DIRECTORS' REPORT & MANAGEMENT DISCUSSION AND ANALYSIS

Dear Shareholders,

We have pleasure in presenting the Thirty First Annual Report, together with the audited financial statements of the Company for the Financial Year ended March 31, 2026.

INDIAN WIRELESS SECTOR

FY26 marked the tenth anniversary of the Digital India mission. What began as an aspiration to make technology work for every Indian has, over the past decade, fundamentally transformed how India communicates, transacts, and governs. Globally, India now ranks third in digitalisation of the economy, according to the State of India's Digital Economy Report 2024 released by ICRIER, and digital economy is projected to contribute nearly one-fifth of the country's overall GDP by 2030. At the heart of this transformation, is a thriving wireless ecosystem, that has carried the digital economy on its back.

India's wireless sector has reached a scale and depth that few could have envisioned even a decade ago. As of March 31, 2026, the sector's key metrics reflect this transformation:

- Broadband connectivity crossed a landmark milestone — total broadband subscribers reached 1,065.88 Mn, underscoring the depth of India's digital adoption.
- Total telephone subscriber base reached 1,330.58 Mn, with the wireless (mobile) segment accounting for 1,265.73 Mn subscribers.
- Overall tele-density stood at 93.26%; urban tele-density at 151.47% and rural tele-density at 60.46%.
- The rural participation story is particularly compelling as rural wireless subscribers reached 546.60 Mn, with rural areas contributing 44% of the total internet subscriber base — a powerful indicator of digital democratisation at the grassroots.
- 5G Fixed Wireless Access (FWA) subscriptions stood at 12.32 Mn.

The volume of UPI transactions reached 19.6 billion, worth over ₹ 29.5 lakh Cr growing over 19% year-on-year. Worldline's India Digital Payments Report (October 2025) attributed much of this growth to frequent, low-value transactions driven by what is termed as the 'Kirana Effect', grassroots digital commerce at India's smallest retail touchpoints. This ground-level participation signals that digital connectivity is no longer a privilege but increasingly akin to a fundamental right. Telecom infrastructure is the invisible thread connecting this entire ecosystem — from farmers accessing crop-update apps to students in Tier 3 towns attending virtual classrooms.

With India poised to become one of the largest mobile data traffic generating nations per active smartphone by 2030, the industry must continue to invest to keep pace with the nation's growing connectivity demands. The telecom sector is no longer merely a commercial vertical; it is the critical enabler of India's Viksit Bharat 2047 vision. Digital health, online education, fintech inclusion, and smart governance all rest on robust, high-quality wireless connectivity.

Recognizing the pivotal role telecom has to play in India's digital growth journey, the Government of India has provided various policy tailwinds to the sector to aid building world-class digital infrastructure across multiple fronts:

- The Union Budget FY26 allocated ₹ 81,005 Cr (US$ 9.27 billion) to the Department of Telecommunications and IT, the Production-Linked Incentive (PLI) scheme for telecom and networking products valued at ₹ 12,195 Cr, accelerating indigenous manufacturing and reducing import dependency in critical telecom equipment.
- The Department of Telecommunications has established a dedicated 6G Innovation Group, positioning India as an early mover in next-generation wireless standards.
- India's draft National Telecom Policy 2025 (NTP-25) targets 100% 4G coverage and 90% 5G population coverage by 2030 — a bold vision for full-stack digital inclusion.

However, India has one of the lowest Average Revenue Per User ("ARPUs") in the world, making it challenging for telecom operators to sustain investment and innovation. The last tariff hike was in July 2024 after more than two years of the previous tariff increase which was in November 2021. An upward revision of the tariff in the future would drive a meaningful step-up in industry ARPU, further strengthening the investment case for India's telecom sector.

Periodic tariff increases remain not merely a commercial lever but a structural necessity to generate reasonable returns on capital, sustain network investments, and support the continued rollout of next-generation technologies.

The consolidation of India's wireless market to three private operators and one public sector entity has improved the sector's structural positioning, enabling greater pricing discipline, rationalising capital allocation, and providing a stable foundation for sustained long-term investment. With rural tele-density still at 60% and overall broadband penetration at 75% of the population, the runway for growth remains substantial.

As India's digital economy races towards contributing nearly one-fifth of GDP by 2030, the role of the telecom sector as its foundational infrastructure becomes only more consequential. The industry's imperative and opportunity is to ensure that every citizen, business, and institution can participate in and benefit from this digital revolution.

COMPANY OVERVIEW

Mobile Business Overview

Your Company, an Aditya Birla Group and Vodafone Group partnership, is a major telecommunication operator in India, offering Voice, Data, and other Digital business connectivity services including IoT, Cloud, Managed Services, etc. Your Company is continuously engaged in introducing newer and smarter technologies for its retail and enterprise customers. Your Company offers technologies with innovative offerings that can be accessed conveniently through an ecosystem of digital channels as well as extensive presence on the ground.

1. Voice Services

Your Company offers Voice Services in all 22 service areas. Your Company now covers more than 1.2 bn Indians in over 487,000 census towns and villages with its Voice Services. Your Company also provides 4G VoLTE across all 22 circles to provide enhanced voice experience to its 4G subscribers. Your Company has now expanded Voice over Wi-Fi (VoWiFi) calling feature for its subscribers in all circles.

2. Broadband Services

Your Company provides broadband data services on 4G and/or 5G technology in all 22 service areas of India.

Your Company's broadband coverage is available in over 414,500 Census towns and villages. The population coverage on 4G is more than 1.1 bn covering close to 86% of population[#]. Your Company has thus seen a steady rise in 4G subscriber penetration (as a percentage of reported subscribers) increasing from 63.8% as of March 31, 2025 to 66.9% as of March 31, 2026. As your Company continues to focus on 4G network expansion, 4G subscriber penetration should further improve in the coming years. Your Company has expanded the recently launched 5G services in over 80 cities as of May 2026.

[#]Basis the Census 2011 data adjusted for 2020 by using Aadhaar Card data and proportionately extrapolating for all census data points, reported by an independent third-party consultant.

3. Content and Digital Offerings

Your Company offers an extensive suite of allied digital offerings that provide customers with a comprehensive and unified digital experience, leading to enhanced convenience, deeper engagement, and improved customer stickiness. Your Company has over the past 2 years launched propositions like Vi Movies & TV, Vi Games, Vi Shop, Vi Finance, which continue to evolve and scale. On the consumer side, the Vi app is now supercharged with AI capabilities, which hosts an AI powered recharge assistant to optimize selection of the most suitable plan for the subscribers.

Vi Movies & TV ('Vi MTV')

Your Company continues to simplify digital entertainment through the Vi Movies & TV app - an affordable, single subscription service that aggregates 20+ OTT platforms and 250+ live TV channels. The platform brings together marquee partners such as JioHotstar, ZEE5, SonyLIV, Fancode and Lionsgate Play, along with a diverse portfolio of regional content providers including Klikk, Atrangi, ManoramaMax, Chaupal, Playflix and Nammaflix. Apart from Vi MTV app, customers can also access best-in-class entertainment through OTT

bundles integrated within our prepaid and postpaid plans, including Netflix, JioHotstar, Amazon Prime Video, ZEE5 and SonyLIV. This enables a seamless, "one-destination" entertainment experience across multiple devices such as mobile platforms (iOS and Android) and Smart TVs (Google TV, Samsung, LG and Firestick) and these high-performance native applications deliver a superior viewing experience across screens.

Vi Finance

Your Company has also entered the digital financial services space with the launch of Vi Finance - a comprehensive financial marketplace within the Vi App where the customers can access personal loans, fixed deposits and a curated range of secured and unsecured credit cards from leading financial institutions. The Company has partnered with Aditya Birla Finance Limited (ABFL) and InstaMoney for lending solutions and continues to onboard additional partners to expand offerings across ticket sizes and customer segments. By digitizing the end-to-end journey, Vi Finance provides a secure, convenient and hassle-free alternative to traditional banking channels.

Vi Ads

Your Company offers targeted digital advertising services for media agencies and brands through its own ad-tech platform called 'Vi Ads'. The platform empowers marketers to engage with Vi users, as per their own targeting requirements, on both, Vi media assets as well as external media channels and publishing partners of Vi Ads. Your Company is focused to scale Vi Ads and has signed some strategic partnerships that will drive next phase of growth. Vi Ads is now empaneled with almost all top media agencies in India and is part of the media plan for several leading national brands.

Vi Games

Your Company is in partnership with OnMobile to offer gaming services on Vi app, called as 'Vi Games'. Subscribers can access to a wide variety of hyper-casual individual games as well as multiplayer and social gaming titles - including Solitaire, Carrom, Wordle, Ludo, Sudoku, Cricket, Soccer, and Rummy, etc.

Vi Shop

To capitalise on the growing demand for curated brand-led deals, your Company has scaled Vi Shop on the Vi App as a digital marketplace powered by telco data capabilities. In partnership with leading players across categories such as food, travel, shopping and entertainment. The platform also offers curated vouchers and gift cards at attractive price points. This data-driven approach enables personalized, high-value offerings delivered through a seamless, self-serve interface.

Utility Bill Pay

Your Company has also transformed the Vi App into a comprehensive payments and services hub. Beyond mobile recharges and bill payments, users can seamlessly manage utility payments such as electricity, water and LPG bills, along with FASTag, insurance premiums, loan EMIs and credit card payments. The recent integration of Metro ticket bookings further enhanced everyday utility and convenience. By centralizing these essential services, the Company is driving higher engagement and strengthening its position as a high-value, one-stop destination for customers.

4. Other Value Added Services (VAS) Offerings

Your Company offers a variety of other Value Added Services (VAS) offerings, including voice and SMS based services, caller tunes and missed call alerts.

Long Distance Services and ISP

Your Company has active licenses for National Long Distance ("NLD"), International Long Distance ("ILD") and Internet Service Provider ("ISP"), and registration for Infrastructure Provider ("IP-1") services. These licenses are used to carry inter-circle voice traffic of your Company and also bring incoming voice traffic from top international carriers across the globe into India. Your Company also sends all of the outgoing International Voice traffic on its own network and the interconnections with these licenses enable it. These licenses also help your Company to offer various Enterprise Fixed Voice and Data Services to external customers like Enterprise, Government and Wholesale customers. Your Company's ISP currently handles all captive subscriber traffic requirements.

Business Services

Vi Business is committed to being the most trusted and valued partner helping businesses in their digital transformation journey. It offers comprehensive communication solutions to empower global and Indian corporations, public sector and government entities, as well as small and medium enterprises and start-ups. With leading-edge enterprise mobility, robust fixed-line connectivity, world class IoT solutions, and insightful business analytics and digital services, the Company delivers the smartest and newest cutting-edge technologies to support businesses in the digital age.

Leveraging its global expertise and understanding of local markets, Vi Business strives to be a trusted and invaluable partner for businesses in the digital realm.

Competitive Strengths

Your Company believes that it is well positioned to exploit the growth opportunities in India's rapidly expanding mobile telecommunications industry. The key competitive strengths are set out below:

1. Large Subscriber Base

As per TRAI subscription report, your Company had over 198.5 Mn subscribers and its subscriber market share was 15.7% as of March 31, 2026. The Applicable Gross Revenue (ApGR) market share was 15.9% of the Indian mobile telecommunications services industry for the year ended March 31, 2026 as per TRAI Data. During the year ended March 31, 2026, your Company had a leading ApGR market share in the Mumbai and Kerala service areas, and the second largest ApGR market share in the Gujarat service area. For the same period, ApGR market share was over 20% in the Haryana, Kolkata, Maharashtra, Delhi and Uttar Pradesh (West) service areas.

On a reported basis, your Company has 192.8 Mn subscribers as of March 31, 2026, of which 128.9 Mn are 4G/5G subscribers. As it continues to expand broadband coverage and capacity, the large subscriber base provides a platform to communicate effectively and utilise data and analytics to enable personalisation at a large scale. This also enables to upgrade voice only customers to users of data services and a large array of digital offerings, and helps maintain competitive position in the market. Your Company also utilizes artificial intelligence and data analytics to improve some of its services, including customer segmentation, targeted marketing, offering personalised recommendations, and location-based services, among others.

2. Competitive Spectrum Profile

Your Company has a total of 8,030.4 MHz of spectrum across different frequency bands out of which 8,012.8 MHz spectrum is liberalised and can be used towards deployment of any technology.

Your Company has mid band 5G spectrum (3300 MHz band) in 17 key service areas and mmWave 5G spectrum (26 GHz band) in 16 service areas.

Your Company, thus, has a competitive portfolio of spectrum across all bands in all the key circles. This large spectrum portfolio enables a superior experience to the customers, as your Company has the highest 4G spectrum available per Mn subscribers and sufficient capability to support migration of entire 4G subscriber base to 5G. With the emergence of 5G technology, it further enables strengthening the enterprise offerings and provide new opportunities for business growth.

Below table provides the spectrum held by your Company across all service areas:

Circle	Spectrum Frequencies (MHz)							Total FDD x2 + TDD
	FDD			TDD				
	900	1800	2100	2300	2500	3300	26000	
Andhra Pradesh	7.4	10.0	5.0	-	20.0	50	200	314.8
Bihar	-	13.4	5.0	-	20.0	50	-	106.8
Delhi	10.0	10.6	5.0	-	20.0	50	200	321.2
Gujarat	11.0	20.8	10.0	-	30.0	50	450	613.6
Haryana	12.2	15.8	15.0	-	20.0	50	400	556.0
Karnataka	7.2	15.0	10.0	-	-	50	200	314.4
Kerala	12.4	20.0	10.0	10.0	20.0	50	800	964.8
Kolkata	7.2	15.0	10.0	-	20.0	50	200	334.4
Madhya Pradesh	7.4	19.8	5.0	10.0	20.0	50	400	544.4
Maharashtra	14.0	12.4	15.0	10.0	30.0	50	400	572.8
Mumbai	11.0	10.2	10.0	-	20.0	50	200	332.4
Punjab	6.8	15.0	10.0	-	20.0	50	300	433.6
Rajasthan	6.8	10.0	15.0	-	20.0	50	300	433.6
Tamil Nadu	7.4	11.4	15.0	-	-	50	300	417.6
Uttar Pradesh (East)	6.8	10.0	20.0	-	20.0	50	250	393.6
Uttar Pradesh (West)	10.0	15.0	10.0	-	20.0	50	350	490.0
West Bengal	6.8	21.6	5.0	-	20.0	50	400	536.8
Priority Circles	**144.4**	**246.0**	**175.0**	**30.0**	**320.0**	**850.0**	**5,350.0**	**7,680.8**
Assam	-	25.0	5.0	-	20.0	-	-	80.0
Himachal Pradesh	-	11.2	5.0	-	10.0	-	-	42.4
Jammu & Kashmir	-	17.0	5.0	-	10.0	-	-	54.0
North East	-	25.8	5.0	-	20.0	-	-	81.6
Odisha	5.0	17.0	5.0	-	20.0	-	-	74.0
Other Circles	**5.0**	**96.0**	**25.0**	**-**	**80.0**	**-**	**-**	**332.0**
Total Liberalised Spectrum	**149.4**	**342.0**	**200.0**	**30.0**	**400.0**	**850.0**	**5,350.0**	**8,012.8**
Non-Liberalised Spectrum		**8.8**						**17.6**
Grand Total	**149.4**	**350.8**	**200.0**	**30.0**	**400.0**	**850.0**	**5,350.0**	**8,030.4**

3. Extensive Network Infrastructure and Coverage

Your Company has a strong network footprint across the country which enables it to offer comprehensive consumer offerings as well as have substantial capacity spectrum to address the growing data demand. Your Company has a large network infrastructure of 2G, 4G and 5G equipment, along with a nationwide Fiber Optic Cable (OFC) network. As of March 31, 2026, your Company operates approximately 207,000 unique tower locations across more than 487,000 towns and villages in India, and offer broadband services (4G and 5G) at more than 566,000 broadband (4G and 5G) units, covering over a billion people. Your Company's 4G population coverage increased to over 1.1 billion Indians i.e. over 86% of population, as of March 31, 2026. Your Company provide VoLTE services and Voice over Wi-Fi ("VoWiFi") services throughout India.

Your Company has OFC spanning over 350,000 kilometers, combining both own infrastructure and IRUs taken (excluding overlaps). Your Company continues to focus on enhancing its 4G and 5G infrastructure. During the year, 17,300 new unique broadband towers were added. The total unique broadband towers count now stands at over 202,000. Your Company has been deploying LTE on TDD band of 2300 MHz and 2500 MHz spectrum band to expand the capacity and on 900 MHz band on selected sites to improve customer experience in dense areas. Your Company also deploys Dynamic Spectrum Re-farming (DSR), High Power Small Cell (HPSC), Massive MIMO and Small Cells to maximize spectrum efficiency. During the year, your Company worked towards building 5G infrastructure.

4. Power Brand

FY26 marked a pivotal phase in your Company's brand journey. The Company entered the year amidst negative public sentiment and regulatory overhang, which impacted consumer perception and raised concerns around its ability to deliver superior connectivity and value.

Defying these challenges, your Company delivered a strong turnaround driven by accelerated network expansion, proactive communication of improved network performance and coverage, phased 5G rollout across key urban markets, and the launch of differentiated product propositions. Additionally, the Government of India and the Hon'ble Supreme Court's judgment on AGR dues provided a critical external impetus, enabling the Company to build a more positive narrative. These efforts collectively resulted in a significant improvement in social media sentiment, along with gains in spontaneous awareness and brand consideration metrics.

The network capex cycle initiated post-FPO gained further momentum during the year. During the IPL season, your Company communicated its enhanced network capabilities through the "1 Lakh Towers in 6 Months" campaign across television and digital platforms, receiving strong positive engagement from customers. This was complemented by targeted offerings such as JioHotstar packs aimed at upgrading customers to higher-value plans.

During FY26, your Company rolled out 5G services in key urban markets in a phased manner, enabling enhanced customer experience and optimal utilization of spectrum across technologies. With increasing penetration of 5G-enabled devices, this rollout strengthens the Company's ability to drive both customer acquisition and retention. Communication around 5G availability was executed through a mix of social media, point-of-sale branding and geo-targeted digital campaigns.

Your Company continued to build differentiation through innovative and industry-first product offerings. The 'Vi Non-Stop Hero' proposition launched earlier in select circles, witnessed strong adoption and was scaled Pan-India during the year. This offering provides truly unlimited data across 4G and 5G networks and has been widely adopted by high-usage data customers. A large-scale ATL campaign during August - September 2025, executed in partnership with Google Vertex AI for contextualized communication, significantly enhanced brand recall and engagement. Influencer-led amplification further strengthened reach, generating over 25 Mn organic views.

Your Company also continued to strengthen its premium postpaid portfolio. Customers benefit from uninterrupted premium entertainment through Netflix family plans and a comprehensive suite of benefits under the RedX portfolio. The Company remains committed to enhancing customer experience by continuously enriching its value propositions.

Tapping into the growing experience economy, your Company partnered with Netflix to create a unique, curated experience around the launch of the highly anticipated series 'Stranger Things Season 5' for its postpaid customers across key cities. This telco-exclusive initiative drove strong engagement, generated significant user-led social media content, and reinforced the linkage between premium entertainment and the Company's product offerings.

At the India Mobile Congress 2025, your Company showcased a range of AI-led use cases aligned with national initiatives such as Skill India. Demonstrations across sectors including fashion, automotive, MSMEs and fraud prevention received strong interest from

government stakeholders, industry participants, media and visitors. These initiatives reinforced the Company's vision of leveraging technology to drive innovation across business, employment and public services.

In FY26, your Company announced its partnership with the Chennai Super Kings, representing a strong alignment of shared values - passion, performance and resilience. This association aims to deepen consumer engagement, strengthen cultural relevance and enhanced the overall brand experience for customers.

During the year, your Company's marketing initiatives received global recognition, including Bronze awards at the Cannes Lions International Festival of Creativity and the London International Awards for the 'Vi Number Rakshak' campaign launched during the Kumbh Mela. This initiative enabled pilgrims, particularly those without mobile devices, to carry bracelets engraved with emergency contact details, facilitating reunification with families and addressing a real-world challenge through connectivity.

As the network continues to strengthen, your Company will continue to build on the pillars of functional salience, emotional connection, digital engagement, youth connect and product innovation to drive sustained brand differentiation in the Indian telecom sector.

OVERVIEW OF KEY STRATEGIC INITIATIVES

Your Company tracks performance across seven Key Performance Indicators (KPIs):

- Revenue
- Cash EBITDA
- Subscribers and net addition
- 4G/5G broadband subscribers
- ARPU
- Broadband site addition and
- Data usage

Collectively, these parameters provide a comprehensive view of operational and financial progress of your Company. Your Company has committed to a sustained customer addition, double-digit revenue growth, and a tripling of Cash EBITDA over the next three years i.e. by FY29. As of March 31, 2026, all seven of these parameters have been improving directionally. The net subscriber additions have turned positive in February 2026 marking a meaningful inflection in the business trajectory. The strategic initiatives described below are the primary drivers of this improving performance and your Company's growth ambitions in FY29.

1. 17-5-5 Network Play

FY26 marked a decisive acceleration in your Company's network investment cycle. Building on the three-year investment contracts signed with Nokia, Ericsson, and Samsung in September 2024, the pace of deployment stepped up meaningfully. Over the period of last 18 months since March 2026, your Company has deployed over ₹ 16,000 Cr towards network investment. It further planned an investment of ₹ 45,000 Cr between FY27 and FY29 to expand the 4G coverage and 5G services. This planned investment will contribute towards bridging the 4G coverage gap with your Company's competitors in 17 key circles. These key circles contribute to over 99% of your Company's revenue. Your Company also aims to bring 4G coverage to all national highways, key state highways, airports and place of tourists' interest in the remaining 5 circles. Lastly, your Company aims to provide seamless 5G coverage to all urban areas. With your Company's planned investments, the 4G population coverage in the 17 key circles is expected to increase to over 95%.

Your Company holds highest 4G spectrum per Mn subs amongst the 3 private operators and competitive 5G spectrum in its 17 key circles, which allows to offer superior experience to customers as well as to effectively utilize the spectrum across existing and emerging technologies.

As of March 31, 2026, the total broadband site count increased to over 566,000 from over 494,500 in March 2025. Your Company has committed substantial capital to build a network infrastructure capable of competing with the best in the country. This pace of network roll-out reinforces your Company's focus to superior customer experience through enhanced indoor coverage, in addition to adding more sites to expand its capacity.

These early investments have significantly enhanced network coverage and capacity, resulting in a better

customer experience. 4G population coverage expanded by over 48 Mn, reaching over 86%, up from ~83% in March 2025. Simultaneously, 4G data capacity increased by over 12% for the same time period. This marks just the beginning of a broader investment cycle. Consequently, your Company is observing a notable slowdown in subscriber losses. Most significantly, the subscriber addition turned net positive since February 2026, a meaningful milestone that reflects the impact of your Company's sustained network investment. Your Company is confident that this positive trend will continue with sustained pace of capex deployment. Moreover, the phased expansion of 5G services is expected to further strengthen subscriber acquisition, upgrade and retention.

Your Company initiated the rollout of 5G in March 2025 and as of May 2026, 5G services are available in over 80 cities. Your Company has the advantage of having latest 4G equipment and technologies which are capable to upgrade to 5G. Your Company has also deployed various advanced 5G technologies including Massive Multiple-Input Multiple-Output ("Massive MIMO") for improved capacity and Open Radio Access Network ("ORAN") for increased flexibility.

Your Company's network also includes new unified roadmap architectures of virtualized Radio Access Network ("vRAN") and ORAN solutions as well as E-band technology. The Pan-India core network is fully equipped to support 5G Non-Standalone (NSA) technology. This advanced network architecture is designed to handle the high throughput and diverse use cases associated with 5G, encompassing both mobile and enterprise segments. Your Company's 5G-ready architecture enables latency reduction and helps to deliver an enhanced customer experience.

2. Brand Reappraisal for subscriber growth

Your Company entered into a strategic partnership with Chennai Super Kings (CSK) as their official communications partner, giving it strong salience during the T20 cricket league. This partnership also represents a powerful combination of shared values - passion, performance and resilience. Together, the two brands are bringing fans closer to the game, celebrating the sport and delivering seamless connectivity that enhances every moment of the cricketing journey. This partnership represents the brand's commitment to deepening its connection with India's social and cultural fabric. Your Company is also running campaigns designed around this partnership called 'Vi 5G fanfest' offering the Company's subscribers in-stadium and digital interactive experiences, such as meet-and-greets, signed merchandise, and ticket opportunities.

To complement its extensive network upgrades and capitalize on the T20 cricket league, your Company launched the marketing campaigns aimed at increasing consumer awareness about the marked improvement in network performance.

During the year, your Company also launched various campaigns to reinforce its non-stop data experience proposition, build network credentials and reinforce the tangible progress of its investment cycle. Some of these campaigns are:

- Non-Stop Hero "Top-Up ke Pop-Ups" campaign -A large-scale digital and film-led campaign.
- 'Added 1 Lakh Towers in 6 Months' campaign during the last IPL season on Connected TV and Digital platforms.
- Your Company and Netflix entered into a high-impact partnership to build engagement through limited edition SIM kits and merchandise with customers who are fans of the popular series 'The Stranger Things'.
- Your Company's 'The Number Rakshak' campaign which helped in reuniting the pilgrims with their families during the Mahakumbh 2025 was widely recognized and won a prestigious Cannes Lions award for Cultural Engagement and 'Outstanding Campaign' at ET Digi plus Awards.
- Your Company also bagged accolades at Afaqs for Best Use of Influencers on Instagram as part of the 'Vi Data Guarantee' campaign and for impactful prepaid influencer marketing for the 'Super Hero' and 'Non-Stop Hero' plans.
- Launched local campaigns in cities where 5G was launched.

During the year, multiple new propositions were introduced across consumer segments:

- REDX Family Plan extended the premium REDX proposition to multi-member households to drive retention and consolidation of high-value users.
- Launched new premiumized offerings of Non-Stop Hero Bundled with Vi MTV & JioHotstar.
- Monsoon Magic on Vi App to increase app penetration and drive sustained engagement through gamified experiences.
- Your Company launched India's first recharge-linked handset theft & loss insurance plan for prepaid customers, providing protection as an added value benefit to customers.
- The Big Diwali Sale on the Vi App focused on exclusive app-first offers, to strengthen Vi App as a primary customer interaction channel.
- Your Company also collaborated with Niyo Forex to offer forex and international payment benefits, enhancing Vi's relevance for international travelers.

3. Capitalizing on ARPU Growth levers

As your Company entered FY26, network investments began to materially reflect on the ground. Building on this momentum, the Company focused on scaling its premium product portfolio to drive a healthier subscriber mix and enhance ARPU growth.

The 'Vi Non-Stop Hero' proposition is now available Pan-India, which offers truly unlimited data across both 4G and 5G networks. A large-scale marketing campaign across television and digital platforms positioned the product as a "Full-month unlimited data, no daily quota" offering. The campaign was further amplified through influencer-led storytelling and contextual creative deployment in partnership with Google Vertex AI, driving strong awareness and consideration. This initiative contributed meaningfully to ARPU growth and high-value subscriber retention on network. 'Non-Stop Hero', has been recording a sequential growth of over 25% for last three quarters and contributes to over 10% of the total prepaid base since its launch in January 2025.

To further enhance customer convenience and loyalty, your Company introduced long-validity plans and bundled OTT offerings with Non-Stop Hero, thereby increasing the overall value proposition and adoption among target base.

To drive higher customer retention, your Company continued building on the success of the 'Vi Guarantee' program launched in the previous Financial Year—which offered 130 GB of additional data to prepaid users—your Company introduced 'Vi Guarantee 2.0' targeting price-sensitive 2G customers. This initiative provided additional validity benefits through voice-only plans, offering 2 extra days per recharge over a 12-month period. The program saw adoption from over 5 Mn users and contributed to improved customer continuity and gradual ARPU upgrades.

The postpaid business continued to demonstrate strong performance with consistent growth in the subscriber base across both M2M and individual segments. Growth was driven by differentiated product propositions, enhanced customer engagement, improved service experience and strong execution.

Your Company also strengthened customer engagement through partnerships, including collaborations with Netflix for themed experiences and merchandise around popular content.

To further grow ARPU through product premiumization, your Company expanded its 'Vi Max Limitless' postpaid data plans across multiple circles, offering truly unlimited high-speed data along with premium entertainment benefits. Additionally, the Company strengthened its family plan portfolio through the launch of 'Vi Max Family Plans' and 'REDX Family Plans', offering enhanced data benefits, OTT bundles and attractive pricing. Notably, the REDX Family Plan extends premium benefits to all add-on connections, making it a differentiated offering in the market.

Your Company has further enhanced International roaming services portfolio with coverage expanded to over 160 countries. The Company continues to differentiate itself by offering unlimited data and voice benefits across multiple destinations. Additional enhancements include discounted roaming packs for add-on family members and partnerships with players

such as Niyo Forex to enable seamless international payments and forex solutions. Strategic partnerships with MakeMyTrip further enhanced the proposition's reach and value for frequent international travelers. These enhancements aim to address key travel concerns and provide a comprehensive and worry-free international travel experience for Vi customers.

India's first recharge-linked handset theft and loss insurance plan: Continuing its focus on innovation, your Company introduced recharge-linked handset protection for prepaid users, offering coverage of up to ₹ 25,000 in case of device loss or theft. This solution is developed in partnership with Aditya Birla Health Insurance Company Limited and simplifies the claim process through a digital-first approach, reducing paperwork and improving turnaround time.

Your Company launched 'Easy+' a unique corporate postpaid proposition that allows users to purchase add-ons like international roaming, OTT subscriptions, and data packs directly through the Vi App—bringing unmatched flexibility to corporate users. Easy+ expanded its offerings with new features like Vi Shop, Vi MTV and addition of personal loan. It also expanded to an omnichannel experience with the launch of its website.

4. Service as a differentiator

Operating in a highly competitive telecom environment marked by rising customer expectations, complex service journeys and increasing assisted-channel dependency, your Company recognized that incremental, function-specific improvements were necessary to deliver sustained experience transformation.

a. Gaining competitive EDGE through service differentiation

The initiative was conceptualized as a strategic, organization-wide customer experience transformation initiative aimed at restoring and strengthening customer trust through consistent, differentiated service delivery. Since implementation, the initiative has delivered measurable improvements across key customer experience indicators.

- **Interactions @ 50% (i@50%):** This initiative aims to empower customers with faster service by reducing assisted interactions by 50% at touchpoints. It has delivered a 42% reduction in assisted customer complaints since launch to end of FY26.
- **Zero Interaction Complaints (ZIC):** This initiative aims to eliminate repeat contact for same issue through Zero Interaction Complaints. It has resulted in reduction in interaction-related complaints by 74% across all touch points since launch till end of FY26.

These outcomes have significantly reduced customer effort while strengthening trust, satisfaction and digital adoption. Driving with EDGE (Every Day Great Execution) positions, your Company is strongly creating a scalable, AI insight-driven customer experience engine for future, that continuously reduces customer pain while building long-term trust and loyalty..

b. Digital Initiatives

Initiatives have been deployed and consistently enhanced to meet the evolving customer needs. Few key initiatives during FY26 include:

- **Conversation voice bot for Post Paid Collections:** New intents and enhancements deployed on humanoid voice bot ViNi, which is capable to have human like conversations with customers in 5 languages. It provides real time information to customers through multiple integration of AI systems with CRM, billing systems, analytics and dialer technologies.
- **Availability of Vernacular Chat bot services:** In addition to English & Hindi, Vernacular chat services were deployed to expand service reach to customers with vernacular needs. Chat services made available on Vi App, website and WhatsApp in Bangla, Telugu, Tamil, Gujarati & Marathi languages.
- **Conversational voice bot for Prepaid MNP retention:** Humanoid voice Bot ViNi deployed for retaining prepaid MNP customers. This helped in reaching out to customers who were not part of

manual tele-calling cohorts. This bot is available in 4 languages and is able to retain customers who were engaged through any tele-calling initiatives.

- **Email Bot:** Your Company upgraded from an NLP platform for a Gen AI powered solution to respond to customer's emails. The email bot understands the email's topic, analyses context and automatically performs required set of actions. With email bot, your Company will be able to facilitate assisted response from agents, improve agent productivity and ensure faster response to customers.
- **Auto UPI:** Auto UPI registration on Digital assets was encouraged by your Company through multiple campaigns and an easy-to-configure process. It helped seamless payment from customer's account every month without any hassle of remembering payment dates.
- **Digital Handholding & Adoption:** New customer journeys have been consistently added to the Digital assets and 80% of service requests and complaints get registered digitally. This has helped reduce the customers need to contact call centre or visit stores.
- **Dynamic IVR (Prepaid):** Your Company is continuously developing the IVR menu basis customer preferences and ease of navigation to improve IVR containment rate of 95% with only 5% of IVR calls requiring agent assistance. This has helped reduce call centre volume and service costs.
- **Big Data, Advanced Analytics (Artificial Intelligence & Data Science) and Business Intelligence Edge:** Your Company was one of the first telcos in India to launch its own Big Data and advanced AI/ ML based cloud data analytics platform on AWS Cloud with a goal to establish a fast, scalable and cost-efficient model of servicing its vast customer base and drive business growth through precision marketing and customer-oriented service model.

  Today, your Company hosts a state-of-the-art data science practice in house which leverages an advanced data lake and business intelligence platforms built within AWS Sage maker platform. These massive data points are utilized by in-house AI/ML models to build next best recommendation engines, product and churn propensities, customer upgrades, price elasticity and other such predictive engines that allows your Company to effectively segment and target the customers with curated offerings best suited to their needs, usage, paying capacity and consumer behavior.

  The AI/ML engines are further strengthened with an advanced MarTech suite that can effectively map the customers Telco usage and behavioral patterns along with footprints from customer touchpoints and journeys across the brand app, website and other 3rd Party platforms and wallets. This system helps your Company trigger precise, curated and real time alerts recommending their next recharge plan, data top up and other offerings best suited to their needs. With these systems gaining maturity, your Company is now being able to effectively deliver 2-5% incremental lift in revenue generation or cost savings.

  Today, your Company is deploying its Big Data Engines and Data Science practice to increase its subscriber base, enhance ARPU, optimize cost, augment operational efficiency, accelerate Digital adoptions for Consumers, Marketing, Digital and Enterprise offerings/ services for Prepaid & Postpaid businesses.

  During the course of the year, your Company experimented extensively with the use of generative AI to create fast, scalable and curated video content – some of which were commercially deployed in mainstream media with great effect and popular reception.

  To enhance customer safety, your Company also launched an AI/ML-powered spam management solution – 'Vi Protect'. It detects and filters unsolicited and potentially harmful messages in real-time. The system continuously adapts to evolving spam patterns and also tags suspicious messages as 'Suspected Spam.' In parallel, it

strengthens safeguard against spam voice calls and simplifies spam complaint filing through the app. It also proactively educates users on identifying phishing attempts, reinforcing a secure and trusted mobile experience. Vi Protect initiatives have now categorized nearly 2 billion calls and SMSs as suspected spam this quarter. Additionally, your Company is currently blocking 250,000 domains as SPAM to secure its network.

Alongside, your Company continues to focus on digitalization of customer servicing as well acquisition across all touch points. Your Company now has digital acquisition across major cities in India for both prepaid and postpaid customers, including same day door step delivery and digital KYC processes, serviced through its dedicated delivery partners as well as own stores.

These strategic initiatives reaffirm your Company's commitment to delivering customer-centric innovation, addressing real-world needs, and leading the way in enhancing mobile connectivity and service experience.

5. Enterprise Business

During the year, Vi Business continued to advance its strategic pivot towards a technology-led enterprise solutions model, strengthening its integrated portfolio to address the evolving digital and connectivity needs of businesses. The Company is focused on delivering differentiated solutions across cloud solutions, fixed connectivity, unified communications, IoT and enterprise mobility, while progressively expanding into high-growth digital domains.

To support growing enterprise demand, Vi Business continued to enhance its core through strategic investments a total of 6Tbps network capacity added in FY 25-26 to the Dedicated Enterprise Corridor developed across key cities including Mumbai, Pune, Bengaluru, Hyderabad, and Chennai, addressing the exponential rise in enterprise data consumption across data centers, NLD thus enhancing scalability, resilience and high-speed connectivity for enterprise customers.

The Enterprise segment remains one of your Company's key strengths, driven by longstanding relationships with enterprise clients and the ability to leverage Vodafone Group's extensive experience across global markets. In line with the strategic vision of transforming from a traditional Telco to a TechCo, your Company continues to make strong progress by expanding its service portfolio beyond core connectivity. This transformation is gaining traction with notable growth observed in several non-mobility enterprise segments despite a challenging environment. Collaborations with multiple partners are further enhancing the relevance and value of our offerings, enabling your Company to better meet the evolving needs of enterprise customers. Vi Business further strengthened enterprise self-service capabilities through platforms such as Vi Business Assist, enabling simplified account management and enhanced customer experience.

In addition, Vi Business achieved the globally recognized TL 9000 certification, underscoring its continued focus on delivering high-quality operations and services aligned with international telecom quality standards.

Vi Business is expanding its enterprise partnerships and solution ecosystem, aimed at accelerating industry-specific digital adoption across sectors such as manufacturing, BFSI, IT & ITeS, utilities and logistics. Through these innovations, Vi Business continues to strengthen its position as a trusted enterprise partner, enabling organizations to build resilient, connected and future-ready operations. Some key highlights are listed below:

- **Cloud & Collaboration:** Vi Business collaborated with Google to offer an exclusive discount on Google Workspace for the Company's SME customer base.
- **Contact Center as a Service (CCaaS):** AI-powered CCaaS solution launched in partnership with Genesys last quarter continues to expand rapidly across key verticals including BFSI, BPO, Manufacturing, and Consulting.
- **Smart Metering at Scale:** Smart Metering solutions backed by a strong Government push

for digital and energy reforms have enabled accelerated roll outs and ecosystem readiness. Vi Business plans to deploy 12 Mn solutions in next 3 years, positioning the Company as a key enabler in India's smart energy transition.

- **Innovation Lab:** In collaboration with AWS and C-DOT, Vi Business launched 'IoT Innovation Lab' in September 2025. This initiative empowers IoT innovations across sectors like automotive, manufacturing and connected infrastructure. It also serves as a co-creation hub where concepts are rapidly tested, validated and scaled.

New Launches & Partnerships:

Vi Business strengthened its ecosystem through strategic partnerships and continued to expand its portfolio with next-generation digital and enterprise solutions. In partnership with Hewlett Packard Enterprise (HPE), Vi Business expanded its managed wireless LAN portfolio powered by HPE Aruba Networking. Vi Business deepened its collaboration with Google Workspace, bundling deployment, migration, and managed services to enhance enterprise productivity. Easy+, the industry first feature in enterprise mobility was enhanced with metro ticketing integration and instant personal loans, thus, improving everyday convenience and expanding value-added services for customers.

Future ready capabilities with IoT:

Vi Business witnessed strong business momentum in IoT segment across key solution areas and continued to drive innovation through collaborative platforms and ecosystem initiatives. Your Company also launched the IoT Innovation Lab, India's first telco-led co-creation platform for IoT solutions enabling rapid prototyping, testing, and scaling. The lab is emerging as a key hub for interoperability, certification, and development of future-ready enterprise use cases.

Vi Business continued to drive growth in IoT through advanced e-SIM capabilities, device lifecycle management systems, smart infrastructure solutions and scalable IoT platforms. Advanced Metering Infrastructure (AMI) emerged as a key growth driver, supported by strong government initiatives in digital and energy transformation, enabling accelerated rollouts and ecosystem readiness.

Marketing & industry initiatives and engagements:

At India Mobile Congress (IMC) 2025, Vi Business demonstrated its leadership in enterprise digital transformation by displaying cutting edge enterprise solutions that were powered by AI and centered on Security. Other key launches at the event were AI powered managed Wi-Fi solutions, Secured Hybrid SD-WAN application in Robotics, AI powered CCaaS, VR experience of IoT Labs, AI powered platform for proactive diagnosis of IoT devices, multi-cloud services, Autonomous Security Operations Centre (SOC).

Vi Business continued to strengthen its leadership in the MSME segment through its flagship digital advisory initiative recognized as 'India's largest Digital Advisory for MSMEs'. The fourth edition of 'MSME Ready for Next' (RFN) 2025 reached over 200,000 MSMEs across 16 industries, providing digital maturity assessments, sector-specific insights, and tailored recommendations. The program also delivered insights through the MSME Growth Insights Study 2025, reinforcing Vi Business's role as a trusted digital transformation partner for MSMEs.

As part of its thought-leadership agenda, Vi Business conducted multiple high-impact CXO engagements focused on AI-led transformation and next-generation customer experience. A flagship Vi Business Confluence forum was hosted in partnership with HPE to deliberate on the impact of AI on enterprise networks and the strategic implications for future-ready enterprises. Vi Business also co-hosted an exclusive CXO engagement in Delhi with Genesys, centered on AI-enabled customer experience.

'Vi Tee Walk 2026' i.e. Vi Business annual flagship CXO golf event brought together 200+ industry leaders across Delhi, Mumbai and Bangalore. In partnership with CNBC TV18, Vi Tee Walk Executive Turf leadership

series in its third season featured leading voices across industries, discussing enterprise critical themes around AI-led enterprise transformation and customer privacy in a zero-trust world, highlighting the shift from intent to execution in digital adoption.

On the back of these strategic initiatives, your Company reported annual revenue and EBITDA (pre-IndAS-116) growth for the fourth consecutive year despite significantly lower investments vis-a-vis competition; clearly reflecting its ability to execute and compete effectively in this market. Your Company reported 19 quarters of sequential growth in ARPU. All of this is possible as your Company is following its well-defined strategy while remaining focused on providing great data and voice experience by building a differentiated digital experience and adding several digital offerings.

This year has been eventful for your Company as following the Supreme Court's direction permitting the Government to reassess your Company's AGR liabilities, a DoT-constituted committee completed its review and communicated its determination on April 30, 2026. Your Company's AGR dues have been finalised at ₹ 64,046 Cr as of December 31, 2025 — a reduction from the earlier frozen figure of ₹ 87,695 Cr. The structured repayment schedule provides significant long-term clarity for the cashflows, which is as under:

- ₹ 124 Cr paid for the year ending March'26;
- Additionally, ₹ 124 Cr to be paid annually over next 5 years i.e. March'27 to March'31;
- Minimum ₹ 100 Cr to be paid annually over 4 years i.e. March' 2032 to March' 2035;
- Remaining amount to be paid in six equal instalments annually from March' 2036 to March' 2041.

Consequently, your Company has recognised a one-time accounting gain primarily driven by AGR re-assessment and recognition of present value of future payments of AGR. This development meaningfully improves your Company's balance sheet and provides a definitive conclusion to the AGR matter.

FINANCIAL RESULTS AND SUMMARY

The financial statements of the Company have been prepared in accordance with the Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 ('the Act') read with Companies (Accounts) Rules, 2014 (as amended).

The standalone and consolidated financial highlights of your Company for the Financial Year ended March 31, 2026 are summarised as follows:

(in ₹ Cr)

Particulars	Standalone		Consolidated	
	2025-26	2024-25	2025-26	2024-25
Income from sale of goods and services	44,340	43,045	44,789	43,456
Other operating income	45	112	84	116
Other income	564	1,026	541	1,020
Total income	**44,949**	**44,183**	**45,414**	**44,592**
Expenses	26,317	25,826	25,870	25,446
EBITDA	**18,632**	**18,357**	**19,544**	**19,146**
Depreciation and amortisation	21,509	21,411	22,108	21,973
EBIT	**(2,877)**	**(3,054)**	**(2,564)**	**(2,827)**
Finance cost	21,325	24,530	21,495	24,543
EBT	**(24,202)**	**(27,584)**	**(24,059)**	**(27,370)**
Exceptional items (net)	58,684	142	58,607	-
Share of JV/Associates	-	-	-*	2
Profit / (Loss) before tax	**34,482**	**(27,442)**	**34,548**	**(27,368)**
Taxes	-	-	(4)	16
Profit/(Loss) after Tax	**34,482**	**(27,442)**	**34,552**	**(27,384)**

**Numbers are below one Crore under the rounding off convention adopted by the Group and accordingly not reported.*

Standalone revenue of your Company stood at ₹ 44,385 Cr, an increase of 2.8% over previous year. The EBITDA stood at ₹ 18,632 Cr, registering an increase of 1.5% over the previous year. The profits after tax of the Company for the Financial Year 2025-26 stood at ₹ 34,482 Cr, vis-à-vis loss after tax of ₹ 27,442 Cr, for the previous year.

On a consolidated basis, the revenue of your Company stood at ₹ 44,873 Cr, an increase of 3% over the previous year. The EBITDA stood at ₹ 19,544 Cr registering an increase of 2.1% over the previous year. The profit after tax of the Company stood at ₹ 34,552 Cr for the Financial Year 2025-26 vis-à-vis a loss after tax of ₹ 27,384 Cr for the previous year.

Discussions on consolidated financial results

Revenue: For the Financial Year ending March 31, 2026, your Company recorded a revenue from operations of ₹ 44,873 Cr, reflecting an increase of ₹ 1,301 Cr over ₹ 43,572 Cr reported for the Financial Year ended March 31, 2025, primarily due to improved subscriber mix and 4G/5G subscriber additions.

Other income comprising mainly of interest income decreased by ₹ 479 Cr from ₹ 1,020 Cr for the Financial Year ended March 31, 2025 to ₹ 541 Cr for the Financial Year ended March 31, 2026. The decrease was primarily due to decrease in interest income on FDs.

Operating expenses: Total operating expenditure increased by ₹ 424 Cr from ₹ 25,446 Cr for the Financial Year ended March 31, 2025 to ₹ 25,870 Cr for Financial Year ended March 31, 2026.

Employee benefit expenses: Employee benefit expenses increased by ₹ 105 Cr from ₹ 2,232 Cr for the Financial Year ended March 31, 2025 to ₹ 2,337 Cr for the Financial Year ended March 31, 2026, primarily due to increments in salary during the year offset by decrease in headcount.

Network expense and IT outsourcing cost: Network expense and IT outsourcing cost decreased by ₹ 21 Cr from ₹ 9,439 Cr for the Financial Year ended March 31, 2025 to ₹ 9,418 Cr for the Financial Year ended March 31, 2026 primarily due to decrease in Repairs and Maintenance – plant and machinery ₹ 98 Cr and IT outsourcing cost ₹ 72 Cr offset by increase in power & fuel expenses ₹ 107 Cr.

License fees and spectrum usage charges: License fees and spectrum usage charges increased by ₹ 155 Cr from ₹ 3,696 Cr for the Financial Year ended March 31, 2025 to ₹ 3,851 Cr for the Financial Year ended March 31, 2026 broadly in line with increase in revenue.

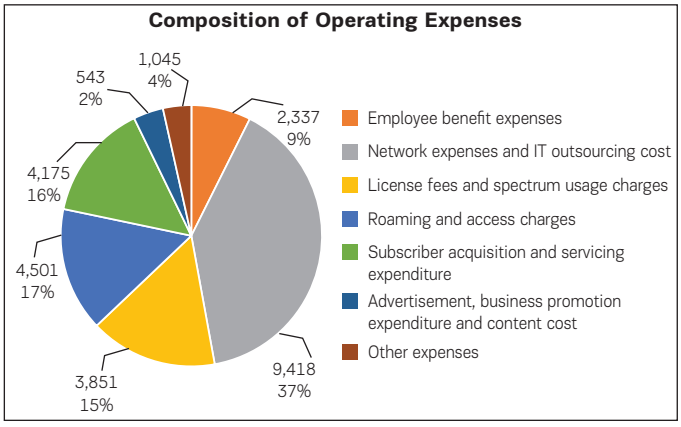
Roaming and access charges: Roaming and access charges decreased by ₹ 96 Cr from ₹ 4,597 Cr for the Financial Year ended March 31, 2025 to ₹ 4,501 Cr for the Financial Year ended March 31, 2026, primarily on account of reduction in access charges due to decrease in count of SMS termination.

Subscriber acquisition and servicing expenditure: Subscriber acquisition and servicing expenditure increased by ₹ 83 Cr from ₹ 4,092 Cr for the Financial Year ended March 31, 2025 to ₹ 4,175 Cr for the Financial Year ended March 31, 2026 primarily on account of higher amortisation of contract cost capitalised based on assessment of customer life cycle.

Advertisement, business promotion expenditure and content cost: Advertisement, business promotion expenditure and content cost increased by ₹ 43 Cr from ₹ 500 Cr for the Financial Year ended March 31, 2025 to ₹ 543 Cr for the Financial Year ended March 31, 2026 primarily due to increase in content cost.

Other expenses: Other expenses increased by ₹ 151 Cr from ₹ 888 Cr for the Financial Year ended March 31, 2025 to ₹ 1,039 Cr for the Financial Year ended March 31, 2026 primarily due to higher provision of doubtful debts and advances.

The composition of total operating expenses (amount and percentage to total operating expenses) are as follows:



Earning before finance costs, depreciation, amortisation, exceptional items and taxes (EBITDA): The EBITDA has increased by ₹ 398 Cr from ₹ 19,146 Cr for the Financial Year ended March 31, 2025 to ₹ 19,544 Cr for the Financial Year ended March 31, 2026. EBITDA as a percentage of Total Income increased to 43.04% for the Financial Year ended March 31, 2026, compared to 42.94% for the Financial Year ended March 31, 2025.

Depreciation, amortisation, finance costs and exceptional gain: The depreciation charge for the year has decreased by ₹ 218 Cr from ₹ 13,393 Cr for the Financial Year ended March 31, 2025 to ₹ 13,175 Cr for the Financial Year ended March 31, 2026. The amortisation charge for the year has increased by ₹ 353 Cr from ₹ 8,580 Cr for the

Financial Yearr ended March 31, 2025 to ₹ 8,933 Cr for the Financial Year ended March 31, 2026.

Finance Cost for the Financial Year ended March 31, 2026 decreased by ₹ 3,048 Cr from ₹ 24,543 Cr for the Financial Year ended March 31, 2025 to ₹ 21,495 Cr for the Financial Year ended March 31, 2026, due to decrease in spectrum interest due to payment via equity conversion and modification of Deferred Payment Obligation towards AGR.

Exceptional gain for the Financial Year ended March 31, 2026 is ₹ 58,607 Cr primarily due to reduction of deferred payment obligation related to AGR including discounting impact.

Profits before and after taxes: The profit before tax for the Financial Year ended March 31, 2026 stood at ₹ 34,548 Cr as compared to a loss before tax of ₹ 27,368 Cr for the Financial Year ended March 31, 2025. The profit after tax for the Financial Year ended March 31, 2026 stood at ₹ 34,552 Cr as compared to a loss after tax of ₹ 27,384 Cr for the Financial Year ended March 31, 2025.

Capital expenditure: During the Financial Year 2025-26, capital expenditure (including capital advances and excluding RoU assets and spectrum) incurred was ₹ 8,217 Cr. In addition, ₹ 363 Cr was incurred towards bandwidth.

Balance sheet:

- The gross and net block of property, plant and equipment and intangible assets (including capital work in progress and intangible assets under development) stood at ₹ 3,64,769 Cr and ₹ 1,58,360 Cr respectively.
- Financial assets (non-current & current) decreased by ₹ 6,928 Cr from ₹ 20,222 Cr to ₹ 13,294 Cr primarily due to decrease in fixed deposit with banks including margin money.
- Other assets (non-current & current) increased by ₹ 1,867 Cr from ₹ 18,100 Cr to ₹ 19,967 Cr primarily due to reversal of certain provisions.
- Deferred tax assets as at March 31, 2026 stood at ₹ 17 Cr.
- The paid-up equity share capital of the Company increased by ₹ 36,950 Cr during the year due to issuance of 36,95,00,00,000 equity shares of face value of ₹ 10/- each per equity share to DoT towards conversion of spectrum dues.
- Other Equity:

  The Group's Other Equity decreased from (₹ 1,41,713) Cr as of March 31, 2025 to (₹ 1,44,101) Cr as of March 31, 2026 mainly due to:

  a. Conversion of Government of India loan amounting to ₹ 36,950 Cr, disclosed as share application amount pending allotment last year, now upon allotment of shares have been classified as Equity Share Capital.

  b. Profit for the year amounting to ₹ 34,552 Cr.

- As on March 31, 2026, the total equity stood at (₹ 35,758) Cr as compared to (₹ 70,320) Cr as on March 31, 2025.
- Long term and short-term borrowings decreased by ₹ 46,841 Cr and stood at ₹ 1,49,455 Cr as on March 31, 2026 primarily due to reduction of deferred payment obligation related to AGR including discounting impact.
- Other financial liabilities (non-current and current) increased by ₹ 8,997 Cr and stood at ₹ 71,623 Cr for the Financial Year ended March 31, 2026 primarily due to increase in interest accrued but not due on deferred payment obligations and lease liabilities.
- Non-current and other current liabilities and provisions decreased by ₹ 2,938 Cr and stood at ₹ 6,310 Cr for the Financial Year ended March 31, 2026 mainly due to decrease in taxes, regulatory and statutory liabilities.
- Deferred tax liability stood at March 31, 2026 at ₹ 8 Cr.

Cash Flow Statement:

The cash generated from operations of ₹ 19,411 Cr, proceeds from issue of NCDs ₹ 3,271 Cr, maturities of FDs ₹ 4,551 Cr, interest received ₹ 820 Cr, proceeds from sale of PPE and intangible assets ₹ 165 Cr, which were

mainly used for purchase of PPE and intangible assets ₹ 10,979 Cr, payment of lease liability ₹ 10,223 Cr, repayment of long-term borrowings ₹ 1,600 Cr, payment of interest and finance charges ₹ 2,780 Cr, payment of deferred payment obligation towards spectrum ₹ 589 Cr and pursuant to AGR Judgement ₹ 124 Cr, purchase of current investments ₹ 72 Cr and payment of share issue expenses ₹ 2 Cr.

Consequently, cash and cash equivalents as at March 31, 2026 stood at ₹ 2,106 Cr.

Significant changes in key financial ratios based on standalone financials

The key financial ratios are as under:

	Financial Year	
Particulars	**2025-26**	**2024-25**
Debtors turnover ratio (number of days)[1]	16	17
Current ratio[2]	0.61	0.82
Debt equity ratio[3]	(4.14)	(2.81)
Debt service coverage ratio (DSCR)[4]	0.41	0.38
Interest service coverage ratio (ISCR)[5]	0.45	0.41
Operating profit margin (%)[6]	(8%)	(9%)
Net profit margin (%)[7]	78%	(64%)
Return on net worth (%)[8]	NA[8]	NA[8]

(1) *Debtors turnover ratio (number of days) = [(Average trade receivables)/(Revenue from operations)*Number of days during the year]*

(2) *Current ratio = Current asset/Current liabilities (excluding short term borrowings)*

(3) *Debt equity ratio = Debt (excluding interest accrued but not due)/ Equity*

(4) *DSCR = [Profit/(loss) before exceptional items and tax + Depreciation & amortisation expenses (excluding depreciation on ROU assets) + Finance costs (excluding fair value gains/ losses on derivatives and interest on lease liabilities)] / [Finance costs (excluding fair value gains/losses on derivatives and interest on lease liabilities) + Interest capitalised + Scheduled long term principal repayments (excluding pre-payments)]*

(5) *ISCR = [Profit/(loss) before exceptional items and tax + Depreciation & amortisation expenses (excluding depreciation on ROU assets) + Finance costs (excluding fair value gains/ losses on derivatives and interest on lease liabilities)] / [Finance costs (excluding fair value gains/losses on derivatives and interest on lease liabilities) + Interest capitalised]*

(6) *Operating margin (%) = [Profit/(loss) before exceptional items and tax + Finance costs - Other income]/Revenue from operations*

(7) *Net profit margin (%) = Net profit/(loss) after tax/Revenue from operations*

(8) *Not computed due to negative Net-worth as on March 31, 2026 and March 31, 2025.*

DIVIDEND

In view of the accumulated losses, the Board expresses its inability to recommend any dividend for the year under review.

TRANSFER TO RESERVES

During the Financial Year under review, the Board has not proposed to transfer any amount to Reserves.

SHARE CAPITAL

Authorised Share Capital

The authorised share capital of the Company as on March 31, 2026, was ₹ 1,36,950 Cr divided into 13,195 Cr equity shares of ₹ 10/- each and 500 Cr Preference Shares of ₹ 10/- each.

Changes in Share Capital

During the Financial Year 2024-25, the Ministry of Communications, Government of India in line with the Reforms and Support Package for Telecom Sector announced in September 2021 and in response to the Company's request, issued an Order under Section 62(4) of the Act dated March 29, 2025, for conversion of Deferred Payment obligations towards spectrum auction dues, including deferred dues repayable after expiry of the moratorium period, aggregating to ₹ 369,500 Mn into 36,95,00,00,000 Equity Shares of the face value of ₹ 10/- each at an issue price of ₹ 10/- each. In compliance with Section 62(4) of the Act, the Capital Raising Committee of Board of Directors of your Company has allotted 36,95,00,00,000 Equity Shares at an issue price of ₹ 10/- each on April 8, 2025 to the Department of Investment and Public Asset Management, Government of India (acting through President of India).

Paid-up Share Capital

Consequent to the allotment of Equity Shares to Government of India on April 8, 2025, the issued, subscribed and paid-up Equity Share Capital as of date of this report stands at

₹ 10,83,43,03,50,010/- comprising of 1,08,34,30,35,001 Equity Shares of the face value of ₹ 10/- each.

CASH, DEBT AND GOI OBLIGATION

As at March 31, 2026, on a standalone basis, the Company had cash and cash equivalents of ₹ 2,058 Cr and Fixed Deposits with banks having maturity of 3 to 12 months of ₹ 1,450 Cr. The total external debt from banks and others stood at ₹ 726 Cr, inter-company loan stood at ₹ 125 Cr and the payment obligations to the Government stood at ₹ 1,45,454 Cr (comprising deferred spectrum payment obligations of ₹ 1,20,200 Cr and AGR liability of ₹ 25,254 Cr).

As at March 31, 2026, on a consolidated basis, the Company had cash and cash equivalents of ₹ 2,106 Cr and Fixed Deposits with banks having maturity of 3 to 12 months of ₹ 1,502 Cr. The total debt from banks and others stood at ₹ 4,001 Cr and the payment obligations to the Government stood at ₹ 1,45,454 Cr (comprising deferred spectrum payment obligations of ₹ 1,20,200 Cr and AGR liability of ₹ 25,254 Cr).

During the year, in December 2025, Vodafone Idea Telecom Infrastructure Limited, wholly-owned subsidiary of the Company, issued Non-Convertible Debentures aggerating to ₹ 3,300 Cr.

All scheduled debt repayments were made on respective due dates.

CREDIT RATING

The Company witnessed a progressive strengthening of its credit ratings during the fiscal year. In April 2025, CARE Ratings upgraded the rating of the Company's long-term bank facilities to CARE BBB- (Stable) from CARE BB+ (Stable) at the previous year end. CARE further revised the outlook on this rating to Positive in January 2026, positioning the final year end rating at CARE BBB- (Positive).

Concurrently, ICRA Limited assigned an initial rating of ICRA BBB- (Stable) to certain long-term bank facilities in April 2025, which was subsequently upgraded to ICRA BBB (Positive) in March 2026.

Accordingly, as of March 31, 2026, Vodafone Idea Limited's long-term bank facilities are rated CARE BBB- (Positive) and ICRA BBB (Positive) for certain facilities.

Additionally, the Non-Convertible Debentures issued by Vodafone Idea Telecom Infrastructure Limited maintain a rating of CARE BBB- (Stable) as of March 31, 2026.

CAPITAL EXPENDITURE

On a standalone basis, for the Financial Year 2025-26, capital expenditure (including capital advances and excluding RoU assets and spectrum) incurred was ₹ 7,619 Cr. In addition, ₹ 363 Cr was incurred towards bandwidth.

On a consolidated basis, for the Financial Year 2025-26, capital expenditure (including capital advances and excluding RoU assets and spectrum) incurred was ₹ 8,217 Cr. In addition, ₹ 363 Cr was incurred towards bandwidth.

FIXED DEPOSITS

During the year, your Company did not accept any deposits, including from public under Chapter V of the Act and as such, no amount of principal or interest was outstanding, as on the date of the Balance Sheet.

SIGNIFICANT DEVELOPMENTS

AGR Matter

In September 2025, the Company filed a writ petition before the Hon'ble Supreme Court. The petition sought to quash the additional AGR demands for the period FY 2006-07 to FY 2016-17 raised by the DoT, requesting a comprehensive reassessment and reconciliation of all dues, interest, and penalties for that period. The Hon'ble Supreme Court, keeping in view the change in circumstances and the larger public interest, vide its orders dated October 27, 2025, and November 3, 2025, stated that comprehensive reassessment / reconciliation of all AGR dues falls within the policy domain of the Government of India (GoI), thereby authorizing the DoT to re-evaluate the dues.

The Company received a communication from DoT on April 30, 2026 stating that the Committee formed for the purpose of reassessment has finalized the AGR dues at ₹ 64,046 Cr for the period FY 2006-07 to 2018-19 as on December 31, 2025, with a revised payment schedule.

The said development provided a definitive conclusion to the AGR matter.

Consequently, in accordance with the provisions of Ind AS 109, the original financial liability of ₹ 80,502 Cr as of December 31, 2025, was derecognized and revised financial liability of ₹ 24,880 Cr was recognized, which is the present value of aforesaid future payments discounted at the rate considered by DoT for similar payments. The resulting net gain of ₹ 55,622 Cr, reflecting the impact of the reassessed dues and the adjustment of related provisions, has been credited to the Statement of Profit and Loss and disclosed under "Exceptional Items" for the financial year ended March 31, 2026.

Settlement under Implementation Agreement

The Implementation Agreement (IA) dated March 20, 2017, entered among Vodafone Group Companies (VGP) and Aditya Birla Group Companies and the Company during the merger of Vodafone India Limited (VInL) and Vodafone Mobile Services Limited (VMSL) with the Company provided a settlement mechanism between the Company and Vodafone Group companies (promoters of erstwhile VInL and VMSL) in the event any pre-merger contingent liability in relation to legal, regulatory, tax and other matters of the VInL and VMSL was to crystallise post the merger.

Under the said mechanism called as Contingent Liability Adjustment Mechanism (CLAM), the Company initially recorded a maximum capped receivable of ₹ 8,369 Cr from VGP, which was subsequently reduced to ₹ 6,394 Cr consequent to receipt of ₹ 1,975 Cr from VGP.

On 31 December 2025, the Company executed an amendment to the IA, wherein VGP and the company agreed to settle and discharge all remaining CLAM obligations as follows:

- An amount of ₹ 2,307 Cr (based on exchange rate as of December 31, 2025), will be released by the Vodafone Group Promoters over the next 12 months, subject to and in accordance with the terms agreed in the Amendment Agreement.
- A portion of the settlement amount is secured through the earmarking of 328 Cr equity shares of the Company held by certain Vodafone Group entities for a period of five years. Proceeds from sale of these shares, at the instructions of a person authorised/ appointed by the Company will accrue to the Company. As on the date of the Amendment Agreement, the market value of the earmarked shares stands at ₹ 3,529 Cr.

Amendments to Articles of Association

The Shareholders' Agreement dated March 20, 2017, as amended from time to time, ("Shareholders Agreement") inter-alia, among certain Vodafone Group Companies and Aditya Birla Group Companies, in their capacity as shareholders of the Company have certain Governance and Management Rights. Such Governance and Management Rights are available to a Promoter Group so long as the shareholding of such Promoter Group meets the Qualifying Threshold as stipulated in the Shareholders' Agreement and the same are also enshrined in the Articles of Association.

Pursuant to conversion of deferred payment obligations towards spectrum dues into equity shares by an order passed under Section 62(4) of the Act, the Government of India's shareholding in the Company increased substantially, resulting in dilution of promoter shareholding. Consequently, the Articles of Association of the Company were amended by passing a special resolution at the Extra-ordinary General Meeting held on June 27, 2025, inter-alia, amending the definition of 'Qualifying Threshold' and deletion of certain redundant provisions. The latest copy of MoA and AoA is available on the Company's website at https://www.myvi.in/investors/corporate-goverance.

Issuance of Corporate Guarantee and Pledge of Shares for Debentures raised by Vodafone Idea Telecom Infrastructure limited (VITIL)

During the year under review, Vodafone Idea Telecom Infrastructure Limited ('VITIL'), a wholly-owned subsidiary of the Company, issued Unlisted and Secured redeemable Non-Convertible Debentures aggregating to ₹ 3,300 Crore ("NCD Issue"), which was inter-alia, secured by way of Corporate Guarantee issued by your Company and pledge over 100% of the equity share capital of VITIL.

Issue of Convertible Warrants on Preferential Basis to Promoter Group

The Board of Directors of your Company at its meeting held on May 16, 2026, approved issuance of upto 430 crore warrants (each convertible into one equity share) to Suryaja Investments Pte. Ltd., (an Aditya Birla Group

entity and Promoter Group Company), at an issue price of ₹ 11/- per Warrant, aggregating upto ₹ 4,730 Cr on a preferential basis, subject to approval of shareholders of the Company at an extra-ordinary general meeting convened on June 11, 2026.

In accordance with the provisions of the Chapter V of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, 25% of the exercise price of warrants shall be payable at the time of subscription of warrants and the balance 75% shall be payable by the warrant holder at the time of exercise of the right attached to warrant to subscribe to equity shares. Further, each warrant would be convertible into 1 (One) equity share of face value of ₹ 10/- and the rights attached to warrants can be exercised in one or more tranches at any time, within a period of 18 months from the date of allotment of warrants. In case the warrant holder fails to exercise the warrant within a period of 18 months from the date of allotment of warrant, the warrant shall lapse and the 25% of the exercise price of warrants paid at the time of issuance of warrant will be forfeited by the Company.

REGULATORY DEVELOPMENTS

- **Unified License (NLD, ILD, ISP-A)**

  In February 2026, the Company was granted additional authorizations under its Unified License by the Department of Telecommunications (DoT), for ISP Category 'A' (All India), along with the NLD and ILD services, thereby further strengthening its enterprise and data service capabilities. With this, the validity of the Company's NLD license, which was expiring in November 2026 is extended till October 2033, and the expiry of ILD and ISP-A is also extended till October 2033.

- **Unified License for ISP VNO**

  In March 2026, the Company acquired a Unified License for ISP VNO (All India) from the Department of Telecommunications (DoT), with a validity period of 10 years. This allows the Company to provide internet services without owning a core network infrastructure by utilizing the broadband/internet infrastructure of other Telecom Service Providers. With this, the Company can provide services such as Retail Broadband, Enterprise Internet Connectivity, etc.

- **Satellite Communication**

  In June 2025, the Company announced partnership with AST SpaceMobile to collaborate on Device-to-Device satellite broadband connectivity in India. This partnership will bring together the Company's robust national network with AST SpaceMobile's revolutionary space-based cellular technology, which connects directly to everyday smartphones without the need of any specialized software or device support or updates.

- **AI Governance**

  During FY 2025-26, the Company actively contributed to emerging discussions on AI governance, responsible innovation, and trusted digital ecosystems through its participation in industry forums, policy consultations, and technology conferences, most notably the AI Impact Summit 2026. The Company advocated for a balanced and collaborative AI governance framework that promotes innovation while ensuring transparency, accountability, data security, and consumer trust. The Company emphasized the importance of ethical AI deployment in telecom networks and digital services, particularly in areas such as network automation, cybersecurity, fraud prevention, and customer experience enhancement.

AWARDS AND RECOGNITIONS

Some key awards and recognitions received by your Company during the period are:

CIO Conclave & Awards 2025: Awarded twice in the category of *Best Innovative Technology Implementation of the Year* for Vi Business Assist Platform.

E4M Digital Influencer Awards: Secured in the category of *Best Multi Influencer Campaign (B2B)* for Vi Business Influencer Campaign.

ET Brand Equity Trendies Awards: Recognized in the category of *Leaders in Influencer Marketing (B2B)* for Vi Business Influencer Marketing Initiatives.

Asian Experience Awards: Honored twice in the category of *Customer Experience of the Year* for Vi Business Assist Platform.

E4M Indian Content Marketing Awards: Clinched in the category of *B2B Content Marketing* for ReadyForNext – India's Largest Digital Advisory for MSMEs.

Aegis Graham Bell Awards: Earned in the category of *IoT Innovation* for Vi Business IoT Innovation Lab.

Asian Telecom Awards: Bagged in the category of *Innovative Connectivity Solution of the Year - India* for CCaaS Solution.

Brand Disruption Awards by Brand Equity: *Best Use of Video Marketing* for Dabbawala #Human Network Testing Network (Jury Award).

IDMA 2025 by E4M events: Leveraging Social Media to boost brand ROI and engagement for Vi Data Guarantee - Ek Saal Ki Guarantee (Silver Award).

DG+ Awards 2025 by Brand Equity: *Outstanding Campaigns for Maha Kumbh* for Vi Number Rakshak.

Cannes: Cultural Engagement for Vi Number Rakshak.

BrandStoryz Awards 2025 by afaqs!:

Best Influencer Collaboration for Vi SuperHero (Gold Award);

Best Branded Podcast for Vi x Yuvaa - Brand Partnership (Bronze Award).

London International Awards (LIA): Vi Number Rakshak (Bronze).

Indian Marketing Awards by E4M events: Local, Regional and Marketing Specific for Vi Number Rakshak (Silver).

Gartner Marketing & Communications Awards 2025: Global recognition as the Top 6 finalist in the *Digital Commerce Excellence* category for delivering exceptional customer experiences through Vi Shop.

ET Brand Equity – MarTech+ Awards & Summit 2025: Award for *Transformative Use of MarTech Tools* for Integrated Campaign.

7th Edition Excellence Awards: Recognised for its *Best Customer Engagement Strategy.*

Avtar & Seramount: Recognized as one of the 2025 *Best Companies for Women in India* (BCWI) for the 4th consecutive year.

Great Place to Work® Institute (India): specifically being ranked among the Top 50 *India's Best Workplaces™ Building a Culture of Innovation by All 2025.*

SUBSIDIARIES AND ASSOCIATES

As on March 31, 2026, your Company has nine Subsidiary Companies and two Associate Companies, the details of which are given below:

Subsidiaries

1. **Vodafone Idea Telecom Infrastructure Limited (VITIL)**

   VITIL is engaged in renting out passive infrastructure to telecommunication service providers for hosting their active equipment on existing fibre portfolio of ~1,82,000 kms. During the Financial Year under review, the total income stood at ₹ 1,053 Cr as compared to ₹ 995 Cr in the previous Financial Year.

2. **Vodafone Idea Business Services Limited (VIBSL)**

   VIBSL is an outsourcing hub for backend IT support, data centre operations and hosting services to the Company and its Subsidiaries. It also has an OSP license business. During the Financial Year under review, the total income stood at ₹ 180 Cr as compared to ₹ 295 Cr in the previous Financial Year.

3. **YOU Broadband India Limited (YBIL)**

   YBIL is engaged in providing high speed broadband internet access through cable network, high bandwidth internet broadband services to retail, enterprise segment, infrastructure support to licensed telecommunication service providers. During the Financial Year under review, the total income stood at ₹ 86 Cr as compared to ₹ 99 Cr in the previous Financial Year.

4. **Vodafone Idea Manpower Services Limited (VIMSL)**

   VIMSL is engaged in the business of providing manpower services to the Company. During the Financial Year under review, the total income stood at ₹ 85 Cr as compared to ₹ 79 Cr in the previous Financial Year.

5. **Vodafone Idea Communication Systems Limited (VICSL)**

   VICSL is engaged in the business of selling of telecommunication hardware. During the Financial

Year under review, the total income stood at ₹ 20 Cr as compared to ₹ 34 Cr in the previous Financial Year.

6. Vodafone Idea Shared Services Limited (VISSL)

VISSL is an outsourcing hub for Finance & Accounts, Human Resources, Supply Chain Management, Credit & Collection Support, Customer Support and catering to the Information Technology (IT) needs for data consolidation, backend IT support for the Company and its subsidiaries. During the Financial Year under review, the total income stood at ₹ 106 Cr as compared to ₹ 100 Cr in the previous Financial Year.

7. Vodafone Idea Technology Solutions Limited (VITSL)

VITSL is engaged in providing Technology, Software, Hardware, Value Added Services (VAS), Application Software, Contents and related products and services that facilitate and develop access to IT enabled VAS products and services whether on single or multiple platform(s) or operating system(s). VITSL is also engaged in the business of providing Data Centre related services and IT Solutions (including E-SIMs) to its customers. During the Financial Year under review, the total income stood at ₹ 27 Cr as compared to ₹ 32 Cr in the previous Financial Year.

8. Vodafone Foundation (VF)

VF is a Section 8 Company as per the Act. VF is an implementing agency and carries out Corporate Social Responsibility ('CSR') activities for the Company, its Subsidiaries, Associate and Promoter Group Companies in line with the Schedule VII of the Act. VF primarily focuses on CSR activities that includes promoting and development of (a) education, (b) financial literacy, (c) empowerment of women, (d) healthcare, (e) environment, (f) eradication of poverty, (g) improving socio-economic condition of farmers.

9. Vodafone Idea Next-Gen Solutions Limited (VINGSL) [Formerly Vodafone M-Pesa Limited (VMPL)]

VMPL was in the business of Prepaid Payment Instruments (PPI) and Business Correspondence and provided customers with a mobile wallet and money transfer services in the form of m-pesa. VMPL had ceased all operations and surrendered its PPI License issued by the Reserve Bank of India (RBI) under the Payment and Settlement System Act, 2007 with effect from September 30, 2019 as per the guidance and approval of RBI - Department of Payment and Settlement System (DPSS) and also terminated its Business Correspondence Agreement with ICICI Bank with effect from July 31, 2019.

Post completion of the 3-year period ended September 30, 2022, the Company had written to the RBI for next steps relating to compliances. In response to this, the RBI has advised to continue maintaining the unextinguished liability towards PPI holders and merchant in the escrow account till further communication from their end.

Subsequently in October 2024, the Company applied and received approval from RBI for change of name and also for commencing new business. Thereafter, VMPL changed its name to Vodafone Idea Next-Gen Solutions Limited (VINGSL). During the previous Financial Year, the Company has commenced the business of providing value added service (VAS), contents and related products and services that facilitate and develop access to IT enabled VAS products and services. During the Financial Year under review, the total income stood at ₹ 238 Cr as compared to ₹ 56 Cr in the previous Financial Year.

Associate Companies

1. Sangli Wind Energy Private Limited

During the Financial Year, your Company has acquired 26% stake in Sangli Wind Energy Private Limited (SWEPL), a Special Purpose Vehicle formed for the purpose of owning and operating a Captive Power Plant.

2. Aditya Birla Renewables SPV 3 Limited

During the Financial Year, your Company has acquired 26% stake in Aditya Birla Renewables SPV 3 Limited, a Special Purpose Vehicle formed for the purpose of owning and operating the Captive Power Plant.

In accordance with the provisions contained in Section 136(1) of the Act, the Annual Report of the Company,

containing therein its standalone and the consolidated financial statements are available on the Company's website https://www.myvi.in/investors/annual-reports.

Further, pursuant to the said requirement, the financial statements of each of the aforesaid Subsidiary Companies are available on the Company's website https://www.myvi.in/investors/annual-reports and shall be available for inspection during business hours at the Registered Office of the Company. Any member who is interested in obtaining a copy of the financial statements may write to the Company Secretary at the Registered Office of the Company.

In terms of provisions contained in Section 129(3) of the Act, read with Rule 5 of the Companies (Accounts) Rules, 2014, a statement containing salient features of the financial statements of Subsidiaries and Associates as per applicable accounting standards in Form AOC-1 is provided as **'Annexure A'** to this report. The said statement also provides details of performance and financial position of each subsidiary and associate and their contribution to overall performance of the Company.

EMPLOYEE STOCK OPTION SCHEMES

In terms of the provisions of applicable laws and pursuant to the approval of the Board and the members of our Company, the Nomination and Remuneration Committee had implemented the Employee Stock Option Scheme, 2013 (ESOS-2013). No Stock Options are outstanding to be exercised under ESOS-2013.

Further, 'Vodafone Idea Employee Stock Option and Performance Stock Unit Scheme 2024' which was been approved by the members by Postal Ballot on October 10, 2024 is in the process of being implemented. Further, details of plans also form part of Notes to Financial Statements.

In terms of the provisions of the SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 ("SEBI SBEB Regulations"), the details of the Stock Options and Restricted Stock Units granted under the above mentioned Scheme are available on your Company's website https://www.myvi. in/investors/annual-reports.

A certificate from M/s. Umesh Ved & Associates, Company Secretaries, Secretarial Auditors, certifying that the aforementioned Schemes are in accordance with the SEBI SBEB Regulations will be made available at the ensuing Annual General Meeting for inspection by Members.

INTERNAL FINANCIAL CONTROL SYSTEMS AND ITS ADEQUACY

Your Company has in place adequate internal control systems commensurate with the size of its operations. The Company has in place adequate controls, procedures and policies, ensuring 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.

Based on the framework of internal financial controls and compliance systems established and maintained by the Company, the work performed by the internal auditors and the reviews performed by management and the Audit Committee, the Board is of the opinion that the Company's internal financial controls were adequate and effective during the Financial Year 2025-26. Accordingly, the Directors' Responsibility Statement contains a confirmation as regards adequacy of the internal financial controls. The effectiveness of internal financial controls is also assessed through management reviews, self-assessment, continuous monitoring by functional heads as well as testing of the internal financial control systems during the course of internal and statutory audits.

CONSOLIDATED FINANCIAL STATEMENTS

In accordance with the provisions of Section 129(3) of the Act and Regulation 34 of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 ('Listing Regulations'), the Consolidated Financial Statements forms part of this Annual Report and shall also be laid before the shareholders in the ensuing Annual General Meeting of the Company. The Consolidated Financial Statements have been prepared in accordance with the Indian Accounting Standards (Ind AS) notified under section 133 of the Act read with Companies (Accounts) Rules, 2014.

RISK MANAGEMENT

In compliance with the requirements of Listing Regulations and the provisions of the Act, your Company has constituted a sub-committee of Directors known as Risk Management Committee, details whereof are set out in the Corporate Governance Report forming part of the Annual Report to oversee Enterprise Risk Management Framework. The role of the Risk Management Committee is inter-alia to approve the strategic risk management framework of the Company, and review the risk mitigation strategies and results of risk identification, prioritization & mitigation plans.

Your Company has a well-established Enterprise-wide Risk Management ('ERM') framework in place for identification, evaluation and management of risks, including the risks which may threaten the existence of the Company. In line with your Company's commitment to deliver sustainable value, this framework aims to provide an integrated and organized approach for evaluating and managing risks.

A detailed exercise is carried out to identify, evaluate, manage and monitor the risks. As required the Committee/ Board meets to review the risks and steps to be taken to control and mitigate the same.

HUMAN RESOURCES AND PEOPLE STRATEGY

Our people strategy is the engine driving our transformation toward FY 2030. By activating our **ABCDE strategic levers**—**A**ttract and Accelerate, **B**asics that matter, **C**ulture that connects, **D**eveloping Capability, and **E**fficiency—we are evolving the Vi Employer Brand into one synonymous with **cutting-edge talent, careers, capability, and culture**.

Attracting and Accelerating Talent - To ensure long-term impact, we strengthened our leadership pipeline by initiating development programs across levels. Additionally, we refreshed our entry-level talent by doubling Management Trainee hiring and piloting a new graduate program.

Strengthening the Foundations (Basics that Matter) - We enhanced the employee experience by internalizing a new HRMS. We also modernized our policies by bringing many progressive and employee friendly features.

Building a Culture that Connects - To maintain a meritocratic workplace, we launched a comprehensive reward and recognition program called Vi Awards where we invited outside leaders for external perspective.

Developing Capability - In FY 2026, average learning hours grew 45%, driven by a 90% adoption rate in future-fit skills like Cloud and AI. Simultaneously, our focus on internal mobility saw the internal fill rate jump, while voluntary attrition dropped to a record low of 9.6% and diversity rose to 19.6% by March 31, 2026.

Efficiency - By hiring high-potential talent with diverse expertise, we are building a leaner and more agile organization. This focus on long-term potential ensures our structures remains flexible and operationally efficient.

Outlook for FY 2027

In the coming year, we will sharpen our focus on building deep domain expertise through Role-Based Functional Academies. We will also scale our leadership pipeline by executing comprehensive Talent Development Journeys, empowering our high-potential cohorts.

Health, Safety and Wellbeing (HSW)

At Vodafone Idea Limited, Health, Safety and Wellbeing (HSW) remain integral to our core values and a significant priority. We maintain a strong commitment to the principle of "not conducting business at the risk of people", with an unwavering dedication to ensure that "everyone working for us returns home safely each day".

FY'26 Performance Highlights:

We are proud to report outstanding HSW performance during FY'26:

- **Zero Fatalities:** Zero work-related fatalities throughout the year, demonstrating our unwavering commitment to safety
- **Record Low Injury Rates:** Major injuries at all-time low, reflecting the effectiveness of our preventive measures and safety protocols
- **Rigorous Governance:** Continued focus on Absolute Safety Rules and HSW standards, supported by a robust governance framework

Building a Safety-First Culture:

Safety is the bedrock of our culture. By fostering a "zero-tolerance" attitude toward deviations and eliminating

complacency, we have seen marked improvements in both leading and lagging indicators. The ongoing commitment from leadership, combined with active participation from all employees and partners, continues to establish industry-leading safety standards across our operations.

Diversity and Inclusion

The Company continues to place Diversity and Inclusion (D&I) at the heart of its people strategy, recognizing it as a key enabler of innovation and long-term organisational resilience. In FY26, VIL achieved 19.6% female representation across business functions. Inclusive leadership and gender sensitization sessions were conducted throughout the year, fostering greater awareness and accountability.

Employee well-being remained a priority, with 'Vi Assist' continuing to provide support across childcare, eldercare, and emotional well-being. POSH (Prevention of Sexual Harassment) awareness was reinforced through real-life-inspired micro-learning initiatives, alongside the development of a e-learning module is slated for launch in the coming year. Flexibility measures for maternity returnees were sustained, with leave provisions aligned to biological life cycle needs remaining available. The scope of paternity leave was also extended, reflecting the Company's commitment to supporting employees across various life stages.

Infrastructure support—including audited washroom facilities for women in field roles and dedicated parking for expectant mothers and differently abled employees—continued to be strengthened. The year also saw the launch of preventive cancer screening for women employees.

For the fourth consecutive year, VIL was recognized among the **"Top 100 Best Companies for Women in India"** by Avtar and Seramount, **ranking 15th this year**. This recognition reflects VIL's unwavering commitment to fostering an equitable, inclusive, and future-ready workplace.

CORPORATE GOVERNANCE

Your Company is committed to maintain the highest standards of Corporate Governance. Your Company continues to be compliant with the requirements of Corporate Governance as enshrined in Listing Regulations. A Report on Corporate Governance as stipulated under the Listing Regulations forms part of the Annual Report. A certificate from the Statutory Auditors of the Company, confirming compliance with the conditions of Corporate Governance, as stipulated in the Listing Regulations forms part of the Annual Report.

BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT

Pursuant to Regulation 34(2)(f) of the Listing Regulations, the Business Responsibility & Sustainability Report ('BRSR') forms part of this Annual Report. The BRSR Report describes initiatives undertaken by the Company from an environmental, social and governance perspective. Further, SEBI updated the format of BRSR to incorporate BRSR Core, a subset of BRSR, indicating specific Key Performance Indicators (KPIs) under nine ESG attributes, and further came up with Industry Standards on Reporting of BRSR Core. By amending the Listing Regulations, SEBI has granted relief from the mandatory assurance requirement on the BRSR Core, allowing companies to choose assessment as an alternative. However, following good corporate governance practices, the Company has appointed Emergent Ventures India Pvt. Ltd. as the assurance provider for BRSR Core. The assurance statement on BRSR Core issued by Emergent Ventures India Pvt. Ltd., forms part of this Annual Report.

CORPORATE SOCIAL RESPONSIBILITY

In terms of the provisions of Section 135 of the Act read with Companies (Corporate Social Responsibility Policy) Rules, 2014, the Board of Directors of your Company has constituted a Committee to oversee Corporate Social Responsibility ('CSR') activities of the Company. During the Financial Year 2025-26, the Corporate Social Responsibility Committee was renamed as Corporate Social Responsibility and Sustainability Committee ('CSRS Committee') in order to provide strategic direction to sustainability initiatives of the Company in addition to CSR Activities of the Company. Accordingly, its scope was expanded to include additional terms relating to ESG matters. The composition of the CSRS Committee is provided in the Corporate Governance Report which forms part of this report.

The Company has a policy on Corporate Social Responsibility ('CSR') recommended by the CSRS Committee and approved by the Board and the same can be accessed on

the Company's website at https://www.myvi.in/investors/corporate-governance.

In view of the losses incurred by the Company during the last three financial years, the Company has no obligation for CSR spend during the Financial Year 2025-26.

Further, for ensuring compliance of provisions of Section 135 of the Act and the applicable Rules framed thereunder, the brief outline of the CSR Policy for the Company and a "NIL" Annual Report on CSR Activities is annexed as **"Annexure B"** which forms part of this report in the format prescribed in the Companies (Corporate Social Responsibility Policy) Amendment Rules, 2021.

As a responsible social corporate and with a strong believer in doing social goods for community, Vodafone Foundation, a wholly owned subsidiary company, is an implementing agency and carried out Corporate Social Responsibility ('CSR') activities for the Company's Subsidiaries and Promoter Group Companies in line with the Schedule VII of the Act. The projects implemented during the reporting year on thematic areas covering education, livelihood generation, financial literacy and agriculture, emphasized on digital innovation with on-ground activation to create scalable and sustainable models. During the year, the following projects were undertaken:

1. **Learning with Vodafone Idea - Gurushala:** The project focuses on promotion of digital and activity-based learnings. During the reporting year Gurushala (https://gurushala.co/) continues to serve as a holistic knowledge platform, empowering teachers and students with innovative teaching methodologies and new ways of learning by aligning with the National Education Policy (NEP). With over 10.6 lakh users and a growing repository of 1.14 lakh content pieces, the platform has become a valuable resource for teachers and students nationwide. Nearly 50,000 new learners were provided with a robust platform for self-paced, high-quality education. 20,000 teachers were trained in 21st century pedagogies. Student engagement remains equally rigorous, with a target of 20,000 aptitude assessments and 400 virtual academy classes to bridge learning gaps.

2. **e-Vidya for Brighter Futures:** The project aims to improve the learning outcomes of school children by promoting digital, joyful learning for their overall development. The project includes a mix of activities, i.e., promotion of e-learning, renovation of basic infrastructure such as better classrooms, smart classes, libraries, science laboratories, sports interventions, innovation fairs, career guidance and awareness on green environment practices. During the year, the project has benefitted over 1,08,000 beneficiaries, including 76,000 students and teachers covering from 240 schools. Similarly, the Community Engagement Programme benefitted around 32,000 community members by providing digital literacy, vocational skills, and awareness-building sessions.

3. **VOIS for Tech - University Engagement Programme:** Another important project under education domain which completes education initiative cycle i.e., from primary classes to university is the VOIS for Tech University Engagement Programme. This initiative aims to bridge the gap between academia and industry by preparing the students with market and industry-ready skill sets. During the reporting period, 19,000 students were registered on the Learning Management System (LMS). Additionally, 2,500 students completed the AICTE-certified internship program. An innovation marathon was organised that received entries from 600+ teams aiming to use technology to provide innovative solutions to real-world challenges. Of these, 50 teams presented their ideas at the showcase event to the panel of esteemed jury members, and the top 30 teams were selected.

4. **Robotics Labs:** During the reporting year 10 new robotic labs were set up in government/government-aided schools taking the total number of robotic labs to 20 across Delhi, Maharashtra, Rajasthan, Madhya Pradesh, Chhattisgarh, Gujarat and Hyderabad. Almost 10,000 students – almost half of them girl child – have been engaged and exposed to various robotics kits such as Lego, Vex, Avishkar, Arduino, and emerging technologies like 3D printing, VR and Artificial Intelligence through these labs.

5. **Jaadu Ginni Ka:** Using the power of mobile technology - Jaadu Ginni Ka- financial literacy program, aims to create awareness amongst youth, urban poor,

farmers, artisans, rural women, micro-entrepreneurs, students (15 years and above) on the basic tenets of financial planning/management and on several government schemes. During the year more than 22 lakh people – almost half of them women – were trained in financial literacy using our both delivery modes Saath Saath (partnerships) and Gali Gali Gaon Gaon (doorstep van-based approach). We also continued our drive towards financial inclusion of our beneficiaries, and focussed on engagement with schools.

6. **Empowering Communities – RUDI Sandesha Vyavhar (RSV):** The project aims to create rural micro-entrepreneurs by leveraging technology and support for rural women (RUDIBens) to set up a local supply chain system. The programme enables women to set up agricultural processing centres and further trains them on business processes such as sales, financial management, inventory management, etc by leveraging technology. During the reporting year, the project continued to support 11,000 RUDIBens from Uttar Pradesh, Madhya Pradesh and Rajasthan. Another key focus was to make the project self-sustainable, RUDIBens are managing the operation of the processing centres independently.

7. **Connecting for Good:** The Connecting for Good project aims to foster an ecosystem that promotes use of technology in addressing social challenges. It empowers NGOs to drive innovation, disseminate knowledge and upscale their interventions for greater impact specially developed solutions which are - Girl Rising – a mobile game that helps in breaking gender stereotypes; MyAmbar – a safety and well-being toolkit for women in distress; MyAmbar Suraksha Chakra – safety toolkit for informal workers; DonateBook – a platform to facilitate book donation.

8. **Smart Agri - Leveraging Technology to Move from Self-Subsistence to Enterprise Farming:** The project is one of its kind in agriculture which leverages IoT-based solution to transform current farm practices into data-backed measures. Using a variety of technology solutions such as various sensors, cameras and other condition monitoring tech, data is collected and analyzed along with the help of agricultural experts with localized regional language advisories. During the year, the project continued to support 8.9 lakh farmers across 12 states with digital farm advisories and capacity building for adoption of good agricultural practices. With the support of Ericsson, the focus for the year was on the promotion of climate-resilient agricultural practices and on engagement and collaboration with key stakeholders to manage the operations of the project.

9. **Vi Scholarships:** Through a scholarship portal - www.learningwithvodafoneidea.in, the program helped thousands of students get access to third-party scholarships by providing them technology-based scholarship discovery and assistance. During the reporting year, one-time scholarship was provided to teachers, students (including girl child) and transgenders with the support of donors.

10. **Skill for Life:** The project aims to train and build candidates' capacity through a customised curriculum and industry-relevant and soft skills. Under the project, youths are trained on skills that allow them to apply to roles such as data analyst, digital marketing, and Tally accounts executive, general duty assistant and retail sales associates, etc. During the year, around 1,360 youths were trained across Ahmedabad, Bengaluru and Pune. Specialized long-term courses for the 50 transgender candidates were also conducted.

11. **Planet & Wellbeing:** The project focuses on an Integrated Knowledge and Engagement Platform https://voisplanet.com/ for Green Planet, aimed at aggregating and co-creating knowledge and information on environmentally responsive behaviours. During the year, the project's focus remained on plantation, with the objective of increasing green cover — over 30,000 saplings were planted across Pune, Bangalore, and Ahmedabad — and on creating deeper environmental awareness among students, youth, and communities.

DIRECTORS' RESPONSIBILITY STATEMENT

The Audited Financial Statements for the year under review are in conformity with the requirements of the Act and the applicable Accounting Standards. The financial statements reflect fairly the form and substance of transactions carried out during the year under review and reasonably present your

Company's financial condition and results of operations. Your Directors, to the best of their knowledge and belief, confirm that:

1. in the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanations relating to material departures, if any;
2. the accounting policies selected have been applied consistently and judgements and estimates are made that are reasonable and prudent, so as to give a true and fair view of the state of affairs of your Company as at the end of the Financial Year and of the financial performance and profit and loss of the Company for that period;
3. proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of your Company and for preventing and detecting fraud and other irregularities;
4. the annual accounts were prepared on a going concern basis;
5. your Company had laid down internal financial controls and that such internal financial controls were adequate and operating effectively; and
6. your Company has devised a proper system to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

DIRECTORS AND KEY MANAGERIAL PERSONNEL

During the year under review, pursuant to the resolution passed at the Annual General Meeting held on August 25, 2025, Mr. Anjani Agrawal, Independent Director was appointed for a second term of five consecutive years and accordingly, his term shall cease on August 26, 2030.

In accordance with the provisions of the Act, Mr. Sunil Sood and Mr. Sushil Agarwal shall retire by rotation, and being eligible, have offered themselves for re-appointment at the ensuing Annual General Meeting of the Company.

All Independent Directors have submitted their declaration of independence, pursuant to the provisions of Section 149(7) of the Act and Regulation 25(8) of the Listing Regulations, stating that they meet the criteria of independence as provided in Section 149(6) of the Act and Regulation 16(1)(b) of the Listing Regulations. The Board is of the opinion that the Independent Directors of the Company possess requisite qualifications, experience, expertise and hold highest standards of integrity.

Mr. Ravinder Takkar stepped down as the Non-Executive Chairman of the Board w.e.f. May 5, 2026 and was appointed as Non-Executive Vice Chairman on the Board of the Company from the same day. Mr. Kumar Mangalam Birla, Non-Executive Director of the Company, was appointed as the Non-Executive Chairman of the Company w.e.f. May 5, 2026.

All Independent Directors of your Company have registered their name in the data bank maintained with the Indian Institute of Corporate Affairs, in terms of the provisions of the Companies (Appointment and Qualification of Directors) Rules, 2014.

A brief profile of the Directors proposed to be appointed/ re-appointed are annexed to the Notice convening Annual General Meeting forming part of this Annual Report.

Mr. Abhijit Kishore, Chief Operating Officer of the Company was elevated to the position of Chief Executive Officer with effect from August 19, 2025, consequent to completion of the tenure of Mr. Akshaya Moondra as the Chief Executive Officer. Further, Mr. Tejas Mehta was appointed as Chief Financial Officer of the Company with effect from October 6, 2025, consequent to completion of the tenure of Mr. Murthy GVAS as the Chief Financial Officer.

BOARD EVALUATION AND FAMILIARIZATION PROGRAMME

Pursuant to the provisions of the Act and Listing Regulations, a formal evaluation mechanism is in place for evaluating the performance of the Board, the Committees thereof, individual Directors, Chairman of the Board and Independent Directors. The evaluation of Directors was done based on the criteria which includes, amongst others, providing strategic perspective, attendance and preparedness for the meetings, contribution at meetings, effective decision-making ability and independent judgement etc.

The Board has carried out an annual evaluation of its own performance, its Committees, Independent Directors, Non-Executive Directors and the Chairman of the Board. The Directors expressed their satisfaction with the evaluation

process and the performance of the Board as a whole. It was also noted that the Committees are functioning well and besides the Committee's terms of reference as mandated by law, important issues are brought up and discussed in the Committees. The Board was also satisfied with the contribution of the Directors, in their respective capacities, which reflected the overall engagement of the Individual Directors.

The Company has adopted a comprehensive familiarisation framework for its Independent Directors, comprising a structured induction program at the time of joining as well as ongoing familiarisation initiatives throughout their tenure. The program enables directors to gain an understanding of the Company's business, operations, products and services, governance framework, strategic priorities and the industry in which it operates. In addition to the induction program, the Company periodically presents updates at the Board and Committee meetings to familiarise the directors with Company's strategy, business performance, digital ecosystem, product offerings, finance, risk management framework, human resources and other key matters.

The details of programme for familiarization of Independent Directors of your Company is available on your Company's website https://www.myvi.in/investors/corporate-goverance.

REMUNERATION POLICY

The Company has a Remuneration Policy in place encompassing the appointment and remuneration philosophy of the Company. The Policy comprises of various elements and terms of appointment. The Policy consists of various aspects in connection to Remuneration Program applicable for Directors, Key Managerial Personnel and Senior Management of the Company, Performance Goal Setting, Benefit & Perquisites, Compliance and other such elements.

The Policy was formulated by the Nomination and Remuneration Committee in terms of Section 178(3) of the Act. A copy of the said policy is available on the website of the Company https://www.myvi. in/investors/corporate-governance.

DIVIDEND DISTRIBUTION POLICY

The Board has in compliance with Regulation 43A of Listing Regulations, has adopted a Dividend Distribution Policy which is available on the website of the Company https://www.myvi.in/investors/corporate-governance. This Policy will provide clarity to the stakeholders on the dividend distribution framework of the Company. The Policy sets out various internal and external factors which shall be considered by the Board in determining the dividend payout.

BOARD MEETINGS

During the year, ten meetings of the Board of Directors were held. The details of the meetings and the attendance of the Directors are provided in the Corporate Governance Report. Further, the maximum interval between two meetings of the Board of the Directors has not exceeded 120 days.

BOARD COMMITTEES

Your Company has in place the Committee(s) as mandated under the provisions of the Act and Listing Regulations. There are currently seven committees of the Board, namely:

1. Audit Committee
2. Nomination & Remuneration Committee
3. Stakeholders' Relationship Committee
4. Risk Management Committee
5. Corporate Social Responsibility and Sustainability Committee
6. Capital Raising Committee
7. Finance Committee

Details of the Committees along with their charter, composition and meetings held during the year, are provided in the Corporate Governance Report, which forms part of this report.

Additionally, in accordance with circular dated January 7, 2026 issued by National Financial Reporting Authority (NFRA), a Committee of the Board being 'Those Charged With Governance' (TCWG) has been formed for an overall communication framework between TCWG and Auditors.

CONTRACT AND ARRANGEMENTS WITH RELATED PARTIES

The Company has formulated a comprehensive Board approved Policy on Related Party Transactions ('RPT Policy') that sets out the governing framework for determining materiality thresholds and regulating process for all related party arrangements, pursuant to the applicable provisions of the Act and the Listing Regulations. All identified Related Party Transactions (RPTs), including any subsequent material modifications, are reviewed and approved by the Audit Committee in strict compliance with the statutory mandates.

All contracts/arrangements/transactions entered by the Company during the Financial Year with the related parties are detailed in the Note 58 of the Standalone Financial Statements. They were in ordinary course of business and on arm's length basis.

There were no material related party transactions during the year. Accordingly, Form AOC-2 is not applicable to the Company for the year under review.

None of the transactions with related parties were in conflict with the Company's interest. There are no materially significant Related Party Transactions made by the Company with Promoters, Directors or Key Managerial Personnel, etc which may have potential conflict with the interest of the Company at large. None of the arrangements/transactions with related parties could be considered material in accordance with the Company's Policy on Related Party Transactions read with the Listing Regulations. All Related Party Transactions are placed before the Audit Committee for their approval. Omnibus approvals are taken for the transactions which are repetitive in nature.

In compliance with Listing Regulations, and Industry Standards on "Minimum information to be provided to the Audit Committee and Shareholders for approval of Related Party Transactions", the necessary statements/disclosures/certificates with respect to the Related Party Transactions, are tabled before the Audit Committee and/or the Board of Directors on quarterly basis and as and when warranted. The Company has implemented a Related Party Transaction Manual and Standard Operating Procedures for the purpose of identification and monitoring of such transactions. The details of the transactions with Related Parties are provided in the accompanying financial statements as required under IndAS-24.

The Company has implemented a Related Party Transaction Manual and Standard Operating Procedures for the purpose of identification and monitoring of such transactions. In line with the requirement of the Act and Regulation 23 of the Listing Regulations, the Company has adopted a Policy on Related Party Transactions which is available at Company's website https://www.myvi.in/investors/corporate-goverance. The same is reviewed by the Board every three years pursuant to the Listing Regulations. During the Financial Year 2025-26, it was modified to incorporate amendments in the Listing Regulations and to approve an increased threshold for material modification in line with the spirit of the amendments.

PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS

As your Company is engaged in the business of providing infrastructural facilities as specified in Schedule VI of the Act, the provisions of Section 186 of the Act relating to loans made, guarantees given or securities provided are not applicable to the Company. The details of such loans made and guarantees given are provided in the standalone financial statements. Also, particulars of investments made by the Company are provided in the notes to standalone financial statements.

VIGIL MECHANISM – SPEAK UP POLICY

Your Company has in place a vigil mechanism for Directors and employees to report concerns about unethical behaviour, actual or suspected fraud or violation of your Company's Code of Conduct. Adequate safeguards are provided against victimization to those who avail of the mechanism and direct access to the Chairman of the Audit Committee in exceptional cases.

The Vigil Mechanism – Speak Up Policy is available on your Company's website https://www.myvi.in/investors/corporate-governance.

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

The information on conservation of energy, technology absorption and foreign exchange earnings and outgo as

required to be disclosed pursuant to Section 134(3)(m) of the Act, read with Rule 8 of the Companies (Accounts) Rules, 2014, are given to the extent applicable in **'Annexure C'** forming part of this report.

PARTICULARS OF EMPLOYEES

Disclosures pertaining to remuneration and other details as required under Section 197(12) of the Act, read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is annexed herewith as **'Annexure D'** to this report.

Accordingly, the names and other particulars of employees drawing remuneration in excess of the limits set out in the aforesaid Rules, forms part of this Report. However, in line with the provisions of Section 136(1) of the Act, the Report and Accounts as set out therein, are being sent to all Members of your Company excluding the aforesaid information about the employees. Any Member, who is interested in obtaining these particulars about employees, may write to the Company Secretary at the shs@vodafoneidea.com.

AUDITORS AND AUDIT REPORTS

Statutory Auditors

The members of the Company pursuant to the recommendation of the Audit Committee and the Board of Directors; had at the 27th Annual General Meeting held on August 29, 2022, appointed M/s. S.R. Batliboi & Associates LLP, Chartered Accountants, Firm Registration No. 101049W/E300004, as the Statutory Auditors of the Company for second term of five years till the conclusion of 32nd Annual General Meeting of the Company to be held in the Calendar Year 2027.

Auditors' Report and Notes to Financial Statements

The Board has duly reviewed the Statutory Auditors' Report on the Financial Statements at March 31, 2026. The report does not contain any qualification, disclaimer or adverse remarks.

The Board has duly reviewed the Statutory Auditors' Report on the Financial Statements including the para i(a)(A) of Annexure 1 to the Independent Auditors' Report regarding certain assets where Company is in the process of updating situation and quantitative information in the records maintained by the Company. It may be noted that the Company had undertaken a large-scale network integration activity in earlier years and post completion of this activity, the Company has completed updating its records as regards situation and quantitative details of location for majority of assets and for the balance, the Company is in the process of updating the same.

Further, with regard to the comment under para ix(d) of Annexure 1 to the Independent Auditors' Report regarding utilisation of funds raised on short term basis (in form of trade payable and other liability) for long term purposes (representing acquisition of property, plant and equipment and to fund losses of the Company), it is reported that the funds have been utilised in line with the purpose for which they were raised.

Cost Audit and Cost Auditors

The Company is required to make and maintain cost records pursuant to Section 148 of the Act.

In terms of the provisions of Section 148 of the Act, read with the Companies (Cost Records and Audit) Amendment Rules, 2014, the Board of Directors of your Company on the recommendation of the Audit Committee appointed M/s. Sanjay Gupta & Associates, Cost Accountants, as the Cost Auditors, to conduct the Cost Audit of your Company for the Financial Year ended March 31, 2026. The Cost Auditors will submit their report for Financial Year 2025-26 within the timeframe prescribed under the Act, and rules made thereunder. The Cost Audit report for the Financial Year 2024-25 did not contain any qualification, reservation, disclaimer or adverse remark.

The Board, on the recommendation of Audit Committee, has re-appointed M/s. Sanjay Gupta & Associates, Cost Accountants, as Cost Auditors of the Company for Financial Year 2026-27 at a remuneration of ₹ 0.12 Cr plus applicable taxes and reimbursement of travel and out of pocket expenses. The Company has received consent from M/s. Sanjay Gupta & Associates, Cost Accountants, to act as the Cost Auditor of your Company for the Financial Year 2026-27, along with the certificate confirming their eligibility.

In accordance with the provisions of Section 148 of the Act, read with the Companies (Audit and Auditors) Rules, 2014, since the remuneration payable to the Cost Auditors has to be ratified by the shareholders, the Board recommends the

same for approval by shareholders at the ensuing Annual General Meeting.

Secretarial Auditor

In terms of the provision of the Section 204 of the Act read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Board had appointed M/s. Umesh Ved & Associates, Company Secretaries, as the Secretarial Auditor for conducting the Secretarial Audit of your Company for the Financial Year ended March 31, 2026. The report of the Secretarial Auditor is annexed to this report as '**Annexure E**'. The contents of the Secretarial Audit Report are self-explanatory and do not contain any qualification, reservation, disclaimer or adverse remark.

In terms of Regulation 24A of Listing Regulations, every listed company has been mandated to appoint Secretarial Auditor for a fixed term of five years, with the approval of the members in the Annual General Meeting. Accordingly, the Board of Directors at their meeting held on May 30, 2025 and the shareholders at the 30th Annual General Meeting held on August 25, 2025 have approved the appointment of M/s. Umesh Ved & Associates, Company Secretaries as Secretarial Auditors of the Company for a term of five consecutive years commencing from the Financial Year 2025-26 till the Financial Year 2029-30.

Also, in terms of Regulation 24A of the Listing Regulations, material unlisted subsidiaries of a listed entity incorporated in India is required to annex a Secretarial Audit Report issued by a Company Secretary in practice. Pursuant to the amendment made in the Policy for Determining Material Subsidiary, none of the subsidiaries are considered material during the year under review. Therefore, the requirement to annex their Secretarial Audit Report is not applicable.

SECRETARIAL STANDARDS

The Company has generally complied with all the applicable provisions of Secretarial Standard on Meetings of Board of Directors (SS-1) and Secretarial Standard on General Meetings (SS-2), respectively issued by Institute of Company Secretaries of India.

REPORTING OF FRAUDS BY AUDITORS

During the year under review, the Statutory Auditors, Cost Auditors and the Secretarial Auditor have not reported to the Audit Committee, any instances of fraud committed against the Company by its officers and employees, the details of which would need to be mentioned in Board's Report under Section 143(12) of the Act.

ANNUAL RETURN

As provided under Section 92(3) and 134(3)(a) of the Act, read with Rule 12 of the Companies (Management and Administration) Amendment Rules, 2020, Annual Return in Form MGT-7 for the Financial Year 2025-26 is uploaded on the website of the Company and can be accessed at https://www.myvi.in/investors/annual-reports.

OPPORTUNITIES, RISKS, CONCERNS AND THREATS

India's mobile telecommunications sector has undergone a structural transformation over the past decade, evolving into one of the most consequential pillars of the country's economic growth. The sector's contribution to GDP growth has been material and sustained, underpinned by a compelling combination of macro-economic resilience, the rapid proliferation of smartphones, and deepening digital adoption across all segments of the population. The government's continued focus on Digital India is also providing a stable and enabling policy backdrop within which each operator can meaningfully participate in the sector's growth.

Today, India is among the world's largest and fastest-growing digital economies, a status that stands on the shoulders of the reach and resilience of its wireless network. The country's broadband subscriber base has crossed 1 billion as of March 2026, with mobile connectivity serving as the primary conduit. This wireless-first digital infrastructure has enabled an expanding array of services spanning e-commerce, digital entertainment, digital health, fintech inclusion and disaster response, with mobile platforms increasingly becoming the delivery mechanism for essential, life-critical services. The opportunity ahead remains substantial as penetration continues to deepen into the oldest and youngest demographic cohorts, and as digital adoption extends into India's smaller towns and rural geographies, the long-term growth potential of the sector is far from exhausted.

A significant overhang on your Company that had weighed on its financial position since 2019 was conclusively

resolved during the year. Following a re-assessment directed by the Hon'ble Supreme Court, the Department of Telecommunications finalised your Company's AGR dues at ₹ 64,046 Cr, a substantial reduction from the provisional figure of ₹ 87,695 Cr with the revised liability to be settled under a long-dated repayment schedule extending to FY41, entailing a cumulative payment of ₹ 1,144 Cr in the first 10 years. Your Company also recognised a one-time accounting gain arising from this AGR re-assessment and the recognition of the present value of future payments. Alongside the AGR resolution, the Vodafone Group concluded the settlement of the CLAM receivable of ₹ 6,394 Cr, and one of the subsidiary Company successfully raised ₹ 3,300 Cr through NCDs, the latter completed prior to AGR clarity, reflecting lender confidence in your Company's turnaround trajectory.

The Aditya Birla Group has further committed an equity infusion of USD 500 Mn (approximately ₹ 4,730 Cr) through the issuance of fully convertible warrants, reaffirming strong promoter support. Taken together, your Company believes these developments have fundamentally strengthened its financial position and removed a key uncertainty that had previously constrained investment decisions.

Your Company believes that with the resolution of the AGR matter, continued promoter commitment, an improving credit profile, and its demonstrated ability to raise funds, it is well positioned to pursue further debt-related discussions to support its ongoing investment programme.

India continues to have one of the lowest tariffs globally, while the proliferation of unlimited data bundles has led to India being among the highest data usage (per subscriber) markets in the world. ARPU recovery, while improving, still has a long way to go, underscoring the continued need for periodic tariff rationalisation. With relatively lower penetration of 4G/5G subscriber base, your Company is well positioned to gain from ARPU improvement as these subscribers move towards 4G/5G.

Your Company has several ongoing litigations and any adverse outcome of these litigations remains a risk. Your Company works with various local, state and central government agencies for specific permissions to operate its mobile licenses and is required to meet various regulatory/ policy guidelines of the DoT and may be subjected to various regulatory demands, penalties/fines or increased cost of compliance, despite making best effort to adhere to all such requirements. Your Company believes in sound corporate governance practices and believes that these litigations would be settled in due course in the best interest of all stakeholders.

The telecom sector is characterized by technological changes, and competition from new technologies is an inherent threat. Your Company has a competitive spectrum portfolio and robust network footprint and continues to invest in new emerging network solutions to adapt to any future technological changes. Your Company's 5G services, which are live in over 80 cities across its 17 circles with 5G spectrum as of May 2026, continue to expand in a phased and commercially disciplined manner aligned to handset adoption and customer demand.

Your Company's business is dependent on key network and IT equipment suppliers for management and continuity of its network, IT and business processes. These networks may also be vulnerable to technical failures or any natural calamity. Your Company has robust network & IT security processes and disaster recovery plans. Your Company is in partnership with global leaders in Network equipment and IT services and enjoys very long-standing healthy relations with all its suppliers.

OUTLOOK

Your Company is conscious of the fact that in order to remain competitive in the sector there is a need for continued investments and innovation as the sector continues to witness evolving technological developments and changing customer preferences. With the resolution of the AGR matter, your Company enters its next phase of growth with significantly greater financial clarity and stability. Your Company has committed to sustained customer addition, double-digit revenue growth, and a tripling of Cash EBITDA over the next three years. Your Company is backing these targets by investing ₹ 45,000 Cr towards network investments by FY29. Your Company is guided by a simple belief to achieve these goals – 'Employees first, customer always, experience is everything'.

In Business Services, your Company will increasingly focus on new and fast-growing segments such as IoT, Cloud

services and Smart Metering. To further drive the digital agenda, your Company will continue to look for deeper integration opportunities with its partners using its platform capabilities to provide a differentiated experience and value for both partners and customers.

Your Company is well positioned to effectively compete in the market with its sustained capex investments coupled with a stabilized subscriber base of 192.8 Mn (March 31, 2026) that has returned to net positive monthly additions since February 2026, improving 4G population coverage and 5G expansion, a competitive spectrum profile, extensive distribution reach and a well-established brand, along with differentiated digital offerings.

SUSTAINABILITY JOURNEY

The Telecom sector provides connectivity to individuals & communities that fosters empowerment and inclusion. The near ubiquitous reach of the mobile makes it the most relevant channel for last mile outreach. The mobile phone has become the fastest window to a world of information, better education, livelihood, employment, health, inputs on agricultural practices and governance.

VIL is steadily advancing its commitment to sustainability by integrating renewable energy sources, such as solar and wind across its owned facilities, guided by both regulatory and commercial viability. We have made an investment via a Special Purpose Vehicle, Sangli Wind Energy Private Limited in a Captive Power Plant (CPP) for receiving wind power in Maharashtra. We have initiated the transition to electric vehicles replacing diesel/CNG based material movement with electric vehicles during network rollout. While currently at an early stage this marks the beginning of our planned transition towards cleaner intra-network mobility, various facilities are equipped with Green/ CRI certified products. To enhance green cover within our operational premises, vertical gardening has been initiated across our warehouses Pan India. The Company has forged meaningful partnerships with its vendors and partners to address the needs and challenges related to sustainability. We are strengthening responsible supply chain practices, encouraging sustainable procurement, and promoting ethical business conduct across our value chain. While inclusive workforce practices at the warehouses have led to representation of women and persons with disabilities, demonstrating ESG outcomes integrated with operational excellence.

VIL places the highest priority on Health, Safety and Wellbeing (HSW) and is committed to ensuring that "no business is worth doing that puts people at risk." The Company has implemented a robust HSW management system covering employees, contractors and partners through a structured approach across People, Processes and Properties. Its continued focus on safety governance and absolute safety standards has enabled strong performance, including zero work-related fatalities in recent years and we have achieved zero man days lost, reflecting a strong culture of safety and prevention.

The Company also aligns its operations with globally recognized standards and continues to maintain key certifications including ISO 27701, PCI DSS 4.0, and SOC 2 Type II, reinforcing its commitment to information security, data privacy, compliance and global best practices.

DISCLOSURE UNDER SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013 & MATERNITY BENEFIT ACT, 1961

The Company has in place an Anti-Sexual Harassment Policy in line with the requirements of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. The Internal Committee have been set up in business units to redress complaints received regarding sexual harassment. All employees (permanent, contractual, temporary, trainees) are covered under this policy. During the Financial Year 2025 - 2026, 7 complaints pertaining to sexual harassment were received and as on March 31, 2026, 5 have been resolved and 2 remained pending. Further, no complaints were pending for more than 90 days during the year under review.

During the Financial Year 2025-26, the Company has complied with all the applicable provisions relating to the Maternity Benefit Act, 1961.

OTHER DISCLOSURES

- There are no material changes and commitments affecting the financial position of your Company between end of the Financial Year and the date of report, other than those disclosed in other sections of this report.
- There was no change in the nature of business of your Company.

- Your Company has not issued any shares with differential voting rights.
- There was no revision in the financial statements.
- Your Company has not issued any sweat equity shares.
- There was no application made or proceedings pending against the Company under the Insolvency and Bankruptcy Code, 2016 and there is no instance of one-time settlement with any Bank or Financial Institution.
- During the year under review, there were no instances when the recommendations of the Audit Committee were not accepted by the Board of Directors.
- There are no significant and material orders passed by the Regulators or Courts or Tribunals impacting the going concern status and the Company's operations.

CAUTIONARY STATEMENT

Statements in the Directors' Report and the Management Discussion and Analysis describing your Company's objectives, projections, estimates, expectations, or predictions may include certain 'forward-looking statements' within the meaning of applicable Securities Laws and Regulations. Such forward looking statements are made on the basis of certain assumptions which we believe are reasonable in all material respects. Actual results could differ materially from those expressed or implied assumptions. Some of the important factors that could make a difference to your Company's operations or financials include factors like availability and prices of telecom equipment, concentration of supply side, technological shift impacting consumer behavior, changes in government regulations or policies, tax regimes, etc. Your Company is not obliged to publicly amend, modify, or revise any forward-looking statements on the basis of any subsequent development, information, or events, or otherwise.

ACKNOWLEDGEMENT

Your Directors place on record their sincere appreciation to the Department of Telecommunications, Telecom Regulatory Authority of India, the Central Government, the State Governments, all its investors & stakeholders, equipment suppliers, technology providers and other vendors, bankers, value added service partners, all the business associates and above all, our subscribers for the co-operation and support extended to the Company. Your Directors also wish to place on record their deep appreciation to the employees for their hardwork, dedication and commitment.

For and on behalf of the Board

Sunil Sood
Non-Executive Director
(DIN : 03132202)

Himanshu Kapania
Non-Executive Director
(DIN : 03387441)

Place : Mumbai
Date : May 16, 2026