sup>1</sup> equity stake** post the conversion of interest arising from the deferment of AGR and spectrum installments into equity
- The Board has approved fundraise of up to **Rs. 200 bn (\$2.4 bn)** via a combination of equity and / or equity-linked instruments
- In addition, the company remains actively engaged with its lenders for tying-up the debt funding, which will follow the equity fundraise
- **The equity and debt fundraise will enable the Company to make investments towards:**
  - Expansion of 4G coverage,
  - 5G network rollout, and
  - Capacity expansion

# Company Overview



# VIL: An Overview

## Extensive network

8,005 MHz



Spectrum holdings<sup>(1)</sup>

183,300+



Unique locations

438,900+



Broadband sites

298,000+ km



OFC<sup>(2)</sup>

## Demonstrated scale and reach

> 487,000



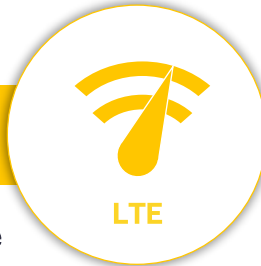
Towns and villages covered

215 million+



Subscriber base

1.2 billion+



Population coverage

## Advanced technology and consumer experience



13,900+

4G MIMO  
radio deployment



*Digital Initiative  
of the year  
(Asian Telecom  
Awards 2023)*

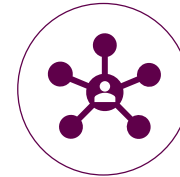


Edge cloud

60+ Distributed  
Cloud Locations



*Best customer  
experience team  
(CX Today  
Awards 2023)*



Entertainment  
and media  
partnerships

supporting ARPU  
growth through  
enhanced user  
experience



*Amongst highest app  
ratings amongst  
Indian telecom  
operators on Google  
Play Store*

Source: Company filings as of Dec-31, 2023

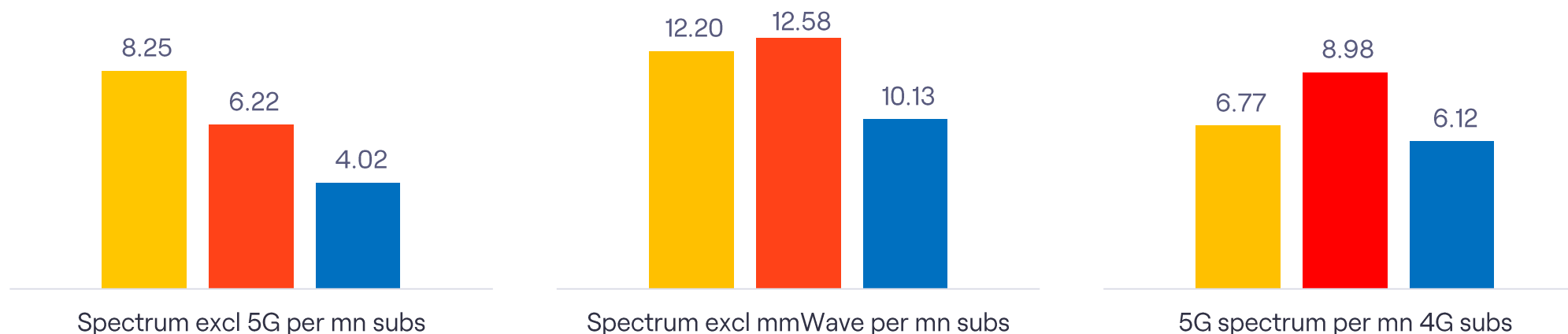
(1) Includes 30 MHz of non-liberalized spectrum. Liberalized spectrum is spectrum freely usable towards deployment of any technology.  
+ Numbers have been rounded down to the nearest multiple of 100

(2) Including own built, IRU OFC and excluding overlapping routes.

# Competitive and adequate spectrum to fuel growth

Spectrum Holding per mn subs<sup>1</sup> – unpaired basis (MHz)

■ Vodafone Idea ■ Bharti Airtel ■ Jio



All spectrum which can be utilised towards 4G\*

	VIL	Airtel	Jio
Spectrum (MHz) <sup>2</sup>	1,775.2	2,148.0	1,892.0
Subscribers (Mn) <sup>3</sup>	215.2	345.6	470.9

All spectrum except 26 GHz<sup>#</sup>

	VIL	Airtel	Jio
Spectrum (MHz) <sup>2</sup>	2,625.2	4,348.0	4,772.0
Subscribers (Mn) <sup>3</sup>	215.2	345.6	470.9

700MHz and 3300 MHz to offer 5G services<sup>^</sup>

	VIL	Airtel	Jio
Spectrum (MHz) <sup>2</sup>	850.0	2,200.0	2,880.0
Subscribers (Mn) <sup>3</sup>	125.6	244.9	470.9

**VIL has highest 4G spectrum per mn subs<sup>4</sup> which is expected to drive near term growth; Sufficient spectrum is available to support migration of entire 4G subs to 5G**

\*excludes non-liberalised spectrum as well as 700 MHz, 3300 MHz and 26GHz spectrum

<sup>#</sup>excludes non-liberalised spectrum and 26GHz given the use cases are still developing

<sup>^</sup>calculated on the basis of 4G subs for respective operator

1. Calculated by dividing respective spectrum holding with respective subscribers 2. Source: Department of Telecommunications 3. Source: Subs/4G Subs as reported in quarterly results as on Dec 31, 2023. In case of Airtel, this represents Mobile Services India segment and in case of Jio, reported subs are considered as 4G subs 4. Amongst the top 3 operators by subscribers

# Trusted brand with strong proposition

## Trusted Indian brand



**Together For Tomorrow**

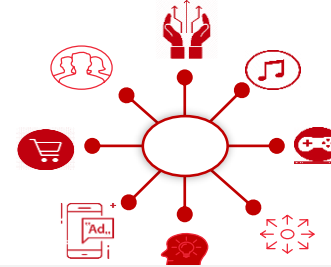
- 3+ decades of operations backed by strong brand recall and management with global expertise
- Strong unified brand brings together the power of two brands – Vodafone and Idea into one
- Trusted by 215+ million customers in India
- Large Enterprise customer base with long standing relationships

## Extensive reach



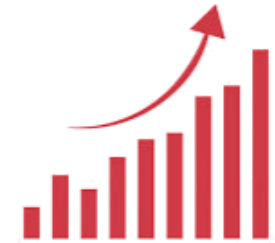
- Ability to communicate effectively with 215+ million users
- 95%+ district distribution coverage, serving customer across 787k+ retailers and 2.3k+ branded urban stores
- Strong data and analytics enabling personalization at large scale

## Digital Assets



- 24x7 connectivity with Distributors and retailers; real time market information
- Customer servicing and acquisition
- Competitive content offering through partnerships with several global & regional content providers
- Vi app – continuously growing digital ecosystem through collaboration with several partners

## Strong Proposition



- Gross adds share higher than Customer Market Share (CMS) indicating ability to effectively compete in market
- Investments in network will help further enhance brand proposition and customer experience
  - Enhance proportion of high ARPU subscribers through superior network experience
  - Drive migration of subscribers from 2G to 4G

**Offering quality customer services**



# Strong Promoters and Support from GOI

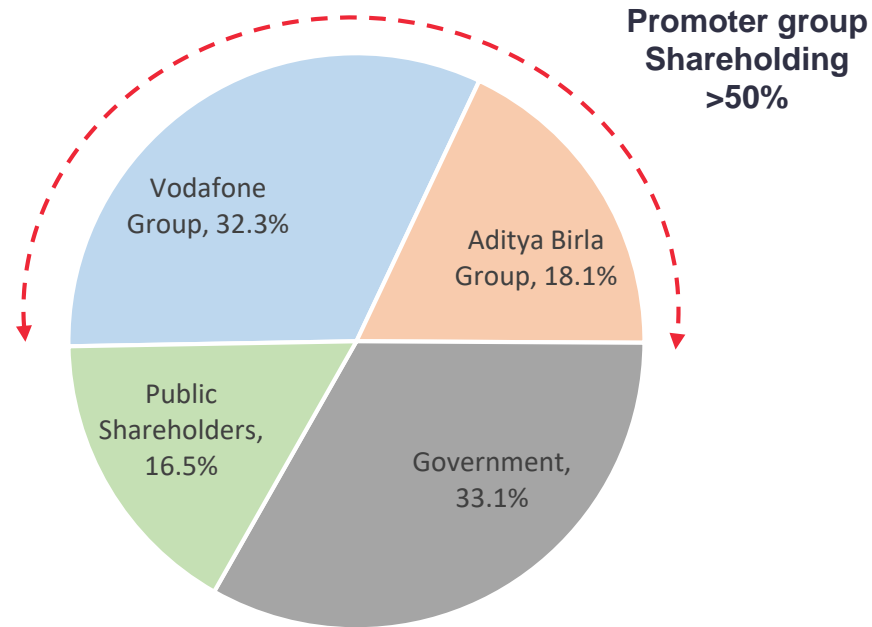
- Vi has strong parentage with the promoters, Aditya Birla Group and Vodafone Group
- In addition to being the policy maker and largest creditor, Government of India now owns 33.1%<sup>1</sup> equity stake post the conversion of debt representing NPV of interest arising from deferment of AGR and spectrum instalments into equity
- Both Vodafone and Aditya Birla Group have invested significant capital into the business
  - VIL raised Rs. 250 bn (~\$3.0 bn) in May 2019 through a rights issue, including Rs. 179.2 bn (~\$2.2 bn) contributed by the promoter group
  - Promoter group invested a further ~Rs. 49.4 bn (~\$600 mn) in 2022

## Shareholding Post Government Conversion<sup>1</sup>



### ADITYA BIRLA GROUP

- Global conglomerate with a rich legacy of 165+ years and presence across 40 countries
- Presence in various sectors including cement, metals and mining, mobile telecommunications, fashion retail, financial services, textiles, carbon black, trading, chemicals, renewables, paints, real estate and jewellery retail



### vodafone

- Largest pan-European and African telecoms company
- Mobile and fixed services to over 300 million customers in 17 countries, partner with mobile networks in 45 more
- One of the world's largest IoT platforms

**Growth**

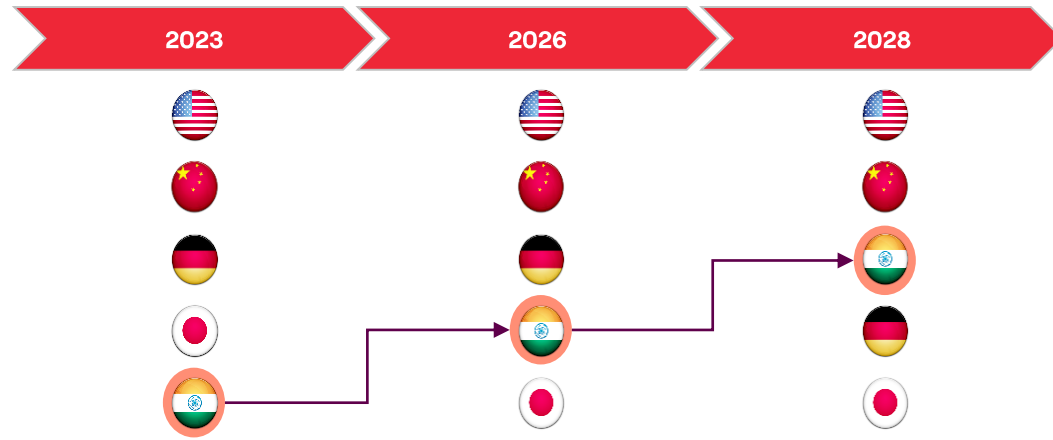
**Opportunities**



# Growth potential in the Indian telecom sector (1/2)

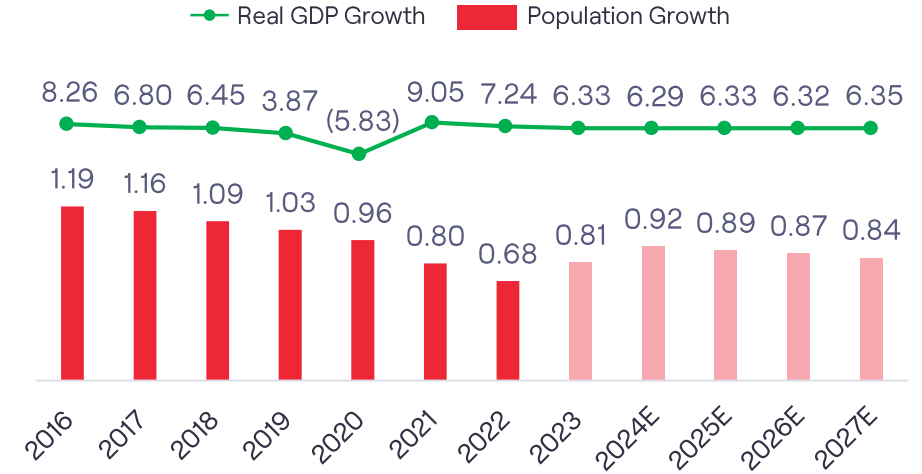
## India is expected to become the third largest economy by 2028

Ranking of top 5 economies based on Nominal GDP<sup>1</sup>



## Large and growing population

Real GDP growth YoY (%) and Population growth YoY (%)<sup>1</sup>



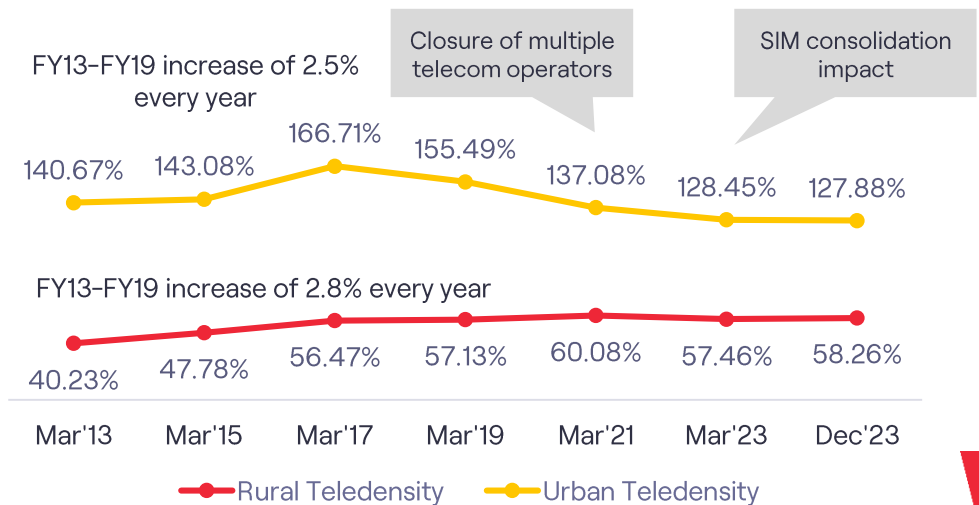
## ARPU of major countries

\$ per month<sup>2</sup>



© GSMA Intelligence Service 2020

## Urban teledensity<sup>3</sup> to remain high & rural teledensity<sup>3</sup> is low with untapped market

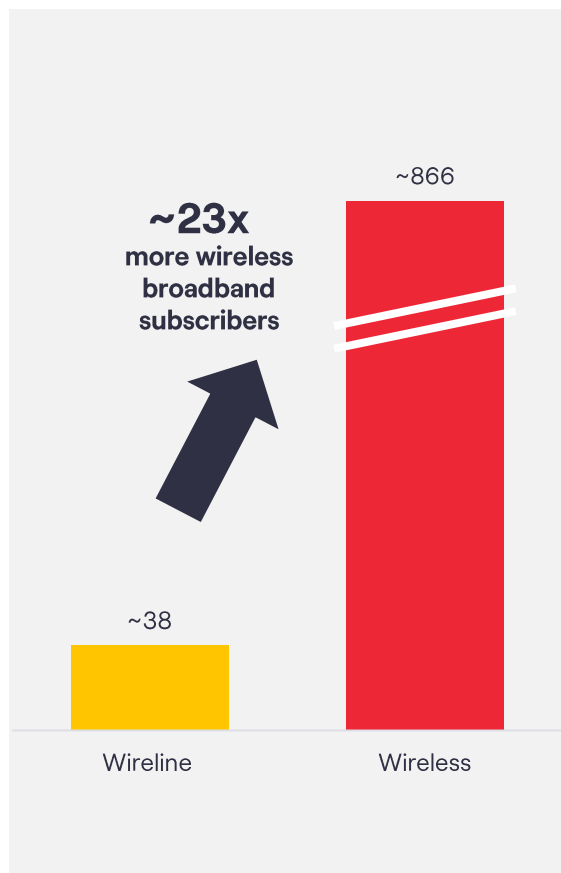




# Growth potential in the Indian telecom sector (2/2)

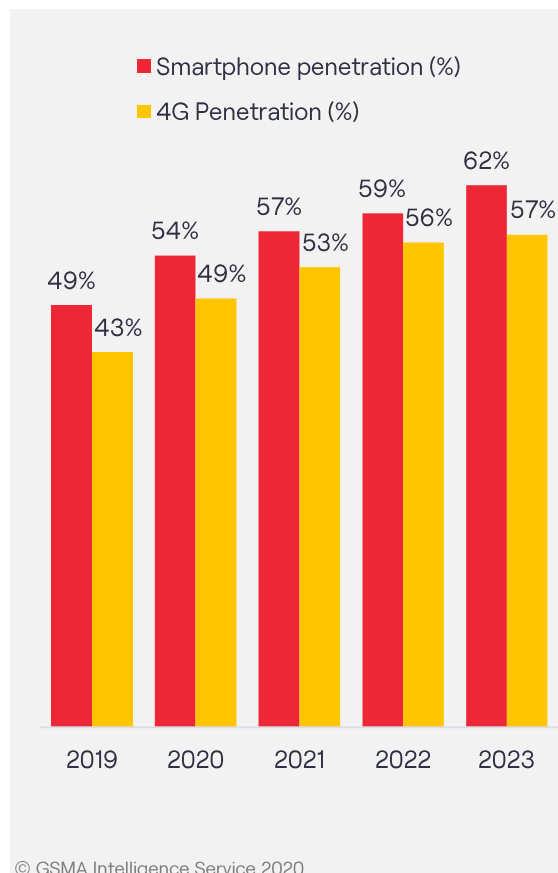
Broadband Subscribers<sup>1</sup> (mn)

(Dec'23)



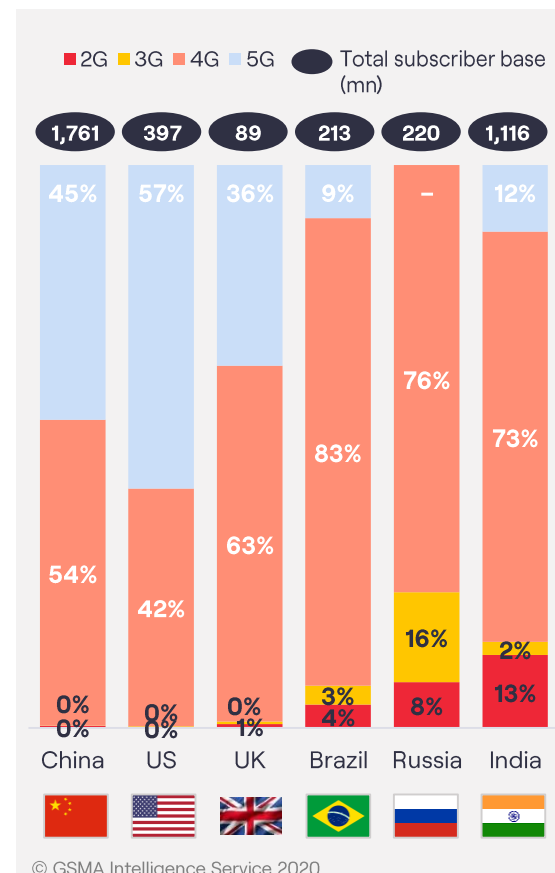
4G wireless penetration and smartphone adoption<sup>2</sup> in India

(% of population - Dec end)



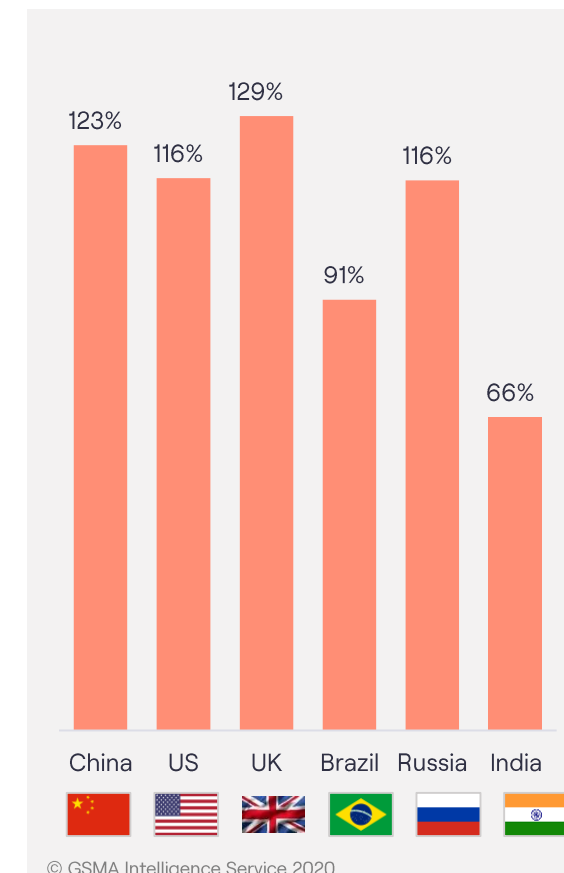
Penetration by access technology<sup>2</sup>

(% of subscribers - Dec 2023)



4G/5G wireless penetration<sup>2</sup>

(% of population - Dec-23)



Mobile broadband is primary medium to access internet and expected to continue its growth trajectory as large proportion of 2G/3G subscribers to still migrate to 4G and low 4G/5G penetration relative to global peers

1. Source: TRAI Subscription Report Dec'23.

2. Source: GSMA Intelligence database



# Digital Revolution in India offers substantial growth opportunities

## Key trends and enablers

### Key Trends

#### Digital India vision<sup>1</sup>

- Digital infrastructure to every citizen
- Governance and services on demand
- Digital empowerment of every citizen

#### Government Push for India's Digital Revolution<sup>2</sup>

- Open Network for Digital Commerce
- Drive to provide quality internet
- Reforms in Digital Payments
- Push towards Data Centres

#### Explosion of data usage

- Lower ARPU than major world economies<sup>3</sup>
- COVID-19 has accelerated India's digital journey<sup>4</sup>
- Data usage per sub increased by 19x since Mar 2017 and in Sep'23, is at ~19GB per sub<sup>5</sup>

### Key Enablers / Opportunities



**1.4bn**  
people in world's largest unique identity program with authentication by mobile<sup>6</sup>



**~1bn**  
active wireless phone subscribers<sup>7</sup>



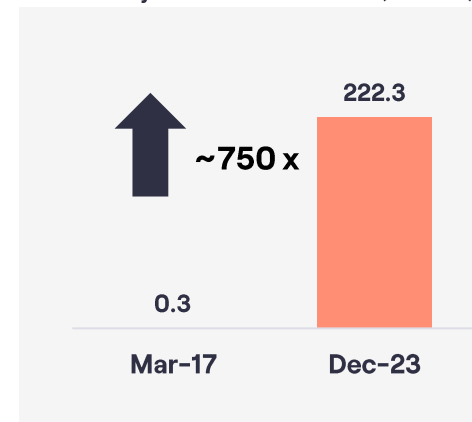
**~866mn**  
wireless broadband subs<sup>7</sup>



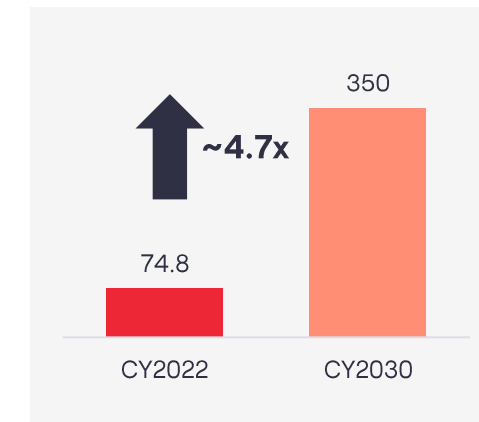
**41.7%**  
rural internet penetration Sep 23<sup>5</sup>: increased from 34%<sup>5</sup> in Sep20 showing growth of ~23% in last 3 years

## Rapid digitalization of Indian market

UPI monthly transaction amount (USD bn)<sup>8</sup>

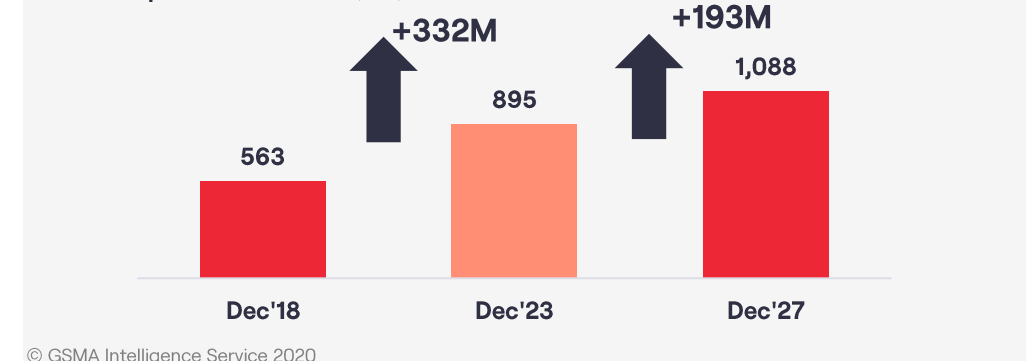


Indian E-Commerce Market (USD bn)<sup>9</sup>



## Increasing smartphone usage

Total smartphone subscribers (mn)<sup>3</sup>



© GSMA Intelligence Service 2020

Note: FX 1USD=82 Rs.

Sources : 1. www.blog.mygov.in/ 2. www. https://www.ibef.org/ 3 GSMA Intelligence database

4. www.weforum.org

5. TRAI Performance Indicator Report Sep. Internet subscribers includes wireless and wireline subscribers.

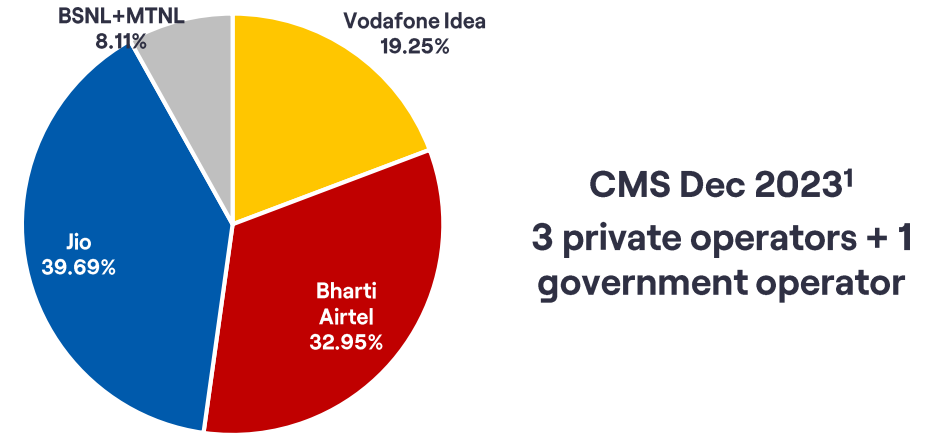
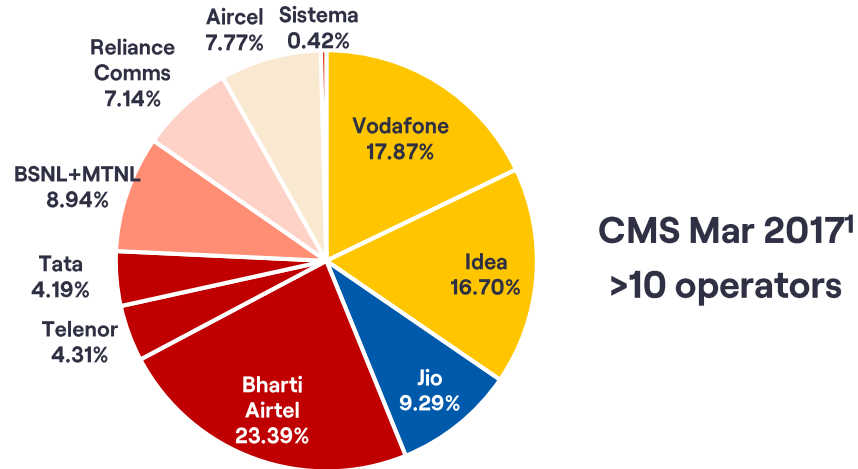
6. Unique Identification Authority of India 7. TRAI Subscription Report Dec 2023.

8. NPCI Database. A Unified Payment Interface (UPI) is an instant real-time payment system developed by National Payments Corporation of India ("NPCI") facilitating inter-

bank transaction via a smartphone application.. 9. E-commerce in India by Statista

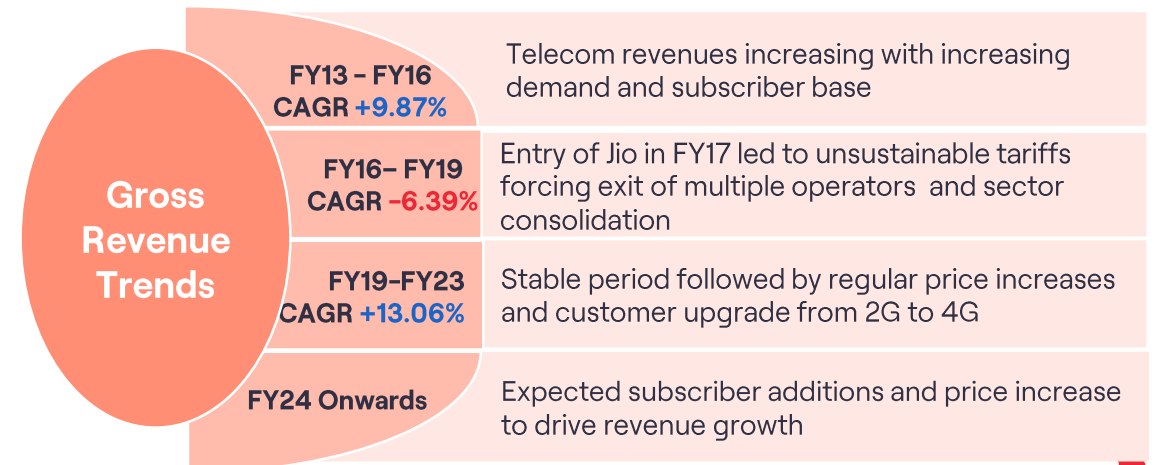
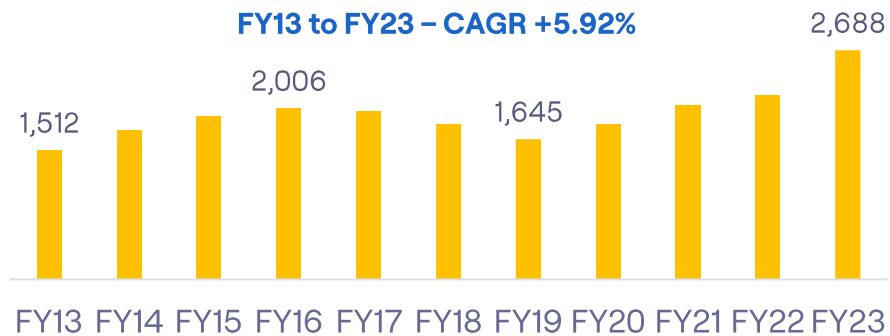
# Market structure providing clear runway for market repair

## Market structure that encourages healthy competition



## Significant growth potential for Telecom Revenue

Gross Revenue (Rs Bn)<sup>2</sup>



**VIL**

**Strategy**



# Vodafone Idea Strategy

**1** Focused network investments to drive coverage and capacity expansion



- Investment focus in 17 circles to improve competitiveness in priority markets
- 4G coverage and capacity expansion to enhance customer experience and 5G Introduction
- Deploying 5G technologies like Cloudification of Core, DSR, Open RAN etc.
- Sufficient mid band and mmWave 5G spectrum for foreseeable future

**2** Market initiatives to drive ARPU improvement and Customer Retention



- Build consumer preference and trust through messaging architecture
- Drive extraction in new 4G geographies as we expand our coverage
- Scale up share of primary SIM in covered geographies by delivering best in class experience & differentiated propositions
- Drive digitalization of customer service and distribution for new customer acquisitions, supporting upsell and better retention

**3** Focus on Business services through Telco-to-Techco transformation



- Protect & Grow connectivity business through superior customer experience & Vodafone Group Global expertise
- Strengthen SME/SOHO relationship through digital propositions
- Focus on fast growing integrated IoT segment by offering End2End services
- Multi-Cloud Services central to growth strategy

**4** Strategic collaborations to monetize digital opportunities



- Deep integration to deliver differentiated Telco + experience & value for partners and customers
- Create data monetization opportunities using platform capabilities
- Partner the Digital India agenda via Access, Data & Affordability

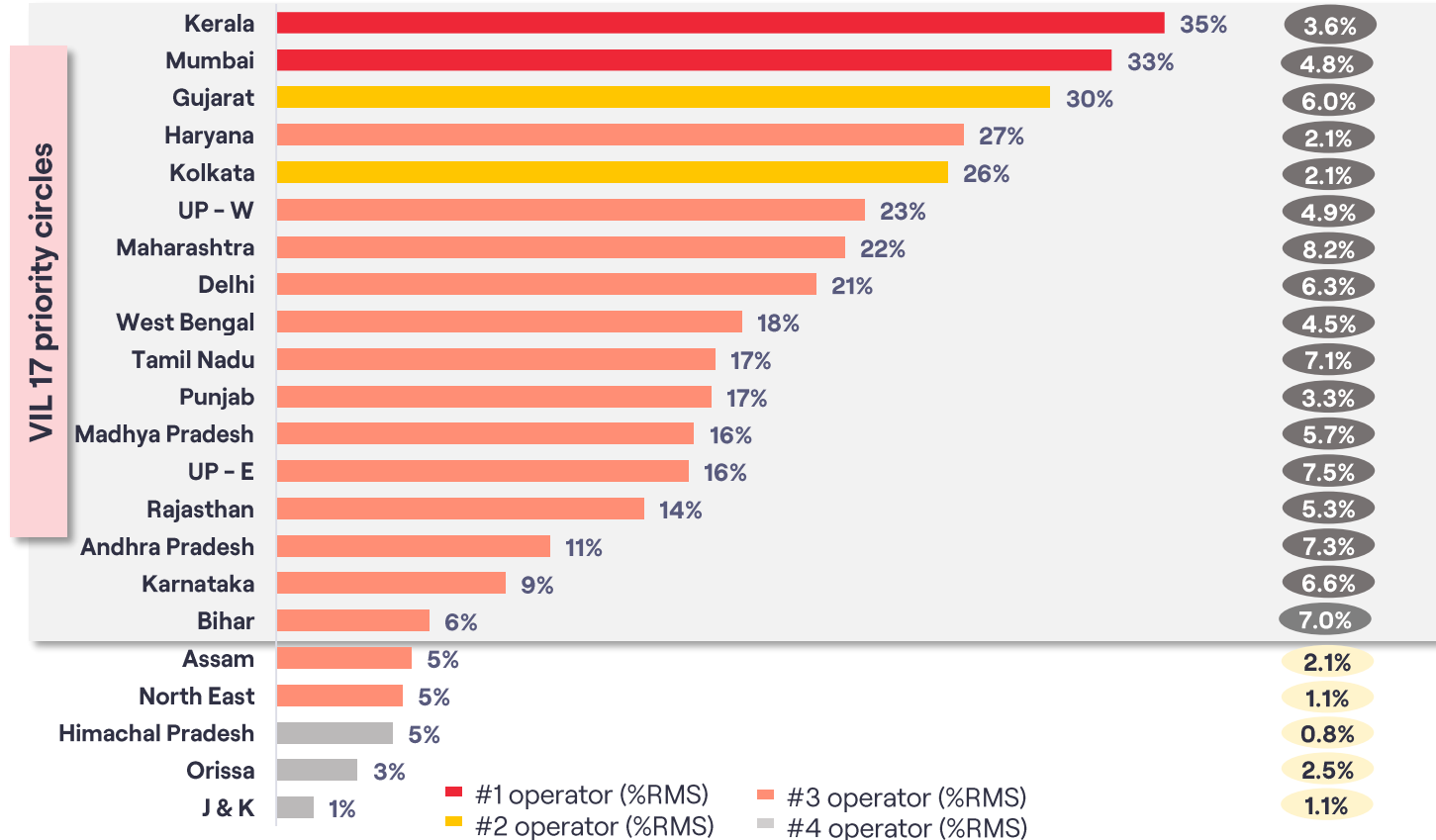
Digital Transformation, Enhanced Customer Experience and Partnerships to Drive Cash Generation

# 1 Focused investments to drive coverage & capacity expansion

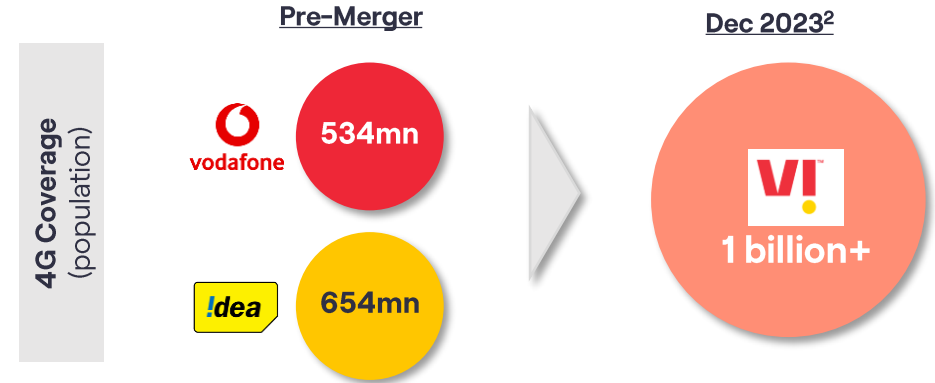
## Focused network investment in 17 priority circles

Applicable Gross revenue market share Q3FY24 (%)<sup>1</sup>

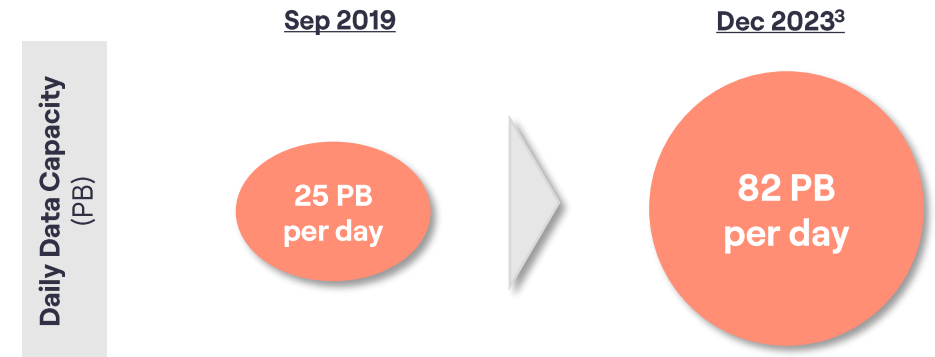
% of Industry Applicable gross revenue (ApGR) as of Q3FY24



## ...driving 4G coverage expansion...



## ...as well as continuous capacity expansion since merger



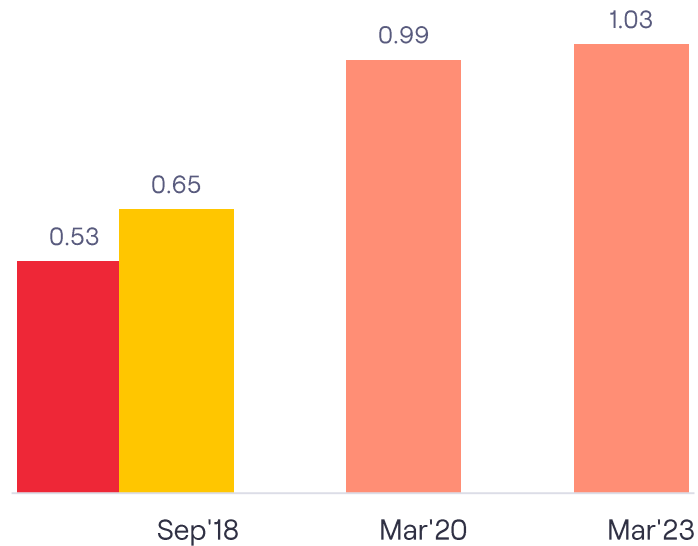
**17 priority circles account for ~98% of VIL revenue (~92% of industry revenue)<sup>1</sup>**



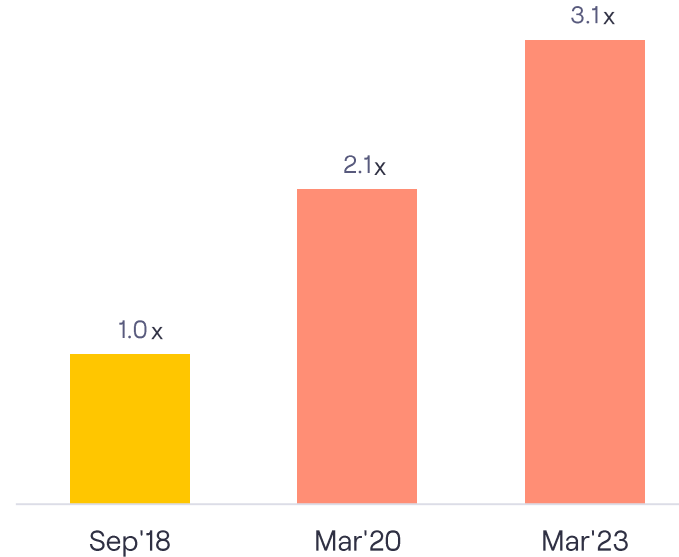
Source: 1. Based on TRAI Financial Report Quarter ended Dec 2023 2. VIL Q3FY2024 quarterly report 3. Company Information.

# 1 Focused investments in 17 priority circles

Pan India 4G population coverage (bn)



Pan India network build capacity (PB/day)



Strategic Focus areas

- Focus on expanding 4G population coverage in 17 priority circles to become competitive
- For 5G, target to cover 40% of existing revenues in first 24 to 30 months
- Capacity expansion to address the increasing data demand
- Re-farming 900 MHz towards 4G leading to better consumer experience as well as Re-farming 2100 MHz towards 4G
- Small cell deployment in hot-spot locations of metros / large cities for better experience

Focused Capex to improve competitiveness in priority circles with improved 4G coverage and Introduction of 5G



# 1 Existing network built on 5G-ready architecture



## RADIO 5G ready radio deployments

- 90% of TDD radios are 5G ready
- All new basebands are 5G capable
- 5G MRO completed in 4 Circles with 4 Vendors
- Backhaul E-band MW throughput - 9.8 Gbps achieved in trial
- Deployment of 5G Ready Massive MIMO
- Deployed new roadmap architectures of vRAN and oRAN
- Vi AirFiber home broadband solution tested with multiple partners

Disaggregated RAN bringing cost efficiency, new capabilities and new service offerings.

Scalable & agile business model enabling network automation



## CORE Edge cloud deployment

- Pan India 5G NSA capable Core Network deployed to handle high throughput enhanced mobile broadband data, Voice and Enterprise services
- Future proof multi-tenant cloud for critical core applications: Voice, Data services
- New generation micro services based cloud native deployment trials
- IOT ready core network for M2M/IOT services
- Core Network for HD quality (VOLTE) voice services
- Fully protected data centres to host critical core network applications

60+ distributed cloud locations with potential to meet future ready edge use cases

Architecture to optimise latency and better customer experience



## TRANSMISSION Hyper Scale

- Pan India scalable and resilient National express backbone Network has been created
- Symmetric Multi-path protection on optics layer in all Circle and Metro networks
- 90% of optical end points have been made ready with 10G bandwidth capability to ease 5G rollout in phased manner
- IP intensification in major cities (advanced software deployment)
- Unified network transportation

Increased ability to carry data traffic, reduced latency and on demand bandwidth expansion

Cost efficient and agile model enabling scalability from data centre networks to enterprise networks

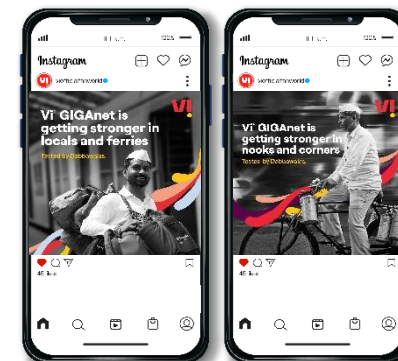
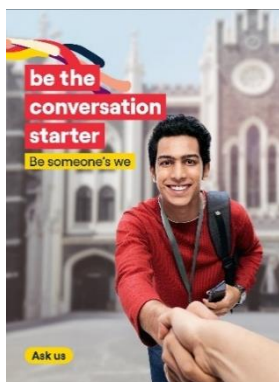
Late adaptation of 5G leading in embracing latest advanced technology products and cost efficiency



# 2 Market initiatives to drive ARPU improvement & customer acquisition

## Build Consumer Preference & Trust

- Deliver the power of connectivity and deepen emotional affinity to build positive momentum and consumer connect for Vi – Be Someone's We
- Offer plan that gives customers the autonomy to select and customize benefits tailored to their unique preferences
- Create a strong position for the network in the minds of the consumer – tested by Mumbai's best human network

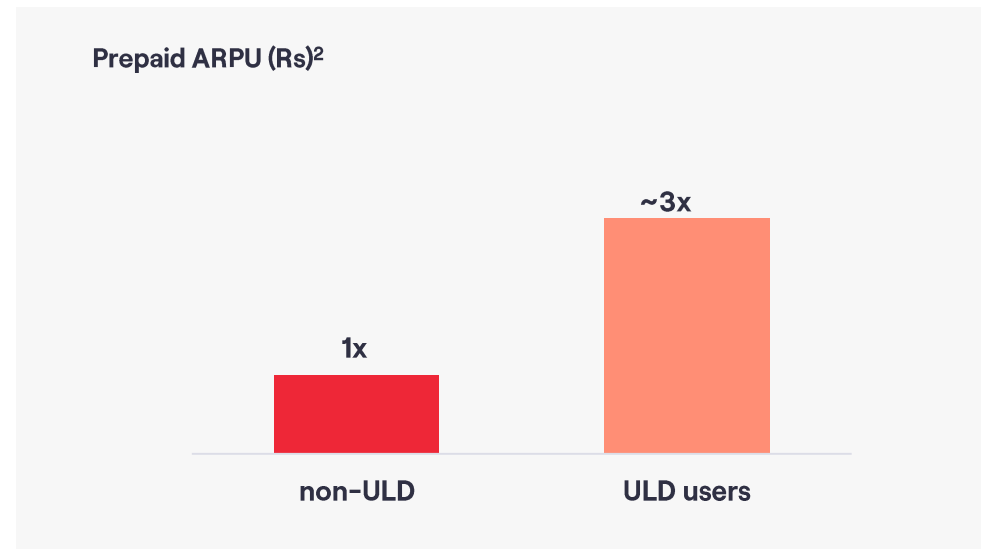
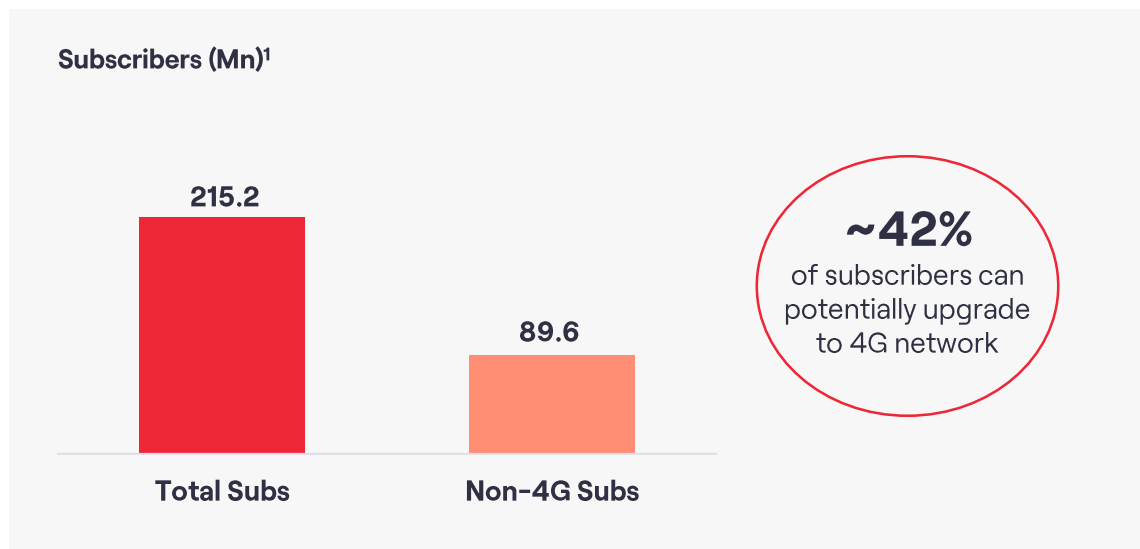


## 2 Market initiatives to drive ARPU improvement & customer acquisition

### Initiatives to drive ARPU growth

- Focus on expanding 4G footprint in rural and semi urban growth markets.
- Enhance proportion of high ARPU subs through superior network experience in existing markets
- Building propositions in conjunction with partners to target share growth
- Focus on driving higher share of broadband devices through focused programs with OEMs and NBFC
- 2G subs presents a strong opportunity to upgrade

### Upsell opportunities supported by structural growth in digitalization and data



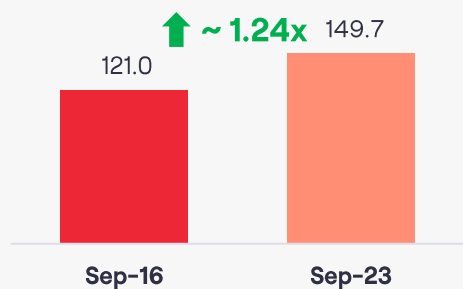
# 2 Market initiatives to drive ARPU improvement & customer acquisition

## Market Wide Tariff Hikes

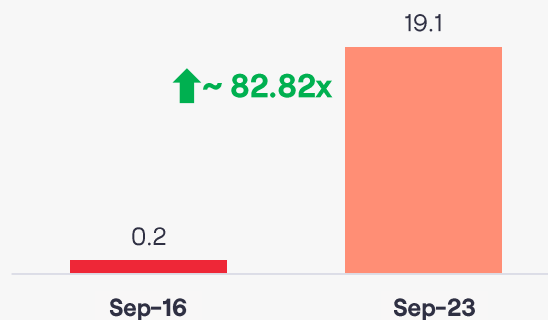
- Last tariff hike was taken in Nov 2021, tariffs in India are lower than major countries in the world. Further given inflation, prices need to catch up
- Significant headroom in ARPU as usage has increased significantly but ARPU have not increased in line with usage and customer ability to pay higher is already established
- Prices need further uptick to generate reasonable returns and support future investments

## Significant runway for ARPU growth

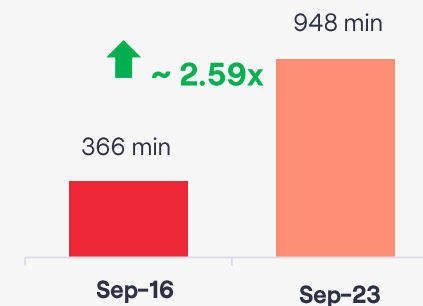
Blended mobile ARPU<sup>1</sup>



Average wireless data per data subscriber per month (GB)<sup>1</sup>





Voice minutes of usage per subscriber per month (min)<sup>1</sup>




## 2 Supported by digitalisation of customer servicing


Seamless Customer Experience through Digital channels

- Intuitive **Dynamic IVR** providing upfront menu options to customers based on recent transactions and events
- **Digital Service Request (SR) %** – More than **50% SRs** for Complaint & Requests **raised Digitally**
- **Vi Priority** – Dedicated Experience & Service channel for High Value Post Paid base
- Multiple **Digital enabled platforms** introduced for Digital engagement like use of Robotic Process Automation, email Bot, Chat Bots etc to increase efficiency

Select Tools	Use Case
 <ol style="list-style-type: none"> <li>1. Mobile App</li> <li>2. Chat Bot</li> <li>3. Messenger</li> </ol>	<ul style="list-style-type: none"> <li>▪ Effortless account management through Mobile App</li> <li>▪ AI enabled Chat services</li> <li>▪ To reach out directly through internet search &amp; maps</li> </ul>
 <p><b>Humanoid Bot</b></p>	<ul style="list-style-type: none"> <li>▪ Conversation bot for post paid collections – Improved efficiencies and collection performance, reduced customer barring, Lower service cost</li> </ul>

 **CX Today Awards 2023**   
Best Customer Experience Team of the Year – Google My Business

 **Brandon Hall Excellence Awards**   
Best deployment of strategies, systems & tools in field of Training & Learning

 **Google Accolades**   
Global accolade from Google on Vi's VIC Chatbot

Initiatives driving new customer acquisitions, supporting upsell and better retention

## 2 Supported by digitalisation of distribution

### Digital tools for sales and distribution

- **Digital connect** with retailers, promoters and distributors through apps like m-Power and Smart-Connect
- These apps provide **real time information on various KPI's** which help the team be on top of the business and drive efficiency at outlet level
- Built in attendance and market working **tracking mechanism** helps in monitoring performance

#### Select Tools



m-Power app



Smart Connect app

#### Use Case

- Trend Analysis and drill down available at each Sales Entity for all key business KPI's
- Real time information to aid the selling process
- Retailer engagement program – Vi Game of Boundaries – cricket gamification of retailer performance
- Winners of the 12<sup>th</sup> Aegis Graham Bell Award for Digitalization of Prepaid Recharge Distribution
- Free of cost door step delivery and digital KYC currently available in 100+ cities for both prepaid and postpaid customers
- Customers can choose number of their choice, track orders, reschedule their appointment or modify their orders providing a true ecommerce type experience
- A unique referral program launched for Retailers under the banner “Every Outlet Activating Outlet”

### Digital Customer Acquisition

Initiatives driving new customer acquisitions, supporting upsell and better retention

# 3 Focus on business services through Telco to Techco Transformation

Be the trusted and valued partner to Enterprises powering their businesses in a digital economy

Telco

Enhanced connectivity

Managed Services

Digital Products

End to End Solutions

Partnership Led approach

Techco

Led by Connectivity

Integrated & end to end solutions

1

## Protect and grow connectivity

- **Grow Vi Business Plus Mobility** with advanced solutions like GWS, location tracking and end to end **managed mobility services**
- Business Communication solutions – **CPaaS, Managed SIP, CCaaS**
- **Hybrid SD-WAN** for future ready managed connectivity
- **Private Networks** for Industry 4.0

2

## Accelerate IoT

- **Strengthen market leadership** by offering unmatched customer experience in IOT
- **Industry first Digital platforms** managing experience lifecycle with Device Mgmt capabilities.
- **Category development** enabled by **IoT R&D Lab & Consulting** practice.

3

## Invest in Next Gen. Services

- **Create relevant Cloud platform & services portfolio** with Colocation, Hosting, IaaS & SaaS solutions to help Enterprises accelerate digital transformation
- **Edge Cloud** Propositions for Enterprises and Industry 4.0
- **Vi Secure** – business security solutions across Network to Device

4

## Drive Segmented GTM

- **Gain wallet share in** Hyperscalers /Large customers
- Grow SME/SoHO & enable digital adoption by leveraging **ReadyForNext Digital Assessment** platform

# 3 Industry Recognitions for Vi Business

## CIO Choice Awards 2024

- ❖ Telecom Carrier (Mobile Access)
- ❖ Telecom Carrier (International Access)
- ❖ Rich Business Messaging
- ❖ IoT
- ❖ Cloud Telephony
- ❖ SD-WAN Services
- ❖ Digital Transformation Enabler (ReadyForNext assessment for MSMEs)

## Asian Telecom Awards 2024

- ❖ IoT Initiative of the Year (India)

## Frost & Sullivan ICT Awards 2023

- ❖ SIP Trunk Technology Innovation Leadership Award
- ❖ Smart Mobility solutions Enabling Technology Leadership Award

## Voice & Data Telecom Leadership Awards 2023

- ❖ Customer Experience Category (Customer Service)
- ❖ Vi Business Hub (Enterprise Business Services)

## e4M Indian Marketing Awards 2023

- ❖ Gold in B2B sector for ReadyForNext initiative

## ET BrandEquity DG+ Awards 2023

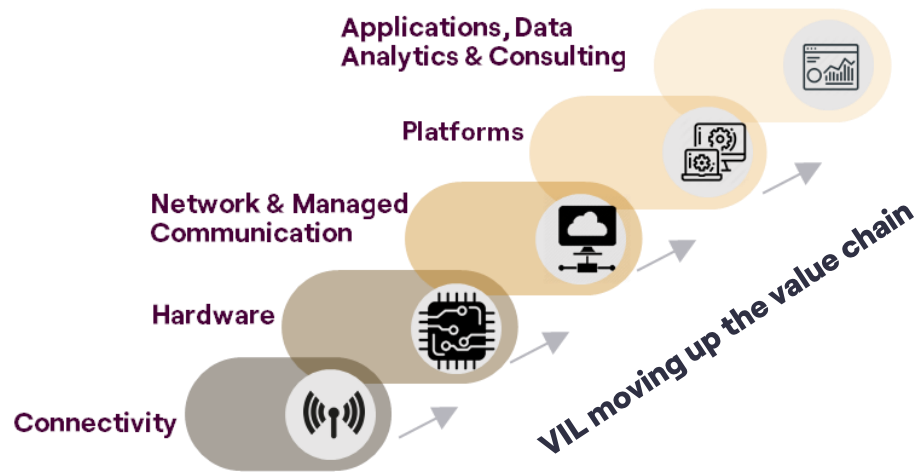
- ❖ Bronze in "Digital Campaign in B2B category for ReadyForNext initiative"

Award Winning offerings show our focus

# 3 Accelerating IoT with end-to-end solutions

## Scaling up the value chain

### IoT Constituents



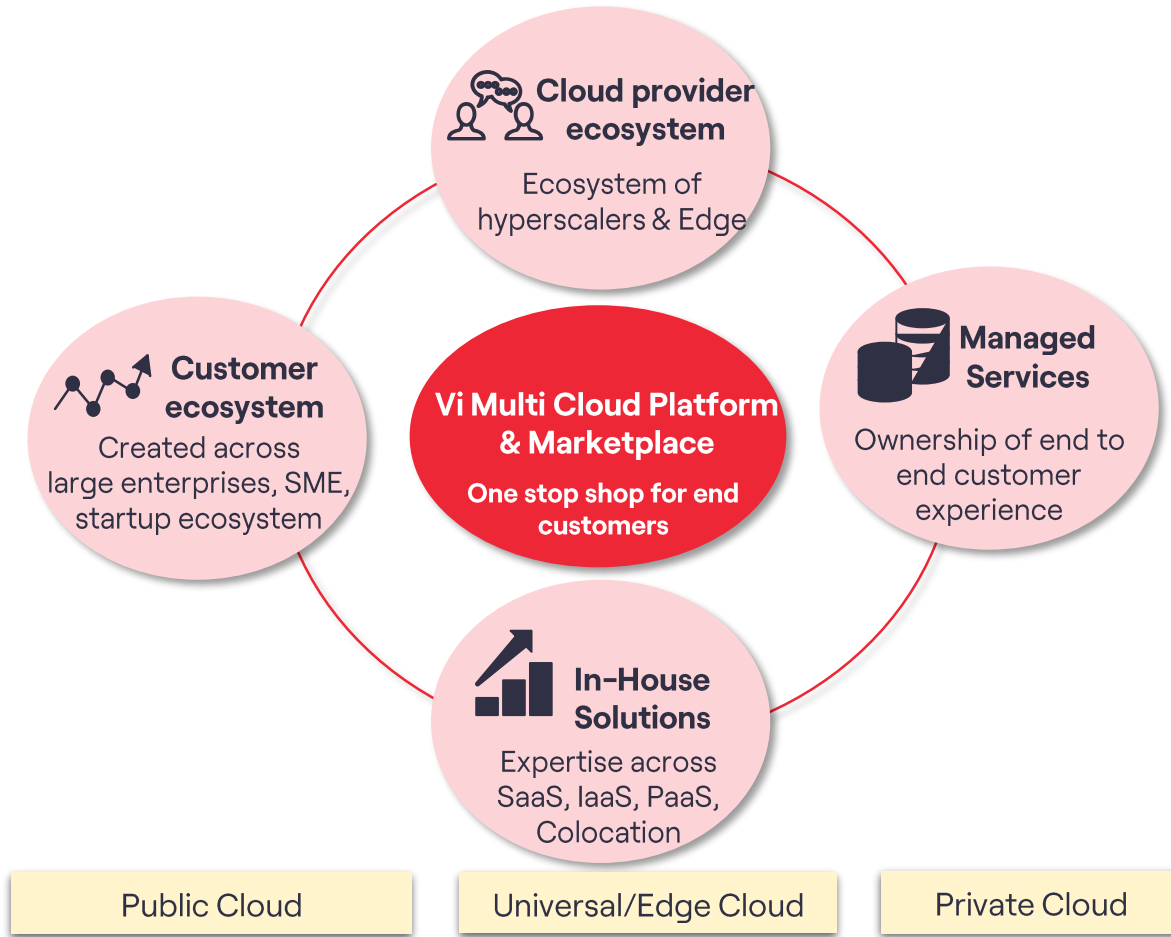
1. **First telco** to have end-to-end Integrated IoT offering, comprising of connectivity, hardware, network, application, analytics, security and support
2. **Strong position** in IoT automotive opportunity
3. **Strong position** in Vehicle tracking systems, Energy, Utilities, among others
4. **First of a kind IoT lab-as-a-service** for device testing, standardization and certification
5. **Expanding footprint in diverse use cases** like- Battery monitoring, sandbox, transport management, solar and water management, Smart street lighting & more
6. **India's first eSIM** which is GSMA SAS-SM, DOT, ARAI, AIS140 compliant; widest IoT connectivity portfolio with GSMA certified e-UICC SIM

IoT market to expand, VIL well positioned to gain competitive share



# 3 Preferred provider of end to end cloud services

## Integrated multi cloud platform enabling public, private and edge cloud services



## Key Strategic Focus Areas in Cloud services



### Scale through Strategic collaborations

- Strategic collaborations with hyperscalers/ Colocation providers
- Deeper alliance & engagement to Co-create differentiated offerings



### Develop Infrastructure

- Develop platform for seamless cloud delivery & experience
- Build Edge locations & partner ecosystem to build industry specific use cases



### Invest in Skills and Knowledge

- Invest to build robust Managed services capability & framework
- An efficient "born in cloud" sales/pre-sales
- An operations support structure

VIL's position as preferred choice creates significant opportunities for new revenue streams

# 4 Vodafone Idea's digital propositions & integrated platform

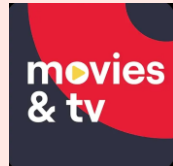
## Consumer Business

## Business Services, SME, SoHo

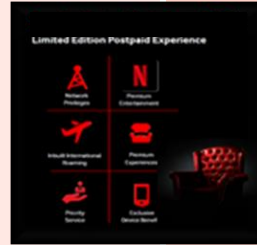
### VIL CUSTOMER OFFERINGS



Service App



Content and OTT app



REDX Experience



IoT offerings

Smart Utility  
Smart Mobility  
Smart Infrastructure



SMB Digitalisation

Vi Website Builder  
Workforce Essentials  
Cloud Telephony  
ReadyforNext Digital Assessment  
Vi Secure Portfolio



Broadband



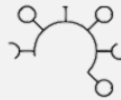
Digital Engagement Platform

Vi business - Mobility

### DYNAMIC PLATFORM WITH DEEP INTEGRATION CAPABILITY



Cinema / TV Shows  
Live TV



Big Data  
Machine Learning  
Telco Credit



Edge Cloud

60+ Distributed Cloud Locations  
31,100+ Fiber POPs for Deep Edge  
183,300+ Site Locations for IoT reach



B2B Services

Credit Score  
Location Tracking Solutions  
Customer Targeting Solutions



IoT Connectivity & Security Platforms

### VIL PARTNERS

Global and regional Content Providers

Handset Manufacturers

Financial institutions and NBFCs

Major Network & IT Vendors

Ecommerce players

Social Media Platforms

Cloud & IoT Platforms

# 4 Vi is creating a Digital ecosystem

Several collaboration projects to expand digital footprint – Vi app to be the go-to destination for movies, music, games, deals & rewards, news, jobs, learnings & more

## Movies, TV & Music

Drive affinity amongst youth & win share

- Vi Movies & TV app provides a wide range of content including 300+ LiveTV channels in HD & SD format, thousands of movies, TV Shows and short format videos in 16+ Indian languages
- Product bundling tie ups with leading content providers
- Music streaming proposition in partnership with a leading media company

## Gaming & eSports

Drive deeper digital engagement

- Gaming is a high potential market, which is expected to grow exponentially
- Launched a casual gaming proposition for consumers and added multi-player features to it
- Forayed into e-sports segment in strategic collaboration with e-sports start ups

## Curated Experience

Customised proposition for target group

- Differentiated & custom offerings for focus on key consumer segments like Bharat youth, urban grey-collared & home-makers to build consideration and drive market share
- “Vi Jobs & Education” offering to job search and improve spoken English skills in collaboration with strategic partners

## Digital Advertising

Ad-tech platform to monetize telco assets

- Leveraging telco data and digital assets to create end to end integrated ad tech platform with self-serve capabilities
- Launched ‘Vi Ads’ and are empaneled with almost all the top media agencies and are part of the media plan for some of the big brands

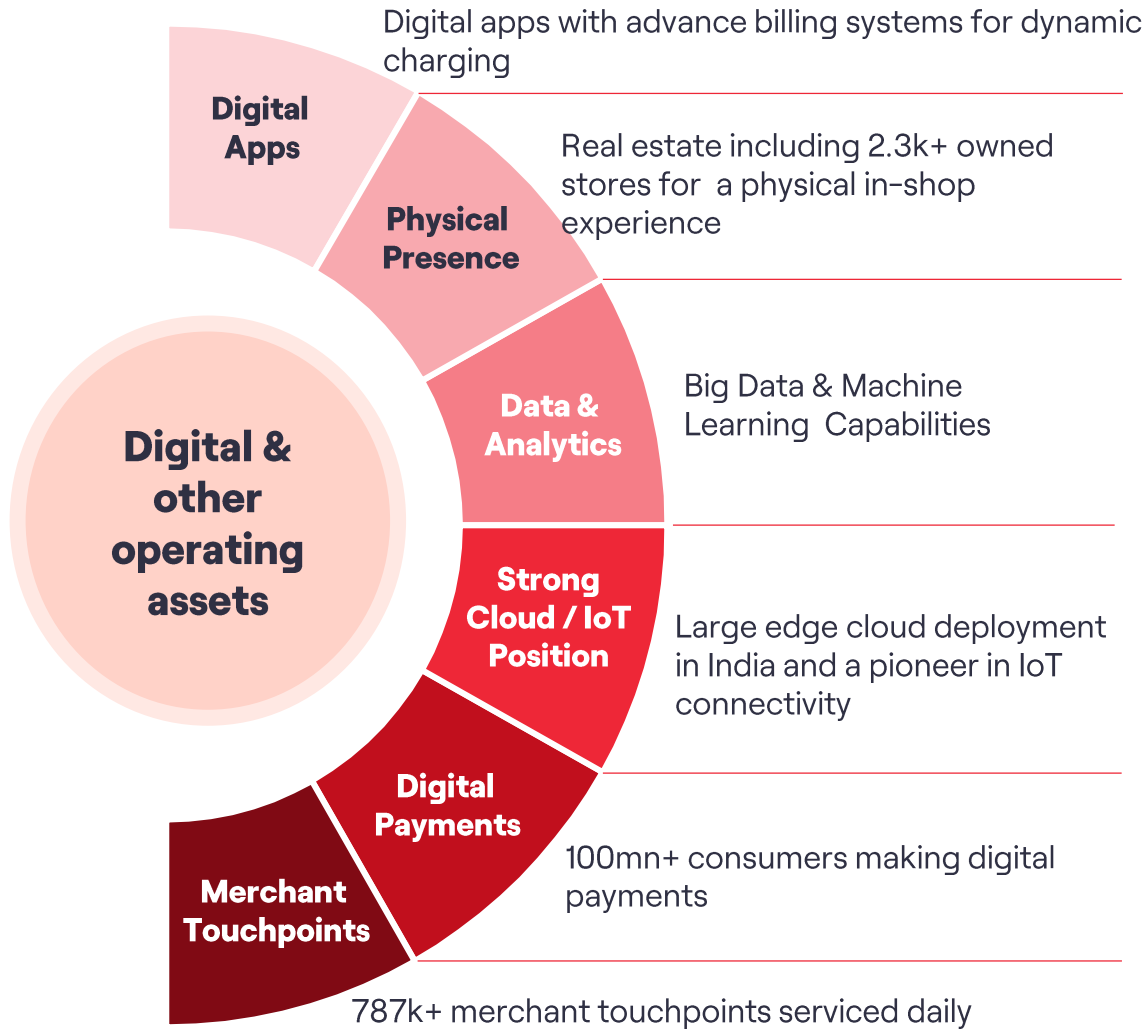
## Digital Marketplace

Monetize Digital traffic

- Leveraging telco data and access capabilities to create a Digital marketplace as a core monetization agenda
- Partnerships with leading players across categories like OTTs, financial services, lifestyle, device protection, ed-tech, Health, etc.

Digital collaborations to drive brand differentiation, engagement & monetization

# 4 Monetization through Digital initiatives & collaboration opportunities



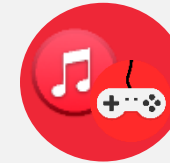
## OFFERINGS

## OPPORTUNITY



### INTEGRATED IOT SOLUTIONS

- VIL has taken some initiatives and few are in pipeline, primarily through partnerships, to participate in these growth opportunities



### PARTNERSHIPS IN CONTENT, GAMES, etc.

- Possibility of substantial growth



### END TO END CLOUD SOLUTIONS

- Several use cases across logistics, health, education, fintech among others
- Possibility of substantial growth



### POTENTIAL OPPORTUNITIES VIA DEEP INTEGRATION

**Monetization opportunity on the back of digital offerings**

# Q3FY24 Update



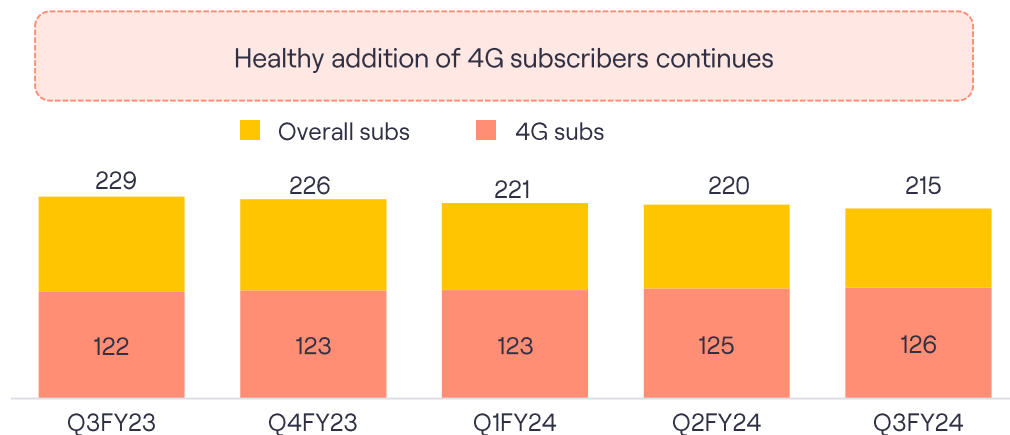
# Financial & Operating KPIs – Many KPIs Showing Improving Trends

Financials & Operating KPIs	FY23		FY24		
	Q3	Q4	Q1	Q2	Q3
ARPU (Rs)	135	135	139	142	145
<b>Subscriber (Mn)</b>					
EOP	228.6	225.9	221.4	219.8	215.2
Net Adds	(5.8)	(2.8)	(4.5)	(1.6)	(4.5)
4G Subs	121.6	122.6	122.9	124.7	125.6
<b>Market Share (%)</b>					
VIL CMS - EOP	21.1%	20.7%	20.1%	19.8%	19.3%
VIL RMS - ApGR	18.7%	18.2%	18.6%	18.2%	17.8%
Data Usage (Pb/Day)	58.3	60.0	61.4	61.9	60.8
<b>Financial (Rs Bn)</b>					
Revenue	106.2	105.3	106.6	107.2	106.7
EBITDA (pre IndAS 116)	20.0	20.7	20.2	20.6	21.4
EBITDA (Reported)	41.8	42.1	41.6	42.8	43.5
<b>Debt (Rs Bn)</b>					
Gross Debt (incl. accrued int.)	2,229	2,093	2,118	2,128	2,150
-Govt. of India Dues	2,097	1,963	2,006	2,033	2,073
-Banks & Financial Inst. incl OCD	132	130	112	95	77

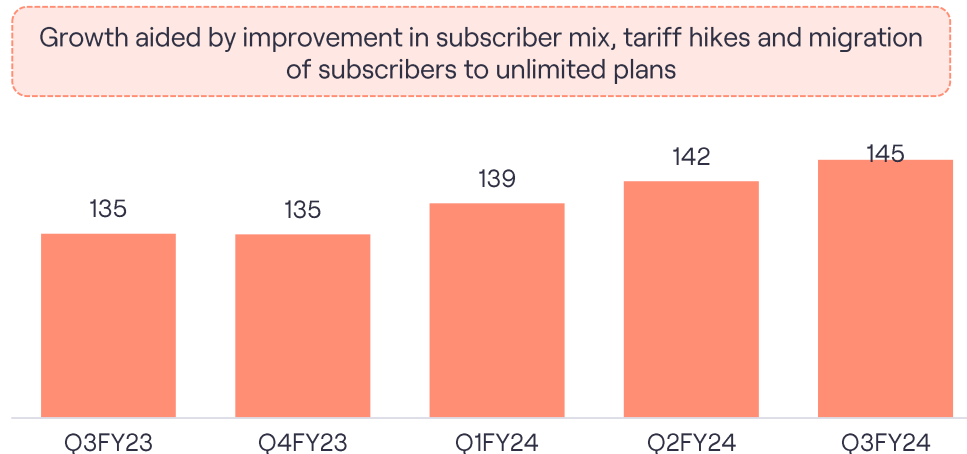
- ARPU improvement for 10 consecutive quarters driven by Price increase and customer upgrades, which in turn has supported revenue growth despite subscriber churn
- 4G subscriber base continues to grow for 10 consecutive quarters, however overall base declined primarily due to change in entry level plans, SIM consolidation, lower 4G coverage (vs competition)
- Gross adds share for VIL is higher than its Customer Market Share (CMS) indicating its ability to effectively compete in market
- FY23 Annual revenues grew by 9.5% first time post-merger
- FY23 Cash EBITDA increased to Rs. 83 bn from Rs. 66.8 bn in FY22 registering strong growth of 24.1%. FY23 Cash EBITDA margin at 19.7% is the highest post-merger
- Debt from banks and financial institutions has reduced by Rs. 170 bn over the last 2 years
- American Tower Corp (ATC), one of VIL's vendors, has converted dues of Rs. 16 bn to OCDs during Q4FY23

# Key Operating and Financial Trends

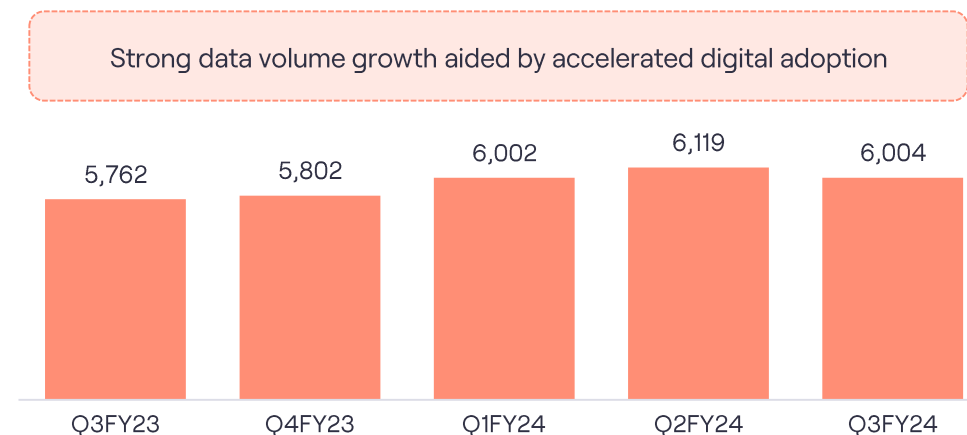
## Consistent Growth in 4G Subscribers (Million)



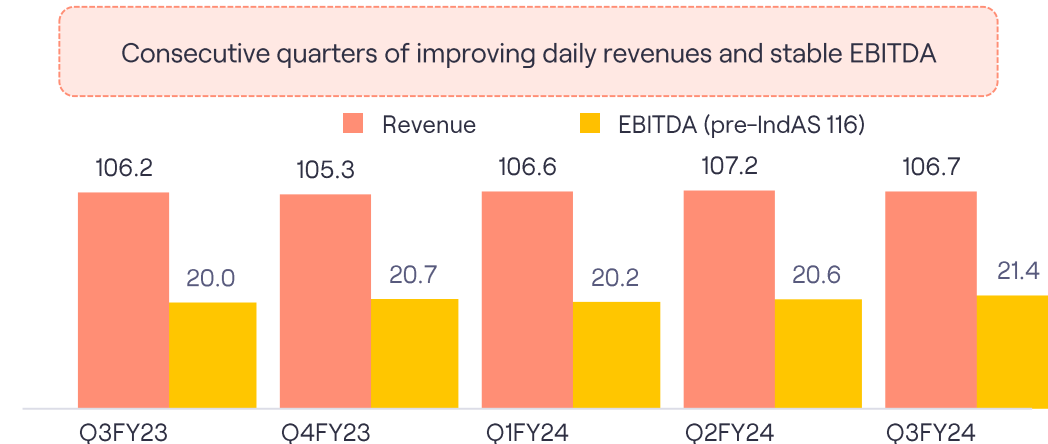
## Improving ARPU (Rs)



## Growing Data Volume (Billion MB)



## Improving Revenue & EBITDA (Rs Bn)



# Glossary

Term	Description
MHz	Mega Hertz
OFC	Optical Fibre Cable
IRU	Indefeasible Right to Use
ARPU	Average Revenue Per User Per Month
NPV	Net Present Value
AGR	Adjusted Gross Revenue
GDP	Gross Domestic Product
MIMO	Multiple-Input Multiple-Output
DSR	Dynamic Spectrum Sharing
RAN	Radio Access Network
SME	Small & Medium Enterprises
SOHO	Small office-Home office
IOT	Internet of Things
MRO	Minimum Roll-out Obligation
SIP	Session Initiation Protocol
SD-WAN	Software-defined Wide Area Network
IaaS	Infrastructure as a Service
SaaS	Software as a Service
PaaS	Platform as a Service
ULD	Unlimited Data Plans
B2B	Business-to-business
OTT	Over the top

Term	Description
TDD	Time Division Duplex
MW	Microwave
oRAN	Open Radio Access Network
vRAN	Virtual Radio Access Network
NSA	Non-Standalone
M2M	Machine to Machine
VOLTE	Voice over LTE / Voice over Long Term Evolution
NBFC	Non Banking Financial Corporation
KPI	Key Performance Indicators
CPaaS	Communications Platform-as-a-Service
CCaaS	Contact Center as a Service
R&D	Research and Development
EBITDA	Earnings Before Interest, Tax, Depreciation & Amortization
2G	Second generation mobile telecommunication technology
3G	Third generation mobile telecommunication technology
4G	Fourth generation mobile telecommunication technology
5G	Fifth generation mobile telecommunication technology
GHz	Giga Hertz
TRAI	Telecom Regulatory Authority of India, constituted under the Telecom Regulatory Authority of India Act, 1997
KYC	Know Your Customer
POP	Point of presence



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