

1 September 2020

National Stock Exchange of India Limited

“Exchange Plaza”,
Bandra - Kurla Complex,
Bandra (E),
Mumbai – 400 051

BSE Limited

Phiroze Jeejeebhoy
Towers,
Dalal Street,
Mumbai – 400 001

Dear Sirs,

Sub: Update on Bharti Infratel and Indus Towers Merger

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

Further to our communication dated 24 June 2020 in relation to the merger of Indus Towers Limited (in which the Company is holding 11.15% equity stake) with Bharti Infratel Limited (“Merger”), please find attached a press release titled “Update on Bharti Infratel and Indus Towers Merger”, being issued to media.

The above is for your information and dissemination to the members.

Thanking you,

Yours truly,

For **Vodafone Idea Limited**



Pankaj Kapdeo
Company Secretary

Encl: As above

Update on Bharti Infratel and Indus Towers Merger

Vodafone Idea Limited (“VIL”), Vodafone Group Plc (“Vodafone”), Bharti Airtel Limited (“Bharti Airtel”), Indus Towers Limited (“Indus”) and Bharti Infratel Limited (“Infratel”) (collectively referred as “Parties” and individually as “Party”) have agreed to proceed with completion of the merger of Indus and Infratel.

VIL has undertaken to sell its 11.15% stake in Indus for cash. The cash consideration payable by Infratel to VIL will be based on a formula linked to Infratel’s VWAP for the 60 trading day period closer to the merger. The Parties have also agreed to use the FY20 EBITDA and net debt as on the closing date for Indus and Infratel valuation, with certain agreed pre-closing adjustments. Based on Infratel’s VWAP during the last 60 trading days as on August 31, 2020, the value of VIL’s 11.15% stake equates to a cash consideration of approximately Rs. 40.4 billion (~US\$ 551 million). The final determination will take place shortly before closing of the merger.

VIL has agreed to make a prepayment of Rs. 24 billion to the merged tower entity from the cash consideration to be received from Infratel at the time of closing. The prepayment amount will be adjusted to the extent of 50% of all undisputed and due amounts payable by VIL to the merged tower entity post-closing and VIL will be required to pay only the balance 50% of undisputed dues. The prepayment amount will accrue interest at 6% p.a. This will continue until the entire prepayment amount with accrued interest is fully adjusted.

The Parties have agreed to take appropriate steps to progress the approvals for the merger, the completion of the merger shall be subject to receipt of all such approvals. The merger scheme shall become effective on the date on which certified copy of the order of Hon'ble NCLT is filed with Registrar of Companies.

About Vodafone Idea Ltd. (formerly Idea Cellular Ltd)

Vodafone Idea Limited is an Aditya Birla Group and Vodafone Group partnership. It is amongst India’s leading telecom service provider. The company provides pan India Voice and Data services across 2G, 3G and 4G platforms. With the large spectrum portfolio to support the growing demand for data and voice, the company is committed to deliver delightful customer experiences and contribute towards creating a truly ‘Digital India’ by enabling millions of citizens to connect and build a better tomorrow. The company is developing infrastructure to introduce newer and smarter technologies, making both retail and enterprise customers future ready with innovative offerings, conveniently accessible through an ecosystem of digital channels as well as extensive on-ground presence. The company’s equity share are listed on National Stock Exchange (NSE) and the BSE in India.

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