

# Telecom

## 2QFY26 preview: Steady quarter aided by additional day

Telcos are expected to witness 1.1%-1.6% QoQ ARPU growth in 2QFY26, aided by ongoing upgrades-led improved subs mix and 1 more day QoQ. We expect Jio's ARPU to improve 1.1% QoQ to ~INR 211 in 2QFY26, while its subs gains will be robust at 7.0mn (vs. 9.9mn in 2QFY26). Hence, Jio's 2QFY26 revenue/EBITDA is likely to grow by 2.4%/2.5% QoQ. Bharti is expected to register 2%/2.1% QoQ growth in its India wireless revenue/EBITDA, led by robust MBB subs gains (at ~7.2mn), and as ARPU is likely to improve 1.6% QoQ (to INR 254). Similarly, BHL is expected to register 2% QoQ growth in its wireless EBITDA due to healthy MBB subs gain (at 0.7mn) and 1.6% QoQ ARPU improvement (to INR 250). Separately, VIL's revenue/reported EBITDA/cash EBITDA is expected to grow by 0.8%/1.1%/ 0.9% QoQ as ARPU is likely to improve 1.2% QoQ to INR 167, though it will be partly offset by net subs loss of ~0.5mn (though MBB subs is likely to grow by ~1mn). We expect net tenancy additions to remain healthy for Indus Towers, driven by VIL's network expansion and Bharti's rural rollouts; reported EBITDA could grow 0.3% QoQ while adjusted EBITDA may grow 2.4% QoQ in 2QFY26. Separately, we expect TCOM's revenue and EBITDA to grow 1.2%/1.8% QoQ led by digital portfolio, though partly offset by weakness in core connectivity on account of SAARC region-related issues.

- **Telcos' ARPU to grow 1.1%-1.6% QoQ aided by ongoing upgrades-led improved subs mix and 1 more day QoQ in 2QFY26; Subs gain likely to be strong for Jio (7mn) but lower for Bharti (2mn):** We expect Jio's ARPU to improve 1.1% QoQ to ~INR 211, aided by upgrades and 1 more day QoQ in 2QFY26, while its subs gains (including FTTH/UBR/5G FWA) will be robust at 7.0mn (vs. 9.9mn in 2QFY26). Hence, Jio's revenue and EBITDA is likely to grow by 2.4% and 2.5% QoQ respectively. However, Bharti's overall wireless subs addition is expected to be lower at 2mn in 2QFY26. Hence, Bharti is expected to register 2% QoQ and 2.1% QoQ growth in its India wireless revenue and EBITDA respectively, led by robust mobile broadband (MBB) subs gains (at ~7.2mn) and as ARPU is likely to improve 1.6% QoQ (to INR 254) due to ongoing healthy upgrades to smartphone/post-paid plans and 1 more day QoQ in 2QFY26. Similarly, BHL is also expected to register 2% QoQ growth in its wireless EBITDA due to healthy MBB subs gain (at 0.7mn) and 1.6% QoQ ARPU improvement (to INR 250). Separately, VIL's revenue, reported EBITDA and cash EBITDA are expected to grow by 0.8%, 1.1% and 0.9% QoQ respectively as ARPU is likely to improve 1.2% QoQ to INR 167 due to improved subs mix and 1 more day QoQ in 2QFY26, though it will be partly offset by net subs loss of ~0.5mn (though MBB subs likely to grow by ~1mn).
- **Indus Adj. EBITDA likely to grow 2.4% QoQ on healthy net tenancy additions driven by Bharti's rural expansion and VIL rollouts; TCOM's EBITDA may grow 1.8% QoQ in 2QFY26 led by digital portfolio:** We expect net tenancy additions to remain healthy (~6.1k in 2QFY26 vs. ~5.8k in 1QFY26) for Indus Towers, driven by VIL's network expansion and Bharti's rural rollouts. However, we assume that the average rental per tenancy (ARPT) could be 0.3% lower QoQ on account of sharing discount due to tenancies from VIL on account of its ongoing network expansion rollouts (largely forming second tenancy on existing towers). Hence, its reported EBITDA could grow 0.3% QoQ while adjusted EBITDA may grow 2.4% QoQ in 2QFY26 (adjusting for recovery of ~INR 0.9bn of past dues from VIL in 1QFY26). Separately, we expect TCOM's revenue and EBITDA to grow 1.2% and 1.8% QoQ respectively led by digital portfolio, though partly offset by weakness in core connectivity on account of SAARC region-related issues (difficulty in recoverability of dues from a few clients in the SAARC region, leading to subsequent exits).
- **Reiterate BUY on Bharti/BHL/TCOM; maintain positive view on Jio:** We reiterate BUY on Bharti (unchanged TP of INR 2,240) and BHL (unchanged TP of INR 2,000) and our positive view on Jio as we believe industry's wireless ARPU will grow at ~13% CAGR in the next 3-5 years, driven by regular tariff hike and multiple premiumisation strategies. Further, there is improved visibility of the next tariff hike of 12-15% in the next few months due to Jio's likely IPO by 1HCY26, coupled with the government's intent to ensure a '3+1' player market. Bharti/Jio's 5G subs penetration has risen to ~42%; 5G monetisation is a potential opportunity in future but is currently limited via tariff hike, push towards high-ARPU plans, reduction in cost/GB of data and FWA rollouts. We have revised our rating on VIL to ADD (from HOLD, revised TP of INR 9.5) and on Indus to REDUCE (from HOLD, unchanged TP of INR 340) to align with our new rating system; there is a 9% increase in TP for VIL factoring in possibility of some AGR relief. We reiterate BUY on TCOM (unchanged TP of INR 2,000) on expectation of improvement in profitability of the digital portfolio segment.



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Please see Appendix I at the end of this report for Important Disclosures and Disclaimers and Research Analyst Certification.

## Detailed 2QFY26E expectations for telecom coverage universe

- **Jio's EBITDA to grow 2.5% QoQ on strong subs gain and 1.1% QoQ growth in ARPU to INR 211 (due to upgrades and 1 more day QoQ):** Jio's ARPU is expected to grow 1.1% QoQ to INR 211 (from INR 208.8) due to 1 more day QoQ in 2QFY26 and upgrades. Further, Jio's net subs gain (including FTTH/UBR/5G FWA) is likely to be robust at 7.0mn in 2QFY26 (added 0.5mn wireless subs and 0.93mn homes broadband subs in Jul'25 as per TRAI's data; vs. total wireless and homes broadband subs gain of 9.9mn in 1QFY26). Strong traction in FTTH/UBR/5G FWA additions is likely to continue with addition of ~3mn subs in 2QFY26. Hence, we expect 2.4% QoQ growth in Jio's standalone revenue to INR 323bn and 2.5% QoQ growth in EBITDA to INR 177bn – **Exhibit 1**.
- **Bharti India wireless EBITDA to grow 2.1% QoQ due to strong MBB subs gain, and as ARPU is likely to improve 1.6% QoQ to INR 254 (due to upgrades and 1 more day QoQ):** Bharti is expected to report robust mobile broadband (MBB) subs addition, at 7.2mn in 2QFY26 (vs. 3.9mn in 1QFY26) while its overall subs addition is expected to be lower at 2mn (added 0.5mn overall subs in Jul'25 as per TRAI's data). Further, its wireless ARPU is likely to grow 1.6% QoQ to INR 254 (vs. INR 250 in 1QFY26) due to upgrades and improved subs mix, and aided by 1 more day QoQ. Hence, we build in 2% QoQ growth in India wireless business revenue to INR 279bn, and 2.1% QoQ rise in EBITDA to INR 166bn. Further, homes broadband segment is likely to witness healthy subs gains (~1.05mn subs addition QoQ) while the enterprise business EBITDA is expected to grow 2.2% QoQ (after completely exiting very low margin commodity voice and wholesale business in 1QFY26) – **Exhibit 3**.
- **BHL's wireless EBITDA also to grow 2% QoQ due to healthy MBB subs gain and as ARPU is likely to improve 1.6% QoQ to INR 250 (due to upgrades and 1 more day QoQ):** BHL's (Bharti Hexacom Ltd) 2QFY26 ARPU is also likely to grow 1.6% QoQ to INR 250 (vs. INR 246 in 1QFY26) due to upgrades and improved subs mix and aided by 1 more day QoQ. It is also likely to report robust MBB subs addition, at 0.7mn in 2QFY26 (vs. 0.28mn in 1QFY26) while its overall subs addition is expected to be muted at 0.02mn (added 6k overall subs in Jul'25 as per TRAI's data). Hence, we expect its wireless revenue to grow by 4.2% QoQ to INR 22.6bn, aided by normalisation of roaming revenue while EBITDA to improve by 2% QoQ to INR 12.2bn in 2QFY26 (with normalised access charges offsetting its normalised roaming revenue). Further, homes broadband segment is likely to witness healthy subs gains (~0.06mn subs addition QoQ). Hence, BHL's overall revenue is expected to grow by 4.2% QoQ to INR 23.6bn and EBITDA to grow by 2.8% QoQ to INR 12.4bn in 2QFY26 – **Exhibit 4**.
- **VIL's EBITDA to grow 1.1% QoQ as ARPU is likely to improve 1.2% QoQ to INR 167 due to improved subs mix and 1 more day QoQ, though it could be partly offset by net subs loss of ~0.5mn:** VIL is expected to report net subs loss of 0.5mn in 2QFY26 (vs. net subs loss of 0.5mn in 1QFY26, 1.6mn in 4QFY25 and 1.5mn-5mn per quarter over the last few quarters) while adding ~1mn MBB subs (added 1mn MBB subs in 1QFY26), aided by its ongoing network expansion rollouts. However, its ARPU is likely to grow by 1.2% QoQ to INR 167 (vs. INR 165 in 1QFY26) due to upgrades and improved subs mix, and aided by 1 more day QoQ. Hence, we expect its revenue to grow 0.8% QoQ to INR 111bn, reported EBITDA to be higher 1.1% QoQ at INR 46.6bn and Pre-IND AS EBITDA (or cash EBITDA) to be higher 0.9% QoQ at INR 22bn in 2QFY26 – **Exhibit 6**.
- **Net tenancy additions for Indus to remain healthy driven by Bharti's rural expansion and VIL rollouts; reported EBITDA to grow 0.3% QoQ while adjusted EBITDA to grow 2.4% QoQ:** We build in ~6.1k net tenancy additions in 2QFY26 for Indus Towers (vs. ~5.8k in 1QFY26), driven by Bharti's continued rural expansion and VIL network expansion rollouts. We expect tower additions of ~2.7k in 2QFY26 (vs. ~2.5k in 1QFY26), primarily on account of Bharti's continued rural network expansion. However, we assume that the ARPT could be 0.3% lower QoQ on account of sharing discount due to tenancies from VIL on account of its ongoing network expansion rollouts (largely forming second tenancy on existing towers). Hence, revenue is likely to grow 0.3% QoQ to INR 81bn, partly offset by lower energy revenue in 2QFY26. Further, reported EBITDA is also likely to grow 0.3% QoQ to INR 44bn in 2QFY26 as we build slightly improved energy EBITDA (at negative 3% in 2QFY26 vs. negative 4% in 1QFY26) and NIL provision for doubtful debt write-back (vs. recovery of ~INR 0.9bn of past dues from VIL in 1QFY26) given VIL has paid all of its undisputed past dues; adjusted EBITDA could improve ~2.4% QoQ to INR 44bn in 2QFY26 – **Exhibit 7**.
- **TCOM's revenue and EBITDA to grow 1.2% and 1.8% QoQ respectively led by digital portfolio; though partly offset by weakness in core connectivity on account of SAARC region-related issues:** We expect weakness to continue in TCOM's core connectivity segment on account of SAARC region-related issues (difficulty in recoverability of dues from a few clients in SAARC region, leading to subsequent exits). Hence, core connectivity revenue is likely to be flattish QoQ in 2QFY26 while digital portfolio revenue is likely to grow 3.4% QoQ in 2QFY26. Hence, we expect overall revenue to grow 1.2% QoQ to INR 60.3bn and EBITDA to grow 1.8% QoQ to INR 11.6bn – **Exhibit 8**.

## Exhibit 1. 2QFY26E expectations for telecom coverage universe

	2QFY26E	2QFY25	1QFY26	YoY (%)	QoQ (%)	Comment
<b>Bharti Airtel</b>						
Consolidated Revenue (INR mn)	511,229	417,280	499,714	22.5%	2.3%	We build for robust MBB subs addition, at 7.2mn in 2QFY26 (vs. 3.9mn in 1QFY26) while its overall subs addition is expected to be lower at 2mn (added 0.5mn overall subs in Jul'25 as per TRA's data). Further, its wireless ARPU is likely to grow 1.6% QoQ to INR 254 (vs. INR 250 in 1QFY26) due to upgrades and improved subs mix and aided by 1 more day QoQ. Hence, we build in 2% QoQ growth in India wireless business revenue to INR 279bn, and 2.1% QoQ rise in EBITDA to INR 166bn. Further, homes broadband segment is likely to witness healthy subs gains (~1.05mn subs addition QoQ) while the enterprise business EBITDA is expected to grow 2.2% QoQ (after completely exiting very low margin commodity voice and wholesale business in 1QFY26).
Consolidated Reported EBITDA (INR mn)	291,383	221,009	283,475	31.8%	2.8%	
Consolidated Reported EBITDA margin (%)	57.0%	53.0%	56.7%	7.6%	0.5%	
Consolidated PBT (INR mn)	112,399	58,974	105,044	90.6%	7.0%	
Consolidated Reported PAT (INR mn)	65,192	35,932	59,479	81.4%	9.6%	
India Wireless Revenue (INR mn)	279,430	248,371	273,966	12.5%	2.0%	India wireless business revenue to INR 279bn, and 2.1% QoQ rise in EBITDA to INR 166bn. Further, homes broadband segment is likely to witness healthy subs gains (~1.05mn subs addition QoQ) while the enterprise business EBITDA is expected to grow 2.2% QoQ (after completely exiting very low margin commodity voice and wholesale business in 1QFY26).
India Wireless Post IND AS EBITDA (INR mn)	166,128	141,710	162,743	17.2%	2.1%	
India Wireless Post IND AS EBITDA margin (%)	59.5%	57.1%	59.4%	240 bps	5 bps	
India Wireless ARPU (INR)	254	233	250	9.0%	1.6%	
India Wireless EoP subscribers (mn)	365	352	363	3.7%	0.6%	
India wireless EoP 4G subscribers (mn)	288	264	281	9.2%	2.6%	
India wireless EoP post-paid subscribers (mn)	27.0	24.7	26.6	9.5%	1.6%	
<b>Bharti Hexacom</b>						
Consolidated Revenue (INR mn)	23,591	20,976	22,630	12.5%	4.2%	We expect BHL's ARPU to grow 1.6% QoQ to INR 250 (vs. INR 246 in 1QFY26) due to upgrades and improved subs mix and aided by 1 more day QoQ in 2QFY26. Further, it is also likely to report robust MBB subs addition of ~0.7mn (vs. ~0.28mn in 1QFY26) but muted net wireless subs gain of ~0.02mn in 2QFY26 (vs. ~0.02mn in 1QFY26). Hence, we expect its wireless revenue to grow by 4.1% QoQ to INR 22.8bn, aided by likely normalisation of roaming revenue while EBITDA to improve by 2% QoQ to INR 12.2bn in 2QFY26 (with normalised access charges offsetting its normalised roaming revenue). Further, homes broadband segment is likely to witness healthy subs gains (~0.06mn subs addition QoQ).
Consolidated EBITDA (INR mn)	12,419	10,510	12,082	18.2%	2.8%	
Consolidated EBITDA margin (%)	52.6%	50.1%	53.4%	254 bps	-75 bps	
Consolidated PBT (INR mn)	5,519	3,395	5,268	62.6%	4.8%	
Consolidated Reported PAT (INR mn)	4,128	2,531	3,916	63.1%	5.4%	
Wireless Revenue (INR mn)	22,812	20,433	21,916	11.6%	4.1%	Wireless revenue to INR 22.8bn, aided by likely normalisation of roaming revenue while EBITDA to improve by 2% QoQ to INR 12.2bn in 2QFY26 (with normalised access charges offsetting its normalised roaming revenue). Further, homes broadband segment is likely to witness healthy subs gains (~0.06mn subs addition QoQ).
Wireless Post IND AS EBITDA (INR mn)	12,156	10,276	11,923	18.3%	2.0%	
Wireless Post IND AS EBITDA margin (%)	53	50	54	6.0%	-2.1%	
Wireless ARPU (INR)	250	228	246	9.6%	1.6%	
Wireless EoP subscribers (mn)	28.2	27.1	28.1	3.8%	0.1%	
<b>Jio standalone</b>						
Revenue (INR mn)	322,517	285,270	314,930	13.1%	2.4%	We expect Jio's ARPU to grow 1.1% QoQ to INR 211 (from INR 208.8) due to 1 more day QoQ in 2QFY26 and upgrades. Further, Jio's net subs gain (including FTTH/UBR/5G FWA) is likely to be robust at 7.0mn in 2QFY26 (added 0.5mn wireless subs and 0.93mn homes broadband subs in Jul'25 as per TRA's data; vs. total wireless and homes broadband subs gain of 9.9mn in 1QFY26). Strong traction in FTTH/UBR/5G FWA additions is likely to continue with addition of ~3mn subs in 2QFY26. Hence, we expect 2.4% QoQ growth in Jio's standalone revenue to INR 323bn and 2.5% QoQ growth in EBITDA to INR 177bn.
EBITDA (INR mn)	177,262	152,250	173,010	16.4%	2.5%	
EBITDA margin (%)	55.0%	53.4%	54.9%	159 bps	3 bps	
PBT (INR mn)	92,765	83,690	90,160	10.8%	2.9%	
Reported PAT (INR mn)	69,052	62,310	67,110	10.8%	2.9%	
-ARPU (INR)	211.0	195.1	208.8	8.1%	1.1%	
-EoP subscribers (mn)	505	479	498	5.5%	1.4%	
<b>Vodafone Idea</b>						
Revenue (INR mn)	111,151	109,322	110,225	1.7%	0.8%	We expect VIL to report net subs loss of 0.5mn in 2QFY26 (vs. net subs loss of 0.5mn in 1QFY26, 1.6mn in 4QFY25 and 1.5mn-5mn per quarter over the last few quarters) while adding ~1mn MBB subs (added 1mn MBB subs in 1QFY26), aided by its ongoing network expansion rollouts. However, its ARPU is likely to grow by 1.2% QoQ to INR 167 (vs. INR 165 in 1QFY26) due to upgrades and improved subs mix and aided by 1 more day QoQ in 2QFY26. Hence, we expect its revenue to grow 0.8% QoQ to INR 111bn, reported EBITDA to be higher 1.1% QoQ at INR 46.6bn and Pre-IND AS EBITDA (or cash EBITDA) to be higher 0.9% QoQ at INR 22bn in 2QFY26.
Reported EBITDA (INR mn)	46,609	45,498	46,121	2.4%	1.1%	
Pre-IND AS EBITDA (INR mn)	21,988	23,200	21,800	-5.2%	0.9%	
Reported EBITDA margin (%)	41.9%	41.6%	41.8%	31 bps	9 bps	
Pre-IND AS EBITDA margin (%)	19.8%	21.2%	19.8%	-144 bps	bps	
PBT (INR mn)	-68,235	-71,681	-66,111	-4.8%	3.2%	
Reported PAT (INR mn)	-68,235	-71,759	-66,081	-4.9%	3.3%	
-ARPU (INR)	167	156	165	7.0%	1.2%	
-EoP subscribers (mn)	197	205	198	-3.8%	-0.3%	
-EoP MBB/data subscribers (mn)	136	135	135	0.7%	0.8%	
-EoP post-paid subscribers (including IoT) (mn)	27.3	24.5	26.6	11.4%	2.6%	
<b>Indus Towers</b>						
Revenue (INR mn)	80,817	74,653	80,576	8.3%	0.3%	We build in ~6.1k net tenancy additions in 2QFY26 vs. ~5.8k in 1QFY26 and tower additions at ~2.7k vs. ~2.5k in 1QFY26. However, we assume ARPT to be 0.3% lower QoQ. Hence, revenue is likely to grow 0.3% QoQ to INR 81bn, partly offset by lower energy revenue in 2QFY26. Further, reported EBITDA is also likely to grow 0.3% QoQ to INR 44bn in 2QFY26 as we build slightly improved energy EBITDA (at negative 3% in 2QFY26 vs. negative 4% in 1QFY26) and NIL provision for doubtful debt write-back (vs. recovery of ~INR 0.9bn of past dues from VIL in 1QFY26) given VIL has paid all of its undisputed past dues; while adjusted EBITDA could improve ~2.4% QoQ to INR 44bn in 2QFY26.
EBITDA (INR mn)	44,045	49,071	43,901	-10.2%	0.3%	
EBITDA margin (%)	54.5%	65.7%	54.5%	-1,123 bps	2 bps	
PBT (INR mn)	30,228	29,801	23,338	1.4%	29.5%	
Reported PAT (INR mn)	22,459	22,235	17,368	1.0%	29.3%	
EoP towers (#)	254,480	229,658	251,773	10.8%	1.1%	
QoQ Tower additions	2,707	3,748	2,468	-27.8%	9.7%	
EoP tenancies (#)	417,287	379,236	411,212	10.0%	1.5%	
QoQ Tenancy additions	6,075	4,308	5,777	41.0%	5.2%	
Period end sharing factor (x)	1.64 x	1.65 x	1.63 x	-0.7%	0.4%	
Rental revenue per tenancy (INR)	41,009	41,125	41,132	-0.3%	-0.3%	
<b>Tata Communications</b>						
Revenue (INR mn)	60,343	57,279	59,599	5.4%	1.2%	We expect weakness to continue in TCOM's core connectivity segment on account of SAARC region related issues (difficulty in recoverability of dues from few clients in SAARC region, leading to subsequent exits). Hence, core connectivity revenue is likely to be flatish QoQ in 2QFY26 while digital portfolio revenue is likely to grow 3.4% QoQ in 2QFY26. Hence, we expect overall revenue to grow 1.2% QoQ to INR 60.3bn and EBITDA to grow 1.8% QoQ to INR 11.6bn.
EBITDA (INR mn)	11,575	11,294	11,368	2.5%	1.8%	
EBITDA margin (%)	19.2%	19.7%	19.1%	-54 bps	11 bps	
PBT (INR mn)	3,275	3,447	2,491	-5.0%	31.5%	
Reported PAT (INR mn)	2,618	2,272	1,900	15.2%	37.8%	
Core Connectivity Gross Revenue (INR mn)	26,224	26,134	26,198	0.3%	0.1%	
Digital Portfolio Gross Revenue (INR mn)	25,946	22,128	25,105	17.3%	3.4%	
Data Revenue (INR mn)	52,170	48,262	51,302	8.1%	1.7%	

Source: Company, JM Financial.

## Exhibit 2. MBB subs addition expected to be robust for Bharti/Jio/BHL in 2QFY26E as well

	1QFY24	2QFY24	3QFY24	4QFY24	1QFY25	2QFY25	3QFY25	4QFY25	1QFY26	2QFY26E
<b>EoP MBB subscribers (mn)</b>										
VIL	123	125	126	126	127	126	126	126	127	128
Bharti (including BHL)	230	237	245	253	259	264	270	277	281	288
BHL	17	18	19	19	20	20	21	21	22	22
Jio	439	450	461	471	477	465	466	470	477	482
<b>Total</b>	<b>809</b>	<b>830</b>	<b>850</b>	<b>869</b>	<b>884</b>	<b>875</b>	<b>882</b>	<b>895</b>	<b>907</b>	<b>921</b>
<b>Change in MBB subscriber base (mn)</b>										
VIL	0.3	1.8	0.9	0.7	0.4	-0.8	0.1	0.4	1.0	1.0
Bharti (including BHL)	229.7	7.7	7.4	7.8	6.7	4.2	6.5	6.6	3.9	7.2
BHL	0.3	0.9	0.6	0.6	0.7	0.1	0.5	0.7	0.3	0.7
Jio	8.4	10.6	10.6	10.0	6.8	-12.7	0.9	4.6	7.3	4.4
<b>Total</b>	<b>238.4</b>	<b>20.1</b>	<b>18.9</b>	<b>18.5</b>	<b>13.8</b>	<b>-9.2</b>	<b>7.5</b>	<b>11.6</b>	<b>12.2</b>	<b>12.7</b>

Source: Company, TRAI, JM Financial.

## Exhibit 3. Bharti Airtel 2QFY26E segmental expectations

	1QFY25	2QFY25	3QFY25	4QFY25	1QFY26	2QFY26E	QoQ (%)	YoY (%)
<b>India wireless</b>								
Revenue (INR mn)	225,274	248,371	262,687	266,168	273,966	279,430	2.0%	12.5%
<b>Post IND AS EBITDA (INR mn)</b>	<b>125,274</b>	<b>141,710</b>	<b>154,568</b>	<b>157,535</b>	<b>162,743</b>	<b>166,128</b>	<b>2.1%</b>	<b>17.2%</b>
Post IND AS EBITDA margin (%)	55.6	57.1	58.8	59.2	59.4	59.5	5bps	240bps
Incremental Post IND AS EBITDA margin (%)	79.4	71.2	89.8	85.2	66.8	61.9		
EoP Subscribers (mn)	355	352	357	362	363	365	0.6%	3.7%
Net subscriber addition (mn)	2.3	-2.9	4.9	5.0	1.2	2.0		
EoP Post-paid subscribers (excluding IoT) (mn)	23.9	24.7	25.3	25.9	26.6	27.0	1.6%	9.5%
Net post-paid subscriber (excluding IoT) addition (mn)	0.8	0.8	0.6	0.6	0.7	0.4		
Postpaid subscribers (excluding IoT) as % of total subs	6.7%	7.0%	7.1%	7.2%	7.3%	7.4%		
EoP 4G/5G subscribers (mn)	259	264	270	277	281	288	2.6%	9.2%
Net 4G/5G subscriber addition (mn)	6.7	4.2	6.5	6.6	3.9	7.2		
4G/5G subs as % of total subs	73%	75%	76%	77%	77%	79%		
EoP 5G subscribers (mn)	90	105	120	135	153	153		
5G subs as % of 4G/5G subs	35%	40%	44%	49%	55%	53%		
EoP Total Data subscribers (mn)	267	271	278	281	285	287		
Net Data subscriber addition (mn)	6.3	4.0	6.4	3.6	3.5	2.3		
Data subs as % of total subs	75%	77%	78%	78%	78%	79%		
AMDU (GB/month)	23.7	23.9	24.5	25.1	26.9	27.3	1.6%	14.4%
ARPU (INR/month)	211	233	245	245	250	254	1.6%	9.0%
<b>Home Services (Broadband)</b>								
Revenue (INR mn)	13,670	14,321	15,092	15,961	17,179	18,343	6.8%	28.1%
EBITDA (INR mn)	6,867	7,203	7,465	7,957	8,589	9,196	7.1%	27.7%
EBITDA margin (%)	50.2	50.3	49.5	49.9	50.0	50.1	14bps	-16bps
Subscribers (mn)	7.97	8.55	9.23	10.04	10.98	12.03	9.6%	40.6%
ARPU (INR/month)	572	566	554	543	537	532	-1.0%	-6.1%
Cities covered (#)	1,317	1,345	1,427	1,476	1,512	1,512		
<b>Telemedia (DTH)</b>								
Revenue (INR mn)	7,771	7,586	7,607	7,644	7,628	7,424	-2.7%	-2.1%
EBITDA (INR mn)	4,402	4,243	4,425	3,849	3,882	3,787	-2.5%	-10.7%
EBITDA margin (%)	56.6	55.9	58.2	50.4	50.9	51.0	12bps	-492bps
Subscribers (mn)	16.3	15.8	15.8	15.9	15.7	15.5	-1.2%	-1.8%
ARPU (INR/month)	159	158	160	162	161	159	-1.5%	0.4%
<b>Enterprise Business</b>								
Revenue (INR mn)	54,765	56,555	56,460	53,155	50,571	51,582	2.0%	-8.8%
EBITDA (INR mn)	19,855	20,208	19,846	22,359	21,535	22,014	2.2%	8.9%
EBITDA margin (%)	36.3	35.7	35.2	42.1	42.6	42.7	9bps	695bps
<b>Airtel Africa</b>								
Revenue (INR mn)	96,369	101,631	107,032	113,763	120,834	124,020	2.6%	22.0%
EBITDA (INR mn)	43,617	47,259	50,295	53,807	58,156	59,891	3.0%	26.7%
EBITDA margin (%)	45.3	46.5	47.0	47.3	48.1	48.3	16bps	179bps
<b>Passive Infrastructure (Indus Towers)</b>								
Revenue (INR mn)			75,474	77,271	80,576	80,817	0.3%	NM
EBITDA (INR mn)			69,971	43,952	44,673	44,817	0.3%	NM
EBITDA margin (%)			92.7	56.9	55.4	55.5	1bps	NM
<b>Consolidated</b>								
Revenue (INR mn)	388,699	417,280	455,990	483,620	499,714	511,229	2.3%	22.5%
EBITDA (INR mn)	200,711	221,009	250,663	274,946	283,475	291,383	2.8%	31.8%
EBITDA margin (%)	51.6	53.0	55.0	56.9	56.7	57.0	27bps	403bps
PAT (INR mn)	41,599	35,932	147,812	110,218	59,479	65,192		

Source: Company, JM Financial. \*MBB subscribers refers to 3G/4G/5G subscribers; Data subscribers include MBB subscribers and high ARPU 2G data users



## Exhibit 4. BHL 2QFY26E operational metrics expectations

	1QFY25	2QFY25	3QFY25	4QFY25	1QFY26	2QFY26E	QoQ (%)	YoY (%)
<b>Wireless</b>								
Revenue (INR mn)	18,604	20,433	21,931	22,249	21,916	22,812	4.1%	11.6%
EBITDA (INR mn)	8,928	10,276	11,741	11,969	11,923	12,156	2.0%	18.3%
EBITDA margin (%)	48.0	50.3	53.5	53.8	54.4	53.3	-112bps	300bps
EoP Subscribers (mn)	27.6	27.1	27.6	28.1	28.1	28.2	0.1%	3.8%
Net subscriber addition (mn)	0.25	-0.47	0.49	0.52	0.02	0.02		
EoP 4G/5G subscribers (mn)	20.2	20.3	20.8	21.5	21.8	22.5	3.2%	10.6%
Net 4G/5G subscriber addition (mn)	0.70	0.14	0.45	0.71	0.28	0.70		
4G/5G subs as % of total subs	73%	75%	75%	76%	77%	80%		
EoP Total Data subscribers (mn)	20.5	20.6	21.0	21.6	21.8	22.5	3.2%	9.4%
Net Data subscriber addition (mn)	0.69	0.13	0.45	0.53	0.28	0.69		
Data subs as % of total subs	74%	76%	76%	77%	78%	80%		
AMDU (GB/month)	25.7	25.9	26.2	27.7	29.4	29.7	1.1%	14.8%
ARPU (INR/month)	205	228	241	242	246	250	1.6%	9.6%
<b>Home Broadband &amp; Wireline</b>								
Revenue (INR mn)	568	599	645	709	784	850	8.4%	41.8%
EBITDA (INR mn)	189	188	197	233	249	263	5.8%	40.1%
EBITDA margin (%)	33.3	31.4	30.5	32.9	31.8	31.0	-76bps	-39bps
Subscribers (mn)	0.32	0.35	0.40	0.45	0.50	0.56	11.2%	59.0%
Net subscriber addition (mn)	0.02	0.03	0.04	0.05	0.05	0.06		
ARPU (INR/month)	514	509	499	490	485	478	-1.5%	-6.1%

Source: Company, JM Financial.

## Exhibit 5. Jio 2QFY26E operational metrics expectations

	1QFY25	2QFY25	3QFY25	4QFY25	1QFY26	2QFY26E	QoQ (%)	YoY (%)
Subscribers at EoP (mn)	490	479	482	488	498	505	1.4%	5.5%
Net subscriber addition (mn)	7.9	-10.9	3.3	6.1	9.9	7.0		
5G Subscribers at EoP (mn)	130	148	170	191	210	229		
5G Penetration	26.5%	30.9%	35.3%	39.1%	42.2%	45.3%		
ARPU (INR)	182	195	203	206.2	208.8	211.0	1.1%	8.1%
AMDU (GB/month)	30.3	31.0	32.3	33.6	37.0	37.4	1.1%	20.6%

Source: Company, JM Financial.

## Exhibit 6. VIL 2QFY26E operational metrics expectations

	1QFY25	2QFY25	3QFY25	4QFY25	1QFY26	2QFY26E	QoQ (%)	YoY (%)
EoP Total subscribers (mn)	210	205	200	198	198	197	-0.3%	-3.8%
Net subscriber addition (mn)	-2.5	-5.1	-5.2	-1.6	-0.5	-0.5		
EoP Postpaid subs (including IoT) (mn)	24.1	24.5	25.2	25.6	26.6	27.3	2.6%	11.4%
Net postpaid subs (including IoT) addition (mn)	0.2	0.4	0.7	0.4	1.0	0.7		
Postpaid subs (including IoT) as % of total subs	11.5%	12.0%	12.6%	12.9%	13.5%	13.8%	2.9%	15.8%
EoP Total Data subscribers (mn)	136.9	134.9	134.2	134.1	134.8	135.9	0.8%	0.7%
Net data subscriber addition (mn)	-0.4	-2.0	-0.7	-0.1	0.7	1.1		
Data subs as % of total subs	65%	66%	67%	68%	68%	69%		
EoP Total 4G/5G subscribers (mn)	126.7	125.9	126.0	126.4	127.4	128.4	0.8%	2.0%
Net 4G/5G subscriber addition (mn)	0.4	-0.8	0.1	0.4	1.0	1.0		
4G/5G subs as % of total subs	60%	61%	63%	64%	64%	65%		
AMDU (Monthly data usage ,GB)	15.6	15.4	15.2	15.9	17.3	17.5	1.1%	13.8%
Blended ARPU including M2M subs (INR)	146	156	163	164	165	167	1.2%	7.0%
ARPU (excluding M2M subs) (INR)	154	166	173	175	177	179	1.1%	7.8%

Source: Company, JM Financial. \*MBB subscribers refers to 3G/4G subscribers; Data subscribers include MBB subscribers and high ARPU 2G data users

## Exhibit 7. Indus Towers 2QFY26E operational metrics expectations

	1QFY25	2QFY25	3QFY25	4QFY25	1QFY26	2QFY26E	QoQ (%)	YoY (%)
<b>Macro Towers</b>								
EoP Macro Towers *	225,910	229,658	234,643	249,305	251,773	254,480	1.1%	10.8%
QoQ Macro Tower net additions *	6,174	3,748	4,985	14,662	2,468	2,707		
EoP Total tenancies *	374,928	379,236	386,819	405,435	411,212	417,287	1.5%	10.0%
QoQ Tenancy additions *	6,340	4,308	7,583	18,616	5,777	6,075		
Closing sharing factor	1.66x	1.65x	1.65x	1.63x	1.63x	1.64x	0.00x	-0.01x
Average sharing factor	1.67x	1.66x	1.65x	1.64x	1.63x	1.64x	0.00x	-0.01x
Incremental sharing factor	1.03x	1.15x	1.52x	1.27x	2.34x	2.24x		
Rental revenue per tenancy (INR)	41,094	41,125	41,426	41,893	41,132	41,009	-0.3%	-0.3%
<b>Energy Revenue and EBITDA</b>								
Pass-through (or Energy) revenue per tenancy (INR)	24,625	24,376	23,766	22,595	24,061	23,580	-2.0%	-3.3%
Energy EBITDA (INR mn)	-1,542	-1,350	-944	-1,415	-1,213	-760		
Energy EBITDA margin (%)	-6%	-5%	-3%	-5%	-4%	-3%		

Source: Company, JM Financial. \* Including 10,380 macro towers and 2,226 lean co-locations acquired from Bharti in 4QFY25

## Exhibit 8. Tata Communications 2QFY26E segmental expectations

INR mn	1QFY25	2QFY25	3QFY25	4QFY25	1QFY26	2QFY26E	QoQ (%)	YoY (%)
<b>Gross Revenue</b>								
Voice	4,227	4,255	4,105	3,741	3,945	3,867	-2.0%	-9.1%
<b>Data</b>	<b>46,878</b>	<b>48,262</b>	<b>49,032</b>	<b>50,961</b>	<b>51,302</b>	<b>52,170</b>	<b>1.7%</b>	<b>8.1%</b>
Core connectivity	25,502	26,134	25,903	26,562	26,198	26,224	0.1%	0.3%
Digital portfolio	21,377	22,128	23,130	24,399	25,105	25,946	3.4%	17.3%
Others	5,228	4,761	4,843	5,201	4,351	4,307	-1.0%	-9.5%
Total	56,334	57,279	57,981	59,904	59,599	60,343	1.2%	5.4%
<b>EBITDA</b>								
Voice	462	478	483	440	436	427	-2.0%	-10.5%
<b>Data</b>	<b>9,237</b>	<b>8,957</b>	<b>9,413</b>	<b>8,910</b>	<b>8,813</b>	<b>9,002</b>	<b>2.1%</b>	<b>0.5%</b>
Others	1,543	1,860	1,913	1,871	2,119	2,145	1.2%	15.4%
Total	11,242	11,294	11,810	11,221	11,368	11,575	1.8%	2.5%
<b>EBITDA Margin (%)</b>								
Voice	10.9%	11.2%	11.8%	11.7%	11.1%	11.1%	0bps	-17bps
<b>Data</b>	<b>19.7%</b>	<b>18.6%</b>	<b>19.2%</b>	<b>17.5%</b>	<b>17.2%</b>	<b>17.3%</b>	<b>8bps</b>	<b>-130bps</b>
Others	29.5%	39.1%	39.5%	36.0%	48.7%	49.8%	110bps	1075bps
Overall	20.0%	19.7%	20.4%	18.7%	19.1%	19.2%	11bps	-54bps
<b>Gross revenue growth YoY</b>								
Voice	1.1%	-0.7%	-3.0%	-12.8%	-6.7%	-9.1%		
<b>Data</b>	<b>20.0%</b>	<b>21.0%</b>	<b>6.3%</b>	<b>9.6%</b>	<b>9.4%</b>	<b>8.1%</b>		
Core connectivity	2.1%	2.9%	2.8%	3.2%	2.7%	0.3%		
Digital portfolio	51.6%	52.5%	10.5%	17.5%	17.4%	17.3%		
Others	17.4%	4.9%	-12.3%	-15.0%	-16.8%	-9.5%		
Overall	18.1%	17.6%	3.8%	5.2%	5.8%	5.4%		
<b>EBITDA growth YoY (%)</b>								
Voice	-25.5%	-23.5%	-3.6%	-0.2%	-5.6%	-10.5%		
<b>Data</b>	<b>-3.1%</b>	<b>-4.5%</b>	<b>-4.4%</b>	<b>1.0%</b>	<b>-4.6%</b>	<b>0.5%</b>		
Others	1631.0%	1096.4%	62.3%	43.7%	37.3%	15.4%		
Overall	9.8%	11.2%	2.4%	6.2%	1.1%	2.5%		

Source: Company, JM Financial.

## Exhibit 9. Bharti's estimated ARPU breakdown for past quarters

	1QFY24	2QFY24	3QFY24	4QFY24	1QFY25	2QFY25	3QFY25	4QFY25	1QFY26
<b>Avg Subscribers (Mn)</b>									
Postpaid	20.1	21.0	21.9	22.7	23.5	24.3	25.0	25.6	26.2
Prepaid Data (2G/4G/5G)	215.4	221.1	227.6	234.3	240.5	244.9	249.4	253.8	256.8
Prepaid Non-Data (2G)	101.5	98.4	94.4	91.9	89.4	83.9	79.7	79.7	79.2
	<b>337.0</b>	<b>340.4</b>	<b>343.9</b>	<b>348.9</b>	<b>353.4</b>	<b>353.1</b>	<b>354.1</b>	<b>359.1</b>	<b>362.2</b>
<b>Subscribers Mix (%)</b>									
Postpaid	6%	6%	6%	7%	7%	7%	7%	7%	7%
Prepaid Data (2G/4G/5G)	64%	65%	66%	67%	68%	69%	70%	71%	71%
Prepaid Non-Data (2G)	30%	29%	27%	26%	25%	24%	23%	22%	22%
	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>
<b>ARPU (INR)</b>									
Postpaid	399	399	399	399	399	449	449	449	449
Prepaid Data (2G/4G/5G)	205	209	214	214	216	225	243	242	249
Prepaid Non-Data (2G)	155	155	155	155	155	199	199	198	198
	<b>200</b>	<b>203</b>	<b>208</b>	<b>209</b>	<b>211</b>	<b>233</b>	<b>245</b>	<b>245</b>	<b>250</b>
<b>Revenue (INR Bn)</b>									
Postpaid	24	25	26	27	28	33	34	34	35
Prepaid Data (2G/4G/5G)	133	139	146	151	156	166	181	184	192
Prepaid Non-Data (2G)	47	46	44	43	42	50	48	47	47
	<b>204</b>	<b>210</b>	<b>216</b>	<b>221</b>	<b>225</b>	<b>248</b>	<b>263</b>	<b>266</b>	<b>274</b>
<b>Revenue Contribution (%)</b>									
Postpaid	12%	12%	12%	12%	12%	13%	13%	13%	13%
Prepaid Data (2G/4G/5G)	65%	66%	68%	68%	69%	67%	69%	69%	70%
Prepaid Non-Data (2G)	23%	22%	20%	19%	18%	20%	18%	18%	17%
	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>

Source: Company, JM Financial. Note: Above ARPU computation for pre-paid data subs is based on assumption of all post-paid subs being on entry level post-paid plan and all pre-paid non-data subs being on entry level pre-paid plan

**Exhibit 10. Jio's estimated ARPU breakdown for past quarters**

	1QFY24	2QFY24	3QFY24	4QFY24	1QFY25	2QFY25	3QFY25	4QFY25	1QFY26
<b>Avg Subscribers (Mn)</b>									
Postpaid	7.0	7.4	7.8	8.2	8.6	8.6	8.8	9.2	9.5
Prepaid Smartphone (4G/5G)	331	336	340	345	348	342	342	344	347
Prepaid JioPhone (4G)	102	107	112	117	121	114	115	117	121
	<b>439</b>	<b>450</b>	<b>461</b>	<b>471</b>	<b>477</b>	<b>465</b>	<b>466</b>	<b>470</b>	<b>477</b>
<b>Subscribers Mix (%)</b>									
Postpaid	2%	2%	2%	2%	2%	2%	2%	2%	2%
Prepaid Smartphone (4G/5G)	75%	75%	74%	73%	73%	74%	73%	73%	73%
Prepaid JioPhone (4G)	23%	24%	24%	25%	25%	25%	25%	25%	25%
	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>
<b>ARPU (INR)</b>									
Postpaid	299	299	299	299	299	349	349	349	349
Prepaid Smartphone (4G/5G)	76	65	51	38	16	-1	-39	-90	-152
Prepaid JioPhone (4G)	91	91	91	91	91	91	91	91	91
	<b>84</b>	<b>76</b>	<b>66</b>	<b>56</b>	<b>40</b>	<b>28</b>	<b>0</b>	<b>-36</b>	<b>-81</b>
<b>Revenue (INR Bn)</b>									
Postpaid	6	7	7	7	8	9	9	10	10
Prepaid Smartphone (4G/5G)	76	65	52	39	17	-1	-40	-93	-158
Prepaid JioPhone (4G)	28	29	31	32	33	31	31	32	33
	<b>110</b>	<b>101</b>	<b>90</b>	<b>78</b>	<b>57</b>	<b>39</b>	<b>1</b>	<b>-51</b>	<b>-115</b>
<b>Revenue Contribution (%)</b>									
Postpaid	6%	7%	8%	9%	13%	23%	1360%	-19%	-9%
Prepaid Smartphone (4G/5G)	69%	64%	58%	50%	29%	-2%	-5862%	181%	137%
Prepaid JioPhone (4G)	25%	29%	34%	41%	57%	79%	4602%	-63%	-29%
	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>

Source: Company, JM Financial. Note: Above ARPU computation for pre-paid data subs is based on assumption of all post-paid subs being on entry level post-paid plan and all pre-paid non-data subs being on entry level pre-paid plan

**Exhibit 11. VIL's estimated ARPU breakdown for past quarters**

	1QFY24	2QFY24	3QFY24	4QFY24	1QFY25	2QFY25	3QFY25	4QFY25	1QFY26
<b>Avg Subscribers (Mn)</b>									
Postpaid (including M2M)	22.6	23.0	23.4	23.8	24.0	24.3	24.9	25.4	26.1
Prepaid Data (2G/3G/4G)	113.3	114.2	114.1	113.6	112.9	110.6	109.4	108.7	108.7
Prepaid Non-Data (2G)	85.5	82.6	77.8	75.3	73.2	70.1	65.6	64.1	62.9
	<b>221.4</b>	<b>219.8</b>	<b>215.2</b>	<b>212.6</b>	<b>210.1</b>	<b>205.0</b>	<b>199.8</b>	<b>198.2</b>	<b>197.7</b>
<b>Subscribers Mix (%)</b>									
Postpaid (including M2M)	10%	10%	11%	11%	11%	12%	12%	13%	13%
Prepaid Data (2G/3G/4G)	51%	52%	53%	53%	54%	54%	55%	55%	55%
Prepaid Non-Data (2G)	39%	38%	36%	35%	35%	34%	33%	32%	32%
	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>
<b>ARPU (INR)</b>									
Postpaid (including M2M)	184	184	184	184	184	204	204	204	204
Prepaid Data (2G/3G/4G)	224	210	211	206	207	215	226	229	231
Prepaid Non-Data (2G)	70	91	92	100	99	110	111	104	100
	<b>139</b>	<b>142</b>	<b>145</b>	<b>146</b>	<b>146</b>	<b>156</b>	<b>163</b>	<b>164</b>	<b>165</b>
<b>Revenue (INR Bn)</b>									
Postpaid (including M2M)	12	13	13	13	13	15	15	16	16
Prepaid Data (2G/3G/4G)	76	72	72	70	70	71	74	75	75
Prepaid Non-Data (2G)	18	23	22	23	22	23	22	20	19
	<b>107</b>	<b>107</b>	<b>107</b>	<b>106</b>	<b>105</b>	<b>109</b>	<b>111</b>	<b>110</b>	<b>110</b>
<b>Revenue Contribution (%)</b>									
Postpaid (including M2M)	12%	12%	12%	12%	13%	14%	14%	14%	15%
Prepaid Data (2G/3G/4G)	72%	67%	68%	66%	67%	65%	67%	68%	68%
Prepaid Non-Data (2G)	17%	21%	20%	21%	21%	21%	20%	18%	17%
	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>

Source: Company, JM Financial. Note: Above ARPU computation for pre-paid data subs is based on assumption of all post-paid subs being on entry level post-paid plan and all pre-paid non-data subs being on entry level pre-paid plan

## Exhibit 12. Telcos' wireless tariff plan comparison

(INR)	Validity	Jio tariff	Bharti tariff	VIL tariff	Bharti/VIL tariff premium over Jio ( in INR)	Bharti/VIL tariff premium over Jio (in %)
<b>Voice-Only Plans</b>						
Unlimited Voice	84 days	448	469	470	21	5%
Unlimited Voice	365 days	1748 (336 days)	1849	1849	NA	NA
<b>Entry level bundled data plans</b>						
JioBharat Phone (0.5GB/day)	28 days	152	NA	NA	NA	NA
Jio Phone (0.1GB/day +200MB)	28 days	91	NA	NA	NA	NA
2GB data	28 days	189	199	199	10	5%
<b>Daily data plans *</b>						
1 GB/day data	24 days	NA	NA	249		
1 GB/day data	28 days	NA	299	299		
1.5 GB/day data	22 days	239	NA	NA		
1.5 GB/day data	28 days	299	349 (w ith Perplexity AI and unlimited 5G)	349	NA	NA
1.5 GB/day data	1 month	319	319 (w/o Perplexity AI)	NA	0	0%
2 GB/day data	14 days	198	NA	NA	NA	NA
2 GB/day data	1 month	349 (28 days)	379	379	NA	NA
2.5 GB/day data	28 days	399	409	469 (w ith JioHotstar)	10	3%
3 GB/day data	28 days	449	449 (4 GB/day)	449	0	0%
25 GB data	30 days	355	355	345	0	0%
1.5 GB/day data	56 days	579	579	579	0	0%
2 GB/day data	56 days	629	649	649	20	3%
3 GB/day data	56 days	NA	838 (w ith Prime)	795	NA	NA
1.5 GB/day data	84 days	799	859	859		
1.5 GB/day data	84 days	889 (w ith JioSaavn)	NA	NA		
2 GB/day data (w ithout Hotstar)	84 days	859	979	979	120	14%
2 GB/day data (w ith Hotstar)	84 days	949	1029	994	80	8%
3 Gb/day data (w ithout Netflix)	84 days	1199	NA	1197	NA	NA
3 Gb/day data (w ith Netflix)	84 days	1799	1798	1599 (unlimited data)	-1	0%
1.5 GB/day data	365 days	NA	NA	3499	NA	NA
2 GB/day data	365 days	NA	3599	3599	NA	NA
2.5 GB/day data	365 days	3599	3999 (w ith Hotstar)	NA	NA	NA
<b>Data Top-ups</b>						
12 GB data	7 days	139	161 (30 days)	139 (28 days)	NA	NA
50 GB data	30 days	359	361	348 (28 days)	2	1%
<b>Post-paid plans *</b>						
30-50GB/month + Data roll over		349 (30GB)	449 (50GB)	451 (50GB) (w ith OTTs)	NA	NA
75-90GB/month + Data roll over		449 (75GB)	549 (75 GB) (w ith OTTs)	551 (90GB) (w ith OTTs)	100	22%
100-150GB/month + Data roll over		749 (100GB) (w ith OTTs)	699 (105 GB) (w ith OTTs)	751 (150GB) (w ith OTTs)	NA	NA

Source: Company. Note: \* Jio and Bharti are offering free unlimited 5G data on all postpaid plans and select prepaid plans with daily data allowance of 2GB or more.

## Exhibit 13. Bharti's wireless tariff history

	Validity	Pre Dec'19 tariff hike	Post Dec'19 tariff hike	Pre Nov'21 tariff hike	Post Nov'21 tariff hike	Pre Jul'24 tariff hike	Current
<b>Tariffed Voice Plans</b>							
Entry-level Plan	28 days	35 (100MB data + 1p/sec voice tariff)	49 (100MB data + 1p/sec voice tariff)	79 (200MB data + 1p/sec voice tariff)	99 (200MB data + 1p/sec voice tariff)	179	199
<b>Unlimited Voice Bundles</b>							
<b>Daily data plans</b>							
1 GB/day data	28 days	169	219	219	265	265	299
1.5 GB/day data	28 days	199	249	249	299	299	349
3 Gb/day data	28 days	-	-	-	399	399	449
1.5 GB/day data	56 days	-	399	399	479	479	579
2 GB/day data	56 days	-	449	449	549	549	649
1.5 GB/day data	84 days	448	598	598	719	719	859
2 GB/day data	84 days	499	698	698	839	839	979
<b>Post-paid plans</b>							
40GB/month + Data roll over		399	399	399	399	399	449 (50GB)
75GB/month + Data roll over		499	499	499	499	499	549 (75 GB)

Source: Company, JM Financial.



## Exhibit 14. Telcos' FTTH and FWA broadband tariff plan comparison

Maximum Speed	Bundled OTTs	Bharti tariff*	Jio tariff*
<b>Fiber Broadband plans (FTTH)</b>			
<b>Monthly plans</b>			
30 Mbps	No	NA	399
40 Mbps	No	499	NA
100 Mbps	No	799	699
100 Mbps	Yes (excl Netflix and Prime)	899	-
100 Mbps	Yes (incl Netflix and Prime)	999	-
150 Mbps	Yes (incl Prime)	-	999
300 Mbps	Yes (incl Netflix and Prime)	1599 (Plus Apple TV and Google One)	1499
500 Mbps	Yes (incl Netflix and Prime)	-	2499
1 Gbps	Yes (incl Netflix and Prime)	3999 (Plus Apple TV and Google One)	3999
<b>AirFiber plans (5G FWA)</b>			
30/40 Mbps	Yes (excl Netflix and Prime)	699 (40mbps)	599 (30mbps)
100 Mbps	No	799	-
100 Mbps	Yes (excl Netflix and Prime)	899	899
100 Mbps	Yes (incl Netflix and Prime)	-	1199
300 Mbps	Yes (incl Netflix and Prime)	NA	1499
500 Mbps	Yes (incl Netflix and Prime)	NA	2499
1 Gbps	Yes (incl Netflix and Prime)	NA	3999

Source: Company Note: \* All Tariffs are on "per month" basis and exclusive of GST; \*\* Standby / Backup Plans are prepaid plans with 5 months validity and are only available to new users; \*\*\* Bharti's AirFiber services are currently available in select cities only.

## Exhibit 15. Telcos' annual comparative financial matrix

Particulars	FY18	FY19	FY20	FY21	FY22	FY23	FY24	FY25	FY26E	FY27E	FY28E	FY29E	FY30E
<b>Revenue (INR Bn)</b>													
BHL	44.1	36.1	38.7	46	54	66	71	85	99	113	128	142	158
Bharti (India business)	641	599	639	737	821	979	1,130	1,371	1,628	1,822	2,030	2,227	2,437
Jio (standalone)	202	393	544	704	772	911	1,006	1,151	1,394	1,709	2,029	2,638	2,926
VIL	283	371	450	420	385	422	427	436	486	550	611	664	723
<b>EBITDA (INR Bn)</b>													
BHL	8.3	0.3	5.3	11	19	29	35	44	53	62	73	82	93
Bharti reported EBITDA (India business)	238	179	263	339	409	511	618	820	887	1,003	1,129	1,252	1,383
Jio (standalone)	67.7	151	217	315	379	470	529	612	762	945	1,132	1,440	1,611
VIL reported EBITDA	60	40	148	169	160	168	171	181	223	261	297	330	367
<b>EBITDA margin (%)</b>													
BHL	18.9%	0.8%	13.7%	24.7%	35.1%	43.9%	49.2%	51.1%	52.8%	54.9%	57.0%	57.8%	58.5%
Bharti reported EBITDA margin (India business)	37.1%	29.9%	41.2%	46.1%	49.8%	52.2%	54.7%	59.8%	54.5%	55.1%	55.6%	56.2%	56.7%
Jio (standalone)	33.6%	38.4%	39.8%	44.7%	49.0%	51.6%	52.6%	53.2%	54.6%	55.3%	55.8%	54.6%	55.0%
VIL reported EBITDA margin	21.4%	10.9%	33.0%	40.4%	41.6%	39.9%	40.2%	41.6%	45.8%	47.5%	48.7%	49.8%	50.8%
<b>Incremental EBITDA margin (%)</b>													
BHL	157.2%	101.3%	192.1%	83.4%	94.8%	84.3%	118.1%	60.4%	63.2%	69.8%	73.8%	64.3%	65.4%
Bharti reported EBITDA margin (India business)	70.2%	139.8%	206.0%	78.1%	82.7%	64.4%	71.1%	83.9%	26.0%	59.8%	60.6%	62.2%	62.2%
Jio (standalone)	33.6%	43.5%	43.5%	61.2%	94.5%	65.8%	62.0%	57.6%	61.5%	58.2%	58.5%	50.5%	59.1%
VIL reported EBITDA margin	57.2%	-22.7%	137.4%	-69.9%	26.5%	21.3%	65.1%	108.8%	81.6%	60.6%	59.5%	62.0%	62.9%
<b>Network Costs (INR Bn)</b>													
BHL	10.8	12.2	12.6	14	15	16	17	19	21	23	25	27	29
Bharti (India business)	151	174	153	169	189	203	230	258	306	339	376	412	451
Jio	49	113	169	221	250	285	306	329	399	489	580	640	707
VIL	99	170	110	96	98	101	98	94	97	107	119	130	141
<b>Network Opex Intensity (% of Revenue)</b>													
BHL	25%	34%	33%	31%	27%	24%	24%	22%	22%	21%	20%	19%	19%
Bharti (India business)	24%	29%	24%	23%	23%	21%	20%	19%	19%	19%	19%	19%	19%
Jio	24%	29%	31%	31%	32%	31%	30%	29%	29%	29%	29%	24%	24%
VIL	35%	46%	24%	23%	25%	24%	23%	22%	20%	19%	19%	20%	20%
<b>Non-Network Opex (INR Bn)</b>													
BHL	25	24	21	20	20	21	19	23	25	28	30	33	36
Bharti (India business)	251	245	223	229	223	265	282	293	435	480	525	563	604
Jio	85	129	158	169	143	156	171	209	233	275	316	557	608
VIL	123	160	191	154	127	153	157	160	167	182	194	204	214
<b>Non-Network Opex Intensity (% of Revenue)</b>													
BHL	57%	65%	54%	44%	37%	32%	27%	27%	26%	25%	23%	23%	23%
Bharti (India business)	39%	41%	35%	31%	27%	27%	25%	21%	27%	26%	26%	25%	25%
Jio	42%	33%	29%	24%	19%	17%	17%	18%	17%	16%	16%	21%	21%
VIL	43%	43%	43%	37%	33%	36%	37%	37%	34%	33%	32%	31%	30%
<b>SG&amp;A Costs (INR Bn)</b>													
BHL	3.8	4.0	2.2	2.6	3.2	5.0	5.4	6.1	6.6	6.5	6.1	6.5	6.8
Bharti (India business)	93	93	58	54	68	93	101	86	140	147	163	177	193
Jio	15	24	28	32	30	39	49	68	67	76	85	90	94
VIL	42	56	61	40	38	55	58	55	58	62	64	66	67
<b>SG&amp;A Opex Intensity (% of Revenue)</b>													
BHL	9%	11%	6%	6%	6%	8%	8%	7%	7%	6%	5%	5%	4%
Bharti (India business)	15%	15%	9%	7%	8%	10%	9%	6%	9%	8%	8%	8%	8%
Jio	7%	6%	5%	5%	4%	4%	5%	6%	5%	4%	4%	3%	3%
VIL	15%	15%	14%	9%	10%	13%	14%	13%	12%	11%	11%	10%	9%

Source: Company

## Exhibit 16. Telcos' annual comparative operational KPIs matrix

Particulars	FY18	FY19	FY20	FY21	FY22	FY23	FY24	FY25	FY26E	FY27E	FY28E	FY29E	FY30E
<b>Overall subscribers at EoP (mn)</b>													
BHL	27.4	27.0	26.5	25.0	24.8	25.8	27.3	28.1	28.9	29.7	30.5	31.3	32.0
Bharti (India business)	304	283	284	321	326	335	352	362	368	374	380	386	391
Jio	187	307	388	426	410	439	482	490	520	548	557	567	576
VIL	195	334	291	268	244	226	213	198	200	202	204	206	208
<b>Net overall subscriber addition (mn)</b>													
BHL	1.6	-0.4	-0.5	-1.6	-0.2	1.1	1.5	0.8	0.8	0.8	0.8	0.8	0.7
Bharti (India business)	30.5	-21.6	1.0	37.7	4.7	9.4	16.8	9.3	6.9	5.9	5.6	5.7	5.8
Jio	77.9	120	80.8	38.7	-16.0	29.1	42.5	8.7	29.4	28.6	8.3	10.0	9.6
VIL	5.0	139.6	-43.0	-23.3	-24.0	-17.9	-13.3	-14.4	2.0	2.0	2.0	2.0	2.0
<b>Postpaid subscribers at EoP (mn)</b>													
Bharti (India business) - excluding IoT	18.6	18.4	14.8	16.6	17.8	19.7	23.1	25.9	26.7	27.5	28.3	29.1	30.0
<b>Postpaid subs (as % of overall subs)</b>													
Bharti (India business) - excluding IoT	6.1%	6.5%	5.2%	5.2%	5.5%	5.9%	6.6%	7.2%	7.3%	7.4%	7.5%	7.6%	7.7%
<b>Total subscriber churn</b>													
BHL				1.8%	2.7%	2.7%	2.4%	2.4%					
Bharti (India business)	3.5%	4.3%	2.5%	2.1%	2.9%	3.0%	2.8%	2.7%					
VIL			3.3%	3.0%	3.4%	3.8%	3.9%	4.1%					
<b>4G/5G subscribers at EoP (mn)</b>													
BHL				13.3	15.0	17.0	19.5	21.5	23.0	24.2	25.5	26.7	27.7
Bharti (India business)	48	87	136	179	201	224	253	277	287	297	307	317	327
Jio	187	307	388	426	410	439	482	490	520	548	557	567	576
VIL	70	81	106	114	118	123	126	126	130	134	136	138	140
<b>Net 4G/5G subscriber addition (mn)</b>													
BHL					1.7	2.0	2.5	2.0	1.5	1.2	1.3	1.3	0.9
Bharti (India business)		38.9	49.5	43.0	21.5	23.3	28.6	24.0	10.0	10.0	10.0	10.0	10.0
Jio	77.9	120	80.8	38.7	-16.0	29.1	42.5	8.7	29.4	28.6	8.3	10.0	9.6
VIL		10.7	24.9	8.3	4.2	4.5	3.7	0.1	4.0	4.0	2.0	2.0	2.0
<b>Average ARPU (INR)</b>													
BHL			119	135	145	170	195	223	254	282	310	337	368
Bharti (India business)	128	118	135	154	160	189	204	232	257	284	313	342	373
Jio (including INR 10-12 from FTTH)	149	133	130	143	153	178	181	196	222	248	279	302	328
VIL	120	117	120	125	112	132	143	157	183	207	229	248	269
<b>AMDU (GB/month)</b>													
BHL				16.8	20.0	21.8	23.5	26.4	26.9	27.4	28.0	28.5	28.8
Bharti (India business)	4.4	9.5	13.0	15.7	18.5	20.0	21.8	24.4	25.1	25.7	26.2	26.7	27.3
Jio		10.9	11.5	12.5	18.2	22.2	26.9	31.7	34.2	35.6	37.0	37.9	38.8
VIL		8.3	10.7	11.2	12.7	13.6	14.4	14.5	14.9	15.4	15.8	16.1	16.5

Source: Company

## Exhibit 17. Telcos' annual comparative capex and net debt matrix

Particulars	FY18	FY19	FY20	FY21	FY22	FY23	FY24	FY25	FY26E	FY27E	FY28E	FY29E	FY30E
<b>Capex (INR Bn)</b>													
BHL				16	9	15	20	15	17	19	21	23	26
Bharti (India business)	240	242	207	196	205	281	334	303	339	333	359	394	418
Jio (Cash capex based on Jio standalone CFS)				261	288	336	490	416	418	425	528	569	597
VIL	70.0	102	101	61	45	34	19	96	122	138	68	74	80
<b>Capex intensity (Capex/Revenue %)</b>													
BHL				34%	16%	23%	29%	17%	17%	16%	16%	16%	16%
Bharti (India business)	37%	40%	32%	27%	25%	29%	30%	22%	21%	18%	18%	18%	17%
Jio (Cash capex based on Jio standalone CFS)				37%	37%	37%	49%	36%	30%	25%	26%	22%	20%
VIL	25%	28%	23%	15%	12%	8%	4%	22%	25%	25%	11%	11%	11%
<b>Net debt including lease liability (INR Bn)</b>													
BHL				77	89	81	78	72	49	26	-1	-32	-65
Bharti (consolidated)	972	1,101	1,189	1,483	1,604	2,115	2,056	2,018	1,693	1,279	793	236	-406
Jio	1,380	1,416	450	36	961	1,962	2,099	2,074	1,907	1,600	1,243	690	28
VIL	580	1,249	1,123	1,800	1,895	2,014	2,080	1,963	2,141	2,274	2,310	2,317	2,281
<b>Net Debt (incl Lease liability) to EBITDA (x)</b>													
BHL				6.8x	4.7x	2.8x	2.2x	1.7x	0.9x	0.4x	0.0x	-0.4x	-0.7x
Bharti (consolidated)	4.1x	4.2x	2.8x	3.0x	2.5x	2.8x	2.5x	1.9x					
Jio	20.4x	9.4x	2.1x	0.1x	2.5x	4.2x	4.0x	3.4x	2.5x	1.7x	1.1x	0.5x	0.0x
VIL	9.6x	30.9x	7.6x	10.6x	11.8x	12.0x	12.1x	10.8x					

Source: Company

## Change in Estimates and TP

**Reiterate BUY on Bharti; also maintain our BUY on BHL and positive view on Jio:** We have marginally tweaked Bharti's FY26-28 consolidated Revenue/EBITDA estimates; however, our TP remains unchanged at INR 2,240 – **Exhibit 18**. We reiterate BUY on Bharti and BHL (unchanged TP of INR 2,000) and our positive view on Jio as we believe industry's wireless ARPU will grow at 13% CAGR in the next 3-5 years, driven by tariff hike and multiple premiumisation strategies. Further, there is improved visibility of the next tariff hike of 12-15% in the next few months due to Jio's likely IPO by 1HCY26, coupled with the government's intent to ensure a '3+1' player market. Bharti/Jio's 5G subs penetration has risen to ~42%; 5G monetisation is a potential opportunity in future but is currently limited via tariff hike, push towards high-ARPU plans, reduction in cost/GB of data and FWA rollouts. We expect Bharti's India wireless ARPU to grow at a CAGR of ~10% to +INR 310 in FY28 driving consolidated EBITDA CAGR of ~16% over FY25-28. ARPU growth aided by likely moderation in capex will continue to drive Bharti's FCF, enabling it to get to net cash by FY30; this will also aid in accretion in equity value. Similarly, we maintain our BUY on BHL as we see BHL as a midcap pure-play on the wireless ARPU growth story. We also **maintain our positive view on Jio (BUY rating on RIL with an unchanged TP of INR 1,700)** — **Exhibit 32**).

**Revised rating from HOLD to ADD for VIL; and HOLD to REDUCE for Indus to align with our new rating system; reiterate BUY on TCOM on expectation of improvement in profitability of digital portfolio:** We have revised our rating on VIL to ADD (from HOLD, revised TP of INR 9.5) to align with our new rating system; there is a 9% increase in TP for VIL factoring in possibility of some AGR relief. Key monitorables that can pose upside risks to our estimates are: **a)** further relief from government dues either via partial waiver of AGR dues and/or allowing surrender of pre-2022 spectrum, conversion of more dues to equity and extension of moratorium; **b)** multiple sharp tariff hikes that can result in VIL's blended ARPU being significantly above our estimate of INR 183/207/229 in FY26/27/28 vs. INR 165 in 1QFY26; and **c)** VIL's subs growth being significantly above our assumption of 1% growth p.a. at 200/202/204mn in FY26/27/28 vs. 198mn in 1QFY26 (**Exhibit 34-35**). However, there could be downside risk to our estimates/valuation if VIL is not able to arrest its subscriber decline and/or tariff hikes are lower than expected. We have also revised our rating on Indus to REDUCE (from HOLD, unchanged TP of INR 340) to align with our new rating system, basis the risk of a duopoly market (**Exhibit 37-38**). Separately, we have adjusted TCOM's FY26-28 Revenue/EBITDA/PAT estimates by up to 1.5%, incorporating incremental details from FY25 annual report; however, our TP remains unchanged at INR 2,000 – **Exhibit 18**. We **reiterate BUY on TCOM** with unchanged TP of INR 2,000 (Initiation note - [Pivoting from Connectivity to CommTech](#)) as we expect robust data segment EBITDA growth over FY25-28E driven by strong growth in its digital portfolio, led by improvement in its profitability (**Exhibit 39-40**).

**Exhibit 18. Changes in estimates and TP**

	Revenues (INR bn)			EBITDA (INR bn)			PAT (INR bn)			TP (INR)	Rating
	FY26E	FY27E	FY28E	FY26E	FY27E	FY28E	FY26E	FY27E	FY28E		
<b>Bharti Airtel</b>											
New	2,119	2,380	2,656	1,160	1,315	1,467	298	398	494	2240	BUY
Old	2,117	2,372	2,645	1,158	1,309	1,460	294	394	489	2240	BUY
Change	0.1%	0.4%	0.4%	0.2%	0.4%	0.4%	1.2%	1.1%	1.0%	0%	
<b>Bharti Hexacom</b>											
New	99	113	128	53	62	73	20	27	34	2,000	BUY
Old	99	113	128	53	62	73	20	27	34	2,000	BUY
Change	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0%	
<b>Vodafone Idea</b>											
New	486	550	611	223	261	297	-243	-179	-158	9.5	ADD
Old	486	550	611	223	261	297	-243	-179	-158	8.8	HOLD
Change	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	9%	
<b>Indus Towers</b>											
New	328	348	368	174	185	196	72	74	84	340	REDUCE
Old	328	348	368	174	185	196	72	74	84	340	HOLD
Change	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0%	
<b>Tata Communications</b>											
New	245	268	299	54	62	73	17	22	29	2,000	BUY
Old	243	269	301	53	61	72	17	22	29	2,000	BUY
Change	0.8%	-0.4%	-0.7%	1.0%	1.2%	1.5%	0.1%	-1.4%	0.2%	0%	

Source: Company, JM Financial.

**Exhibit 19. Telco's valuation table**

Company	Rating	TP (INR)	Upside/ (downside)	P/E (x)			P/B (x)			EV/EBITDA (x)			ROE (%)		
				FY25	FY26E	FY27E	FY25	FY26E	FY27E	FY25	FY26E	FY27E	FY25	FY26E	FY27E
Jio (JMFfe)				41.9	33.2	23.0	4.3	3.8	3.3	19.6	15.7	12.7	10.4	12.1	15.3
Bharti Airtel	BUY	2,240	18%	74.0	39.9	29.1	9.5	8.0	6.6	14.0	11.1	9.5	14.9	21.7	24.8
Bharti Hexacom	BUY	2,000	22%	65.9	42.5	31.6	14.2	11.6	9.3	20.9	17.0	14.0	24.2	30.1	32.8
Vodafone Idea	ADD	9.5	8%	NM	NM	NM	NM	NM	NM	14.2	12.3	11.0	NM	NM	NM
Indus Towers	REDUCE	340	-4%	9.6	13.2	12.8	2.9	2.5	2.2	5.5	6.2	5.3	33.4	20.4	18.3
Tata Communications	BUY	2,000	24%	49.2	27.8	20.9	15.2	11.4	8.6	12.3	10.3	8.7	38.8	46.8	46.7

Source: Company, JM Financial.

## Bharti Airtel: Key assumptions and Valuation

### Exhibit 20. Bharti Airtel – Key operational assumptions

Particulars	FY20	FY21	FY22	FY23	FY24	FY25	FY26E	FY27E	FY28E	FY29E	FY30E
<b>India wireless</b>											
India ARPU (INR)	135	154	160	189	204	232	257	284	313	342	373
YoY Grow th (%)	14.6%	13.8%	3.7%	18.4%	8.0%	13.7%	10.5%	10.7%	10.2%	9.1%	9.1%
India subs EoP (mn)	284	321	326	335	352	362	368	374	380	386	391
YoY Grow th (%)	0.4%	13.3%	1.5%	2.9%	5.0%	2.7%	1.9%	1.6%	1.5%	1.5%	1.5%
India data subs (mn)	149	189	208	233	261	281	296	310	324	333	342
Data subs as % of total subs	52%	59%	64%	69%	74%	78%	80%	83%	85%	86%	87%
Data usage per sub (GB)	13.3	16.1	19.0	20.5	22.3	25.0	25.7	26.3	26.9	27.4	27.9
Minutes of usage per sub (MoU)	893	992	1,056	1,096	1,131	1,140	1,182	1,226	1,272	1,319	1,368
<b>India Home Services/Broadband</b>											
Fixed line subscribers (mn)	2.5	3.1	4.5	6.1	7.7	10.2	14.7	18.7	22.7	26.7	28.7
Fixed line ARPU (INR)	798	740	661	621	586	537	532	526	521	521	526
<b>India DTH</b>											
DTH subscribers (mn)	17	18	16	16	16	16	16	16	16	16	16
DTH ARPU (INR)	152	148	156	154	158	159	159	159	159	159	159
<b>Airtel Africa</b>											
Africa ARPU (INR)	193	210	237	262	235	219	240	263	290	314	337
Africa subs (mn)	111	118	128	140	153	166	175	178	182	185	188

Source: Company, JM Financial.

### Exhibit 21. Revenue breakup for Bharti Airtel consolidated

Particulars	FY20	FY21	FY22	FY23	FY24	FY25	FY26E	FY27E	FY28E	FY29E	FY30E
<b>Revenues (INR mn)</b>											
India wireless	459,664	555,676	630,405	759,246	850,488	1,002,500	1,131,896	1,273,653	1,423,381	1,575,211	1,743,235
Home services/Broadband	22,451	23,342	30,391	40,473	49,701	59,044	79,614	105,664	129,621	154,635	175,130
DTH	29,239	30,561	31,538	29,450	30,448	30,608	30,490	30,667	30,756	30,800	30,823
Airtel Business	132,331	144,075	160,703	185,931	208,209	220,935	245,238	272,214	307,602	332,210	358,787
Tow er	67,430	0	0	0	0	0	327,772	348,417	367,827	382,932	395,814
Others											
Africa	242,170	288,632	350,613	422,665	411,841	418,795	491,281	557,974	626,046	689,935	754,618
South Asia	4,552	4,247	3,869	2,945	3,773	941					
Eliminations	-71,054	-53,037	-36,707	-39,896	-40,282	12,766	-186,946	-208,138	-229,308	-248,817	-266,323
<b>Total</b>	<b>886,778</b>	<b>1,027,513</b>	<b>1,170,812</b>	<b>1,400,814</b>	<b>1,514,178</b>	<b>1,745,589</b>	<b>2,119,346</b>	<b>2,380,450</b>	<b>2,655,926</b>	<b>2,916,907</b>	<b>3,192,084</b>
<b>Revenue proportion (%)</b>											
India wireless	51.8%	54.1%	53.8%	54.2%	56.2%	57.4%	53.4%	53.5%	53.6%	54.0%	54.6%
Home services/Broadband	2.5%	2.3%	2.6%	2.9%	3.3%	3.4%	3.8%	4.4%	4.9%	5.3%	5.5%
DTH	3.3%	3.0%	2.7%	2.1%	2.0%	1.8%	1.4%	1.3%	1.2%	1.1%	1.0%
Airtel Business	14.9%	14.0%	13.7%	13.3%	13.8%	12.7%	11.6%	11.4%	11.6%	11.4%	11.2%
Tow er	7.6%	0.0%	0.0%	0.0%	0.0%	0.0%	15.5%	14.6%	13.8%	13.1%	12.4%
Others	0.0%										
Africa	27.3%	28.1%	29.9%	30.2%	27.2%	24.0%	23.2%	23.4%	23.6%	23.7%	23.6%
South Asia	0.5%	0.4%	0.3%	0.2%	0.2%	0.1%					
<b>Total</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>
<b>Revenue growth (%)</b>											
India wireless	10.6%	20.9%	13.4%	20.4%	12.0%	17.9%	12.9%	12.5%	11.8%	10.7%	10.7%
Home services/Broadband	0.3%	4.0%	30.2%	33.2%	22.8%	18.8%	34.8%	32.7%	22.7%	19.3%	13.3%
DTH	-28.7%	4.5%	3.2%	-6.6%	3.4%	0.5%	-0.4%	0.6%	0.3%	0.1%	0.1%
Airtel Business	6.3%	8.9%	11.5%	15.7%	12.0%	6.1%	11.0%	11.0%	13.0%	8.0%	8.0%
Tow er	-1.1%	-100.0%						6.3%	5.6%	4.1%	3.4%
Others											
Africa	8.4%	19.2%	21.5%	20.6%	-2.6%	1.7%	17.3%	13.6%	12.2%	10.2%	9.4%
South Asia	2.6%	-6.7%	-8.9%	-23.9%	28.1%	-75.1%					
<b>Total</b>	<b>8%</b>	<b>16%</b>	<b>14%</b>	<b>20%</b>	<b>8%</b>	<b>15%</b>	<b>21%</b>	<b>12%</b>	<b>12%</b>	<b>10%</b>	<b>9%</b>

Source: Company, JM Financial.



**Exhibit 22. EBITDA breakup for Bharti Airtel consolidated**

Particulars	FY20	FY21	FY22	FY23	FY24	FY25	FY26E	FY27E	FY28E	FY29E	FY30E
<b>EBITDA (INR mn)</b>											
India wireless	169,560	242,642	312,666	400,751	467,551	579,087	661,606	752,815	851,858	951,144	1,062,244
Home services/Broadband	11,309	13,434	16,030	20,494	24,883	29,492	40,821	55,323	68,941	83,382	95,558
DTH	19,959	20,788	21,006	17,344	17,152	16,919	16,858	16,949	16,995	17,017	17,029
Airtel Business	42,642	54,973	62,639	73,821	82,012	82,268	91,924	103,176	117,922	128,485	139,933
Tower	36,170	0	0	0	0	0	174,415	185,400	196,097	204,533	211,216
Africa	106,425	132,995	172,092	207,244	200,860	195,012	241,895	275,966	311,364	345,441	380,547
South Asia	429	131	-621	-518	-648	-166					
Eliminations/Adjustment	-9,294	7,010	-3,130	2,965	5,462	44,717	-67,289	-75,112	-96,413	-118,421	-141,350
<b>Total</b>	<b>377,200</b>	<b>471,973</b>	<b>580,682</b>	<b>722,101</b>	<b>797,272</b>	<b>947,329</b>	<b>1,160,232</b>	<b>1,314,517</b>	<b>1,466,764</b>	<b>1,611,580</b>	<b>1,765,176</b>
<b>EBITDA proportion (%)</b>											
India wireless	45.0%	51.4%	53.8%	55.5%	58.6%	61.1%	57.0%	57.3%	58.1%	59.0%	60.2%
Home services/Broadband	3.0%	2.8%	2.8%	2.8%	3.1%	3.1%	3.5%	4.2%	4.7%	5.2%	5.4%
DTH	5.3%	4.4%	3.6%	2.4%	2.2%	1.8%	1.5%	1.3%	1.2%	1.1%	1.0%
Airtel Business	11.3%	11.6%	10.8%	10.2%	10.3%	8.7%	7.9%	7.8%	8.0%	8.0%	7.9%
Tower	9.6%	0.0%	0.0%	0.0%	0.0%	0.0%	15.0%	14.1%	13.4%	12.7%	12.0%
Others											
Africa	28.2%	28.2%	29.6%	28.7%	25.2%	20.6%	20.8%	21.0%	21.2%	21.4%	21.6%
South Asia	0.1%	0.0%	-0.1%	-0.1%	-0.1%	0.0%					
<b>EBITDA margins</b>											
India wireless	36.9%	43.7%	49.6%	52.8%	55.0%	57.8%	58.5%	59.1%	59.8%	60.4%	60.9%
Home services/Broadband	50.4%	57.6%	52.7%	50.6%	50.1%	49.9%	51.3%	52.4%	53.2%	53.9%	54.6%
DTH	68.3%	68.0%	66.6%	58.9%	56.3%	55.3%	55.3%	55.3%	55.3%	55.3%	55.2%
Airtel Business	32.2%	38.2%	39.0%	39.7%	39.4%	37.2%	37.5%	37.9%	38.3%	38.7%	39.0%
Tower	53.6%						53.2%	53.2%	53.3%	53.4%	53.4%
Others											
Africa	43.9%	46.1%	49.1%	49.0%	48.8%	46.6%	49.2%	49.5%	49.7%	50.1%	50.4%
South Asia	9.4%	3.1%	-16.1%	-17.6%	-17.2%	-17.6%					
<b>Total</b>	<b>42.5%</b>	<b>45.9%</b>	<b>49.6%</b>	<b>51.5%</b>	<b>52.7%</b>	<b>54.3%</b>	<b>54.7%</b>	<b>55.2%</b>	<b>55.2%</b>	<b>55.2%</b>	<b>55.3%</b>

Source: Company, JM Financial.

**Exhibit 23. Capex breakdown for Bharti Airtel consolidated**

Particulars	FY20	FY21	FY22	FY23	FY24	FY25	FY26E	FY27E	FY28E	FY29E	FY30E
<b>Capex (INR mn)</b>											
India wireless (ex-spectrum)	178,048	146,763	145,262	204,802	252,727	192,263	181,103	197,416	220,624	244,158	261,485
Home services/Broadband	5,825	11,010	16,654	21,992	28,538	43,104	51,749	44,379	50,552	55,669	57,793
DTH	10,512	12,842	13,028	13,602	14,386	16,652	12,196	12,267	12,302	12,320	12,329
Airtel Business	30,217	21,955	30,119	40,171	37,876	51,123	36,786	38,110	43,064	46,509	50,230
Tower	8,720	0	0	0	0	0	56,891	40,449	32,202	35,093	36,020
Africa	45,839	45,429	67,062	60,391	60,988	56,731	68,779	66,957	75,125	82,792	90,554
South Asia	1,026	3,686	3,292	978	268	4					
<b>Total (ex-spectrum)</b>	<b>280,187</b>	<b>428,675</b>	<b>275,418</b>	<b>341,936</b>	<b>394,783</b>	<b>359,877</b>	<b>407,504</b>	<b>399,578</b>	<b>433,871</b>	<b>476,542</b>	<b>508,412</b>
<b>Capex intensity (Capex/Revenue)</b>											
India wireless	38.7%	26.4%	23.0%	27.0%	29.7%	19.2%	16.0%	15.5%	15.5%	15.5%	15.0%
Home services/Broadband	25.9%	47.2%	54.8%	54.3%	57.4%	73.0%	65.0%	42.0%	39.0%	36.0%	33.0%
DTH	36.0%	42.0%	41.3%	46.2%	47.2%	54.4%	40.0%	40.0%	40.0%	40.0%	40.0%
Airtel Business	22.8%	15.2%	18.7%	21.6%	18.2%	23.1%	15.0%	14.0%	14.0%	14.0%	14.0%
Tower	12.9%										
Africa	18.9%	15.7%	19.1%	14.3%	14.8%	13.5%	14.0%	12.0%	12.0%	12.0%	12.0%
South Asia	22.5%	86.8%	85.1%	33.2%	7.1%	0.4%					
<b>Total</b>	<b>31.6%</b>	<b>41.7%</b>	<b>23.5%</b>	<b>24.4%</b>	<b>26.1%</b>	<b>20.6%</b>	<b>19.2%</b>	<b>16.8%</b>	<b>16.3%</b>	<b>16.3%</b>	<b>15.9%</b>
<b>Capex proportion (%)</b>											
India wireless	63.5%	34.2%	52.7%	59.9%	64.0%	53.4%	44.4%	49.4%	50.9%	51.2%	51.4%
Home services/Broadband	2.1%	2.6%	6.0%	6.4%	7.2%	12.0%	12.7%	11.1%	11.7%	11.7%	11.4%
DTH	3.8%	3.0%	4.7%	4.0%	3.6%	4.6%	3.0%	3.1%	2.8%	2.6%	2.4%
Airtel Business	10.8%	5.1%	10.9%	11.7%	9.6%	14.2%	9.0%	9.5%	9.9%	9.8%	9.9%
Tower	3.1%	0.0%	0.0%	0.0%	0.0%	0.0%	14.0%	10.1%	7.4%	7.4%	7.1%
Africa	16.4%	10.6%	24.3%	17.7%	15.4%	15.8%	16.9%	16.8%	17.3%	17.4%	17.8%
South Asia	0.4%	0.9%	1.2%	0.3%	0.1%	0.0%					
<b>Total</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>

Source: Company, JM Financial. Note that the capex includes spectrum capex as well.

**Exhibit 24. Bharti Airtel – 1-year SoTP DCF valuation of INR 2,240/share**

Particulars, Enterprise Values unless mentioned	Valuation (INR bn)	Valuation (INR / share)	Sep'27 EV/EBITDA	Implied Sep'27 PE
<b>India business</b>				
Wireless	10,890	1887	13.6	
Enterprise	1,020	177	9.2	
DTH	4	1	0.3	
Broadband	758	131	12.2	
<b>Total India business EV</b>	<b>12,672</b>	<b>2,196</b>	<b>12.8</b>	
India net debt	-560	-97		
<b>Total India subsidiary Equity value</b>	<b>12,112</b>	<b>2,099</b>		
Indus Towers Equity value (50% share of Bharti, at CMP less 20% holdco discount)	355	62		
<b>Total India business Equity value including Indus Towers</b>	<b>12,467</b>	<b>2,161</b>		28.8
<b>Africa business (for Airtel's 62.33% share)</b>				
Africa Equity value (At CMP of Africa less 20% holding discount)	466	81		
<b>Total Equity value for Bharti Airtel</b>	<b>12,933</b>	<b>2,240</b>	<b>10.0</b>	<b>29.0</b>

Source: Company, JM Financial.

**Exhibit 25. Bharti Airtel – 3-year SoTP DCF valuation of INR 3,040/share, implying 17% IRR**

Particulars, Enterprise Values unless mentioned	Valuation (INR bn)	Valuation (INR / share)	Sep'29 EV/EBITDA	Implied Sep'29 PE
<b>India business</b>				
Wireless	13,004	2,254	13.7	
Enterprise	1,155	200	9.0	
DTH	4	1	0.3	
Broadband	930	161	11.2	
<b>Total India business EV</b>	<b>15,094</b>	<b>2,616</b>	<b>12.8</b>	
India net debt	1615	279		
<b>Total India subsidiary Equity value</b>	<b>16,709</b>	<b>2,893</b>		
Indus Towers Equity value (50% share of Bharti)	355	62		
<b>Total India business Equity value including Indus Towers</b>	<b>17,064</b>	<b>2,955</b>		
<b>Africa business (for Airtel's 62.33% share)</b>				
<b>Africa Equity value (At CMP of Africa less 20% holding discount)</b>	<b>466</b>	<b>83</b>		
<b>Total Equity value for Bharti Airtel</b>	<b>17,530</b>	<b>3,040</b>	<b>9.6</b>	<b>28.9</b>

Source: Company, JM Financial.

Every increase/decrease in ARPU by INR 10 results in increase/decrease in Bharti's consolidated FY27 EBITDA by ~1.3% and (1-year SOTP) valuation by INR 43/share. Similarly, every increase/decrease in subscribers by 10mn results in increase/decrease in Bharti's consolidated FY27 EBITDA by ~1.7% and (1-year SOTP) valuation by INR 36/share.

**Exhibit 26. Bharti - Sensitivity of FY27 consolidated EBITDA (INR 1,315bn in base case) & Valuation (INR 2,240/share in base case) to FY27E ARPU and subscriber base (mn)**

FY27 consolidated EBITDA (INR Bn) sensitivity									Valuation per share (INR/share) sensitivity								
		Subscriber base (mn)									Subscriber base (mn)						
ARPU (INR)		344	354	364	374	384	394	404	ARPU (INR)		344	354	364	374	384	394	404
	254	1,200	1,221	1,242	1,263	1,283	1,304	1,325		254	2,013	2,046	2,079	2,112	2,145	2,178	2,211
	264	1,216	1,237	1,259	1,280	1,301	1,323	1,344		264	2,053	2,087	2,121	2,155	2,189	2,222	2,256
	274	1,231	1,253	1,275	1,297	1,319	1,341	1,363		274	2,093	2,128	2,162	2,197	2,232	2,267	2,302
	284	1,247	1,269	1,292	1,315	1,337	1,360	1,382		284	2,133	2,168	2,204	2,240	2,275	2,311	2,347
	294	1,262	1,285	1,309	1,332	1,355	1,378	1,402		294	2,173	2,209	2,246	2,282	2,319	2,355	2,392
	304	1,278	1,301	1,325	1,349	1,373	1,397	1,421		304	2,212	2,250	2,287	2,325	2,362	2,400	2,437
	314	1,293	1,318	1,342	1,366	1,391	1,415	1,440		314	2,252	2,291	2,329	2,367	2,405	2,444	2,482

Source: JM Financial

## Bharti Hexacom: Key assumptions and Valuation

### Exhibit 27. BHL – Key operational assumptions

Particulars	FY21	FY22	FY23	FY24	FY25	FY26E	FY27E	FY28E	FY29E	FY30E	FY25-28 CAGR (%)	FY25-30 CAGR (%)
<b>Wireless</b>												
Average ARPU (INR)	135	145	170	195	223	254	282	310	337	368	11.6%	10.5%
YoY Growth (%)	13.4%	7.4%	17.2%	14.4%	14.7%	13.8%	11.2%	9.7%	9.0%	9.0%		
EqP subscribers (mn)	25	25	26	27	28	29	30	31	31	32	2.8%	2.6%
YoY Growth (%)	-5.8%	-0.8%	4.3%	5.9%	2.9%	2.8%	2.8%	2.7%	2.5%	2.3%		
EqP 4G/5G subscribers (mn)	13	15	17	19	21	23	24	25	27	28	5.8%	5.2%
4G/5G subs as % of total subs	53%	61%	66%	71%	76%	79%	81%	83%	85%	86%		
Data usage per sub (GB)	16.8	20.0	21.8	23.5	26.4	26.9	27.4	28.0	28.5	28.8	2.0%	1.8%
<b>Home Broadband &amp; Wireline</b>												
EqP subscribers (mn)	0.07	0.13	0.22	0.31	0.45	0.64	0.83	1.00	1.17	1.34	30.9%	24.5%
YoY Growth (%)	84.2%	87.1%	67.2%	39.3%	46.9%	43.1%	28.9%	21.5%	17.0%	14.0%		
Average ARPU (INR)	774	683	598	539	503	511	521	531	542	553	1.8%	1.9%
YoY Growth (%)		-11.8%	-12.4%	-9.8%	-1.0%	1.5%	2.0%	2.0%	2.0%	2.0%		
<b>Revenues (INR mn)</b>												
Wireless	45,300	52,976	64,247	68,829	83,217	96,133	108,829	121,690	135,165	149,930	13.5%	12.5%
Home Broadband & Wireline	723	1,076	1,543	2,059	2,521	3,336	4,585	5,834	7,084	8,336	32.3%	27.0%
<b>Total</b>	<b>46,023</b>	<b>54,052</b>	<b>65,790</b>	<b>70,888</b>	<b>85,738</b>	<b>99,469</b>	<b>113,414</b>	<b>127,524</b>	<b>142,249</b>	<b>158,266</b>	<b>14.1%</b>	<b>13.0%</b>
<b>Revenue proportion (%)</b>												
Wireless	98.4%	98.0%	97.7%	97.1%	97.1%	96.6%	96.0%	95.4%	95.0%	94.7%		
Home Broadband & Wireline	1.6%	2.0%	2.3%	2.9%	2.9%	3.4%	4.0%	4.6%	5.0%	5.3%		
<b>Revenue growth (%)</b>												
Wireless	18.5%	16.9%	21.3%	7.1%	20.9%	15.5%	13.2%	11.8%	11.1%	10.9%		
Home Broadband & Wireline	40.1%	48.8%	43.4%	33.4%	22.4%	32.3%	37.4%	27.2%	21.4%	17.7%		
<b>Overall</b>	<b>18.8%</b>	<b>17.4%</b>	<b>21.7%</b>	<b>7.7%</b>	<b>20.6%</b>	<b>16.4%</b>	<b>14.0%</b>	<b>12.4%</b>	<b>11.5%</b>	<b>11.3%</b>		
<b>EBITDA</b>												
EBITDA (INR mn)	11,373	18,985	28,884	34,905	43,721	52,567	62,295	72,702	82,168	92,651	18.5%	16.2%
EBITDA YoY Growth (%)	114.7%	66.9%	52.1%	20.8%	25.3%	20.2%	18.5%	16.7%	13.0%	12.8%		
<b>EBITDA Margin (%)</b>	<b>24.7%</b>	<b>35.1%</b>	<b>43.9%</b>	<b>49.2%</b>	<b>51.1%</b>	<b>52.8%</b>	<b>54.9%</b>	<b>57.0%</b>	<b>57.8%</b>	<b>58.5%</b>		
<b>Capex (INR mn)</b>												
Wireless	15,471	8,320	14,563	18,970	12,586	15,381	17,326	19,276	21,304	23,513		
Home Broadband & Wireline	296	425	599	1,265	2,144	1,501	1,376	1,663	1,918	2,144		
<b>Total</b>	<b>15,767</b>	<b>8,745</b>	<b>15,162</b>	<b>20,235</b>	<b>14,730</b>	<b>16,883</b>	<b>18,701</b>	<b>20,939</b>	<b>23,222</b>	<b>25,657</b>		
<b>Capex intensity (Capex/Revenue)</b>												
Wireless	34.2%	15.7%	22.7%	27.6%	15.1%	16.0%	15.9%	15.8%	15.8%	15.7%		
Home Broadband & Wireline	40.9%	39.5%	38.8%	61.4%	85.0%	45.0%	30.0%	28.5%	27.1%	25.7%		
<b>Overall</b>	<b>34.3%</b>	<b>16.2%</b>	<b>23.0%</b>	<b>28.5%</b>	<b>17.2%</b>	<b>17.0%</b>	<b>16.5%</b>	<b>16.4%</b>	<b>16.3%</b>	<b>16.2%</b>		
<b>Capex proportion (%)</b>												
Wireless	98.1%	95.1%	96.0%	93.7%	85.4%	91.1%	92.6%	92.1%	91.7%	91.6%		
Home Broadband & Wireline	1.9%	4.9%	4.0%	6.3%	14.6%	8.9%	7.4%	7.9%	8.3%	8.4%		

Source: Company, JM Financial.

### Exhibit 28. BHL – 1-year Target Price of INR 2,000/share

<b>Particulars</b>	
<b>EV/EBITDA multiple (x)</b>	<b>15.0</b>
Sep'27 EBITDA (INR mn)	67,538
Enterprise Value (INR mn)	1,013,072
Less: Net debt (INR mn)	12,158
Equity value (INR mn)	1,000,922
Number of shares outstanding (mn)	500
<b>1-year TP (INR/share)</b>	<b>2,000</b>

Source: Company, JM Financial.

### Exhibit 29. BHL – 3-year Target Price of INR 2,720/share, implying 18% IRR

<b>Particulars</b>	
<b>EV/EBITDA multiple (x)</b>	<b>15.0</b>
Sep'29 EBITDA (INR mn)	87,410
Enterprise Value (INR mn)	1,311,143
Less: Net debt (INR mn)	-48,565
Equity value (INR mn)	1,359,708
Number of shares outstanding (mn)	500
<b>3-year TP (INR/share)</b>	<b>2,720</b>

Source: Company, JM Financial.

Every increase/decrease in ARPU by INR 10 results in increase/decrease in BHL's FY27 EBITDA by ~3.3% and (1-year SOTP) valuation by INR 71/share. Similarly, every increase/decrease in subscribers by 1mn results in increase/decrease in BHL's FY27 EBITDA by ~3.2% and (1-year SOTP) valuation by INR 66/share.

**Exhibit 30. BHL - Sensitivity of FY27 consolidated EBITDA (INR 62.3bn in base case) & Valuation (INR 2,000/share in base case) to FY27E ARPU and subscriber base (mn)**

FY27 consolidated EBITDA (INR Bn) sensitivity									Valuation per share (INR/share) sensitivity								
Subscriber base (mn)									Subscriber base (mn)								
ARPU (INR)		27	28	29	30	31	32	33	ARPU (INR)		27	28	29	30	31	32	33
	252	50.8	52.6	54.3	56.1	57.8	59.6	61.3		252	1,610	1,669	1,728	1,786	1,845	1,904	1,963
	262	52.7	54.5	56.3	58.1	60.0	61.8	63.6		262	1,674	1,735	1,796	1,858	1,919	1,980	2,041
	272	54.5	56.4	58.3	60.2	62.1	64.0	65.9		272	1,738	1,802	1,865	1,929	1,992	2,056	2,119
	282	56.4	58.4	60.3	62.3	64.3	66.2	68.2		282	1,802	1,868	1,934	2,000	2,066	2,132	2,197
	292	58.3	60.3	62.3	64.4	66.4	68.4	70.5		292	1,866	1,934	2,003	2,071	2,139	2,207	2,276
	302	60.1	62.2	64.3	66.4	68.5	70.7	72.8		302	1,930	2,001	2,071	2,142	2,213	2,283	2,354
	312	62.0	64.2	66.3	68.5	70.7	72.9	75.0		312	1,994	2,067	2,140	2,213	2,286	2,359	2,432

Source: JM Financial

## Jio: Key assumptions and Valuation

### Exhibit 31. Jio – Key operational assumptions

Particulars, INR bn unless mentioned	FY20	FY21	FY22	FY23	FY24	FY25E	FY26E	FY27E	FY28E	FY29E	FY30E
EoP Subscribers (mn)	388	426	410	439	482	490	520	548	557	567	576
- Wireless	387	424	405	431	471	473	489	501	496	495	500
- FTTH	1	3	5	8	11	18	31	48	61	72	76
AMDU (GB/month)	11.5	12.5	18.2	22.2	26.9	31.7	34.2	35.6	37.0	37.9	38.8
Average realization (INR/GB)	11.3	11.4	8.4	8.0	6.7	6.2	6.5	7.0	7.5	8.0	8.5
ARPU (INR/month)	130	143	153	178	181	196	222	248	279	302	328
<b>Key financials</b>											
Revenue	544	704	772	911	1,006	1,151	1,394	1,709	2,029	2,638	2,926
YoY growth (%)	38%	29%	10%	18%	10%	14%	21%	23%	19%	30%	11%
EBITDA	217	315	379	470	529	612	762	945	1,132	1,440	1,611
YoY growth (%)	43%	45%	20%	24%	12%	16%	24%	24%	20%	27%	12%
EBITDA margin (%)	40%	45%	49%	52%	53%	53%	55%	55%	56%	55%	55%
Incremental EBITDA margin (%)	44%	61%	95%	66%	62%	58%	61%	58%	59%	44%	59%
Capex	215	261	727	556	470	363	418	425	528	569	597
FCF *	-84	-26	-443	-188	-52	116	152	298	349	548	656
Net Debt (including spectrum) **	450	36	961	1,962	2,099	2,074	1,907	1,600	1,243	690	28

Source: Company, JM Financial. \* FCF is defined as EBITDA – Interest – Tax – Capex \*\* Net debt also includes other financial liabilities

### Exhibit 32. Jio - DCF summary

Particulars, INR bn unless mentioned	FY27E	FY28E	FY29E	FY30E	FY31E	FY32E	FY33E	FY34E	FY35E
EBIT X (1-tax rate)	502	631	845	955	1,086	1,214	1,344	1,485	1,637
Depreciation & Amortization	271	285	306	328	352	377	404	433	464
Changes in net working capital	8	8	5	6	6	6	7	7	8
Capex	-425	-528	-569	-597	-640	-689	-735	-784	-834
<b>Free cash flow to the firm [FCFF]</b>	<b>357</b>	<b>396</b>	<b>586</b>	<b>692</b>	<b>803</b>	<b>908</b>	<b>1,020</b>	<b>1,142</b>	<b>1,275</b>
FCFF growth (%)		11%	48%	18%	16%	13%	12%	12%	12%
WACC (%)	11.0%								
PV of cash flows (FY27E-35E)	4,188								
PV of terminal value	7,798								
Terminal value as % of Enterprise Value	65%								
Total Enterprise Value (INR bn)	11,986								
RIL number of shares (mn)	13,532								
<b>Enterprise Value for RIL (INR/share)</b>	<b>594</b>								

Source: Company, JM Financial.

Every increase/decrease in ARPU by INR 10 results in increase/decrease in Jio's FY27 EBITDA by ~1.7% and valuation by INR 8/share. Similarly, every increase/decrease in subscribers by 10mn results in increase/decrease in Jio's FY27 EBITDA by ~3.8% and valuation by INR 11/share.

### Exhibit 33. Jio - Sensitivity of FY27 EBITDA (INR 945bn in base case) & Valuation (INR 594/share in base case) to FY27E ARPU and subscriber base (mn)

Jio FY27 EBITDA (INR Bn) sensitivity									Jio Valuation per share (INR/share) sensitivity								
		Subscriber base (mn)									Subscriber base (mn)						
ARPU (INR)		518	528	538	548	558	568	578	ARPU (INR)		518	528	538	548	558	568	578
	237	796	829	863	896	929	963	996		237	540	550	560	571	581	591	602
	247	810	844	878	912	947	981	1,015		247	547	557	568	578	589	599	610
	257	825	859	894	929	964	999	1,033		257	554	565	575	586	597	607	618
	267	839	874	910	945	981	1,016	1,052		267	561	572	583	594	605	616	626
	277	853	890	926	962	998	1,034	1,070		277	569	580	591	602	613	624	635
	287	868	905	942	978	1,015	1,052	1,089		287	576	587	598	609	621	632	643
	297	882	920	957	995	1,032	1,070	1,107		297	583	594	606	617	629	640	651

Source: JM Financial



## Vodafone Idea: Key assumptions and Valuation

### Exhibit 34. VIL – Key assumptions and estimates

Particulars (INR mn)	FY20	FY21	FY22	FY23	FY24	FY25	FY26E	FY27E	FY28E	FY29E	FY30E
<b>Key operational assumptions</b>											
EoP Subscribers (mn)	291	268	244	226	213	198	200	202	204	206	208
Subs growth YoY (%)		-8%	-9%	-7%	-6%	-7%	1%	1%	1%	1%	1%
Net Subs Adds (mn)	-43.0	-23.3	-24.0	-17.9	-13.3	-14.4	2.0	2.0	2.0	2.0	2.0
Data subscribers (mn)	140	140	136	136	137	134	136	139	141	144	146
Data subs as % of total subs	48%	52%	56%	60%	65%	68%	68%	69%	69%	70%	70%
AMDU(GB/month)	10.7	11.2	12.7	13.6	14.4	14.5	14.9	15.4	15.8	16.1	16.5
Blended ARPU including M2M subs (INR/month)	120	125	112	132	143	157	183	207	229	248	269
ARPU Growth YoY (%)		4%	-11%	18%	8%	10%	16%	13%	11%	8%	8%
<b>Key financials</b>											
Revenue	449,575	419,522	385,155	421,772	426,517	435,713	486,475	550,478	610,554	664,213	722,787
EBITDA	148,462	169,476	160,361	168,170	171,260	181,266	222,666	261,437	297,189	330,452	367,312
YoY Growth (%)		14%	-5%	5%	2%	6%	23%	17%	14%	11%	11%
EBITDA margin	33.0%	40.4%	41.6%	39.9%	40.2%	41.6%	45.8%	47.5%	48.7%	49.8%	50.8%
Pre-IND AS EBITDA (i.e. cash EBITDA)	57,356	74,500	65,800	83,000	84,000	91,900	133,300	172,071	207,823	241,086	277,946
Net interest cost	142,864	178,239	208,514	230,430	256,523	235,228	237,277	207,220	216,588	212,271	199,703
Capex	101,300	61,434	45,000	33,600	18,500	95,600	121,619	137,620	67,771	73,728	80,229
Capex as % of revenue	23%	15%	12%	8%	4%	22%	25%	25%	11%	11%	11%
pre-IND AS FCF*	-160,970	-138,915	-161,008	-156,143	-161,855	-211,934	-191,509	-138,682	-42,449	-10,826	32,101

Source: Company, JM Financial. \*FCF defined as EBITDA-interest-capex

### Exhibit 35. VIL - Base Case DCF implies FV of INR 9.5/share

Particulars, INR bn unless mentioned	FY27E	FY28E	FY29E	FY30E	FY31E	FY32E	FY33E	FY34E	FY35E
<b>Assumptions</b>									
EoP Subscribers (mn)	202	204	206	208	210	212	214	216	218
Subs growth YoY (%)		1%	1%	1%	1%	1%	1%	1%	1%
Net Subs Adds (mn)	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0
Blended ARPU including M2M subs (INR/month)	207	229	248	269	291	316	342	371	402
ARPU Growth YoY (%)	13%	11%	8%	8%	8%	8%	8%	8%	8%
<b>DCF</b>									
EBIT X (1-tax rate)	-2,629	27,571	59,702	94,797	133,541	176,377	223,799	276,349	334,626
Depreciation & Amortization	174,700	180,253	181,385	183,149	185,567	188,663	192,466	197,012	202,338
Changes in net working capital	8,749	8,545	6,941	7,290	7,476	7,641	7,776	7,876	7,932
Capex	-137,620	-67,771	-73,728	-80,229	-87,327	-95,074	-103,532	-112,764	-122,842
<b>Free cash flow to the firm [FCFF]</b>	<b>43,200</b>	<b>148,597</b>	<b>174,299</b>	<b>205,007</b>	<b>239,257</b>	<b>277,607</b>	<b>320,510</b>	<b>368,473</b>	<b>422,055</b>
FCFF growth (%)		244%	17%	18%	17%	16%	15%	15%	15%
WACC	12%								
PV of cash flows (FY26E-35E)	1,124								
PV of terminal value	2,182								
Terminal value as % of Enterprise Value	66%								
Total Enterprise Value	3,306								
Less: Net debt/(cash)	2,274								
Total Equity value	1,033								
VIL number of shares (mn)	108,343								
<b>Equity Value for VIL (INR/share)</b>	<b>9.5</b>								

Source: Company, JM Financial.

Every increase/decrease in ARPU by INR 10 results in increase/decrease in VIL's consolidated FY27 EBITDA by ~3% and (Base Case) valuation by INR 0.9/share. Similarly, every increase/decrease in subscribers by 5mn results in increase/decrease in VIL's consolidated FY27 EBITDA by ~0.8% and (Base Case) valuation by INR 0.7/share.

### Exhibit 36. VIL - Sensitivity of FY27 consolidated reported EBITDA (INR 261bn in base case) & Valuation (INR 9.5/share in base case) to FY27 ARPU and subscriber base (mn)

FY27 consolidated EBITDA (INR Bn) sensitivity								Valuation per share (INR/share) sensitivity							
Subscriber base (mn)								Subscriber base (mn)							
	187	192	197	202	207	212	217		187	192	197	202	207	212	217
ARPU (INR)	177	233	235	236	238	240	242	243	177	5.0	5.6	6.3	6.9	7.6	8.3
	187	241	242	244	246	248	250	251	187	5.8	6.4	7.1	7.8	8.5	9.2
	197	248	250	252	254	256	257	259	197	6.6	7.3	8.0	8.7	9.4	10.1
	207	255	257	259	261	263	265	267	207	7.4	8.1	8.8	9.5	10.3	11.0
	217	263	265	267	269	271	273	275	217	8.2	8.9	9.7	10.4	11.1	11.9
	227	270	273	275	277	279	281	283	227	9.0	9.7	10.5	11.3	12.0	12.8
	237	278	280	282	285	287	289	292	237	9.8	10.6	11.3	12.1	12.9	13.7

Source: JM Financial

## Indus Tower: Key assumptions and Valuation

Our TP for Indus of INR 340/share is based on 50% probability of VIL transforming into a sustainable telco (DCF-based value of ~INR 460/share in this scenario – **Exhibit 37**) and 50% probability of a duopoly market (DCF-based value of ~INR 220/share in this scenario – **Exhibit 38**).

### Exhibit 37. Indus Towers – Fair value comes to INR 460/share if VIL turns into a sustainable telco...

Particulars, INR bn unless mentioned	FY26E	FY27E	FY28E	FY29E	FY30E	FY31E	FY32E	FY33E	FY34E	FY35E
Vodafone co-location (#)	150,347	150,347	150,347	150,347	150,347	150,347	150,347	150,347	150,347	150,347
Bharti/Other co-location (#)	275,185	292,810	308,402	317,705	327,190	336,861	346,721	356,774	367,025	377,476
<b>Total</b>	<b>425,532</b>	<b>443,157</b>	<b>458,749</b>	<b>468,052</b>	<b>477,537</b>	<b>487,207</b>	<b>497,067</b>	<b>507,121</b>	<b>517,371</b>	<b>527,823</b>
Rental per tenant per month (INR/month)	41,758	42,384	43,020	43,536	44,058	44,587	45,122	45,664	46,212	46,766
Single tenancy rental hike (not applicable) (%)	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
<b>New rentals (INR/month)</b>	<b>41,758</b>	<b>42,384</b>	<b>43,020</b>	<b>43,536</b>	<b>44,058</b>	<b>44,587</b>	<b>45,122</b>	<b>45,664</b>	<b>46,212</b>	<b>46,766</b>
Pass through revenue per month (INR/month)	23,984	24,463	24,952	25,327	25,707	26,092	26,484	26,881	27,284	27,693
Total revenues (INR mn)	327,772	348,417	367,827	382,932	395,814	409,125	422,879	437,090	451,775	466,948
EBITDA margin (%)	53%	53%	53%	53%	53%	53%	53%	53%	53%	53%
<b>EBITDA (INR bn)</b>	<b>174,415</b>	<b>185,400</b>	<b>196,097</b>	<b>204,533</b>	<b>211,216</b>	<b>217,909</b>	<b>224,812</b>	<b>231,930</b>	<b>239,270</b>	<b>246,839</b>
<b>DCF</b>										
EBIT X (1-tax rate)	50,802	52,223	56,630	60,102	62,240	64,304	66,442	68,654	70,944	73,314
Depreciation & Amortization	77,941	85,226	88,341	90,820	93,522	96,296	99,143	102,065	105,065	108,144
Changes in net working capital	-1,244	-1,541	-1,520	-1,204	-929	-919	-947	-976	-1,005	-1,036
Capex	-56,891	-40,449	-32,202	-35,093	-36,020	-36,972	-37,951	-38,955	-39,988	-41,048
<b>Free cash flow to the firm [FCFF]</b>	<b>70,608</b>	<b>95,459</b>	<b>111,249</b>	<b>114,624</b>	<b>118,813</b>	<b>122,709</b>	<b>126,687</b>	<b>130,788</b>	<b>135,016</b>	<b>139,373</b>
FCFF growth (%)		35%	17%	3%	4%	3%	3%	3%	3%	3%
WACC		12.0%								
PV of cash flows (FY26-35E)		662,208								
PV of terminal value		491,075								
Terminal value as % of Enterprise Value		43%								
Total Enterprise Value		1,153,282								
Less: Net debt/(cash)		-78,057								
Total Equity value		1,231,339								
Indus Towers number of shares (mn)		2,695								
<b>Equity Value for Indus Towers (INR/share)</b>		<b>460</b>								

Source: JM Financial.

### Exhibit 38. ...however, fair value drops sharply to INR 220/share in a duopoly market

Particulars, INR bn unless mentioned	FY26E	FY27E	FY28E	FY29E	FY30E	FY31E	FY32E	FY33E	FY34E	FY35E
Vodafone co-location (#)										
Bharti/Other co-location (#)	275,185	292,810	308,402	317,705	327,190	336,861	346,721	356,774	367,025	377,476
<b>Total</b>	<b>275,185</b>	<b>292,810</b>	<b>308,402</b>	<b>317,705</b>	<b>327,190</b>	<b>336,861</b>	<b>346,721</b>	<b>356,774</b>	<b>367,025</b>	<b>377,476</b>
Rental per tenant per month (INR/month)	41,758	42,384	43,020	43,536	44,058	44,587	45,122	45,664	46,212	46,766
Assumed Escalation due to single tenancy (%)	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%
<b>New rentals (INR/month)</b>	<b>45,933</b>	<b>46,622</b>	<b>47,322</b>	<b>47,890</b>	<b>48,464</b>	<b>49,046</b>	<b>49,634</b>	<b>50,230</b>	<b>50,833</b>	<b>51,443</b>
Pass through revenue per month (INR/month)	23,984	24,463	24,952	25,327	25,707	26,092	26,484	26,881	27,284	27,693
Total revenues (INR mn)	230,881	242,258	260,713	275,047	286,995	299,373	312,197	325,483	339,245	353,501
EBITDA margin (%)	35%	36%	36%	36%	36%	36%	37%	37%	37%	37%
<b>EBITDA (INR bn)</b>	<b>81,732</b>	<b>86,244</b>	<b>93,335</b>	<b>99,017</b>	<b>103,892</b>	<b>108,972</b>	<b>114,264</b>	<b>119,778</b>	<b>125,521</b>	<b>131,502</b>
Tax (% of EBITDA)	14.0%	14.0%	14.0%	14.0%	14.0%	14.0%	14.0%	14.0%	14.0%	14.0%
<b>EBITDA*(1-tax)</b>	<b>70,289</b>	<b>74,170</b>	<b>80,268</b>	<b>85,155</b>	<b>89,347</b>	<b>93,716</b>	<b>98,267</b>	<b>103,009</b>	<b>107,948</b>	<b>113,092</b>
Capex to sales	17.4%	11.6%	8.8%	9.2%	9.1%	9.0%	9.0%	8.9%	8.9%	8.8%
<b>Capex</b>	<b>40,073</b>	<b>28,125</b>	<b>22,824</b>	<b>25,206</b>	<b>26,117</b>	<b>27,054</b>	<b>28,018</b>	<b>29,008</b>	<b>30,027</b>	<b>31,075</b>
Working capital to sales assumed(%)	4%	4%	3%	3%	3%	3%	3%	3%	3%	3%
<b>Working capital investment</b>	<b>8,081</b>	<b>8,479</b>	<b>6,518</b>	<b>6,876</b>	<b>7,175</b>	<b>7,484</b>	<b>7,805</b>	<b>8,137</b>	<b>8,481</b>	<b>8,838</b>
<b>FCFF</b>	<b>22,135</b>	<b>37,566</b>	<b>50,926</b>	<b>53,072</b>	<b>56,055</b>	<b>59,177</b>	<b>62,445</b>	<b>65,863</b>	<b>69,439</b>	<b>73,179</b>
WACC		12.0%								
PV of cash flows (FY26-35E)		285,611								
PV of terminal value		243,693								
Terminal value as % of Enterprise Value		46%								
Total Enterprise Value		529,305								
Less: Net debt/(cash)		-78,057								
Total Equity value		607,362								
Indus Towers number of shares (mn)		2,695								
<b>Equity Value for Indus Towers (INR/share)</b>		<b>220</b>								

Source: JM Financial.

## Tata Communications: Key assumptions and Valuation

### Exhibit 39. TCOM – Key operational assumptions

Particulars	FY19	FY20	FY21	FY22	FY23	FY24	FY25	FY26E	FY27E	FY28E	FY25-28E CAGR (%)	Comments
<b>Consolidated Financials (INR Bn)</b>												
Revenue	164	171	171	167	178	208	231	245	268	299	9%	
YoY Growth (%)		3.9%	0.2%	-2.2%	6.7%	16.5%	11.2%	5.9%	9.4%	11.7%		
Reported EBITDA	25.3	32.9	42.6	42.3	43.2	43.2	45.7	53.9	62.0	72.8	17%	Assumed EBITDA margin to improve to 23.2% in FY27 vs company's ambition of 23-25% margin in FY27
Reported EBITDA Margin (%)	15.4%	19.3%	24.9%	25.3%	24.2%	20.8%	19.8%	22.0%	23.2%	24.3%		
YoY Growth (%)		25.0%	29.3%	1.4%	-4.2%	-14.2%	-4.8%	11.5%	5.1%	5.0%		
Cash EBITDA	25.3	29.6	38.8	38.8	39.9	39.6	42.0	50.2	58.3	69.0	18%	
Cash EBITDA Margin (%)	15.4%	17.4%	22.7%	23.2%	22.4%	19.1%	18.2%	20.5%	21.8%	23.1%		
YoY Growth (%)		12.6%	30.7%	2.2%	-3.6%	-14.7%	-4.6%	12.8%	6.0%	5.9%		
Cash Capex	17.3	16.6	13.5	16.5	14.9	20.3	13.4	23.2	24.3	25.5		
Cash Capex Intensity (% of Revenue)	11%	10%	8%	10%	8%	10%	6%	9%	9%	9%		
FCF	1.1	8.6	18.3	25.5	29.0	11.5	15.7	23.5	29.0	35.4	31%	
YoY Growth (%)		669%	112%	39.7%	13.5%	-60.4%	37%	49.4%	23.5%	21.9%		
Net Debt	84.9	91.5	77.5	67.2	57.1	91.3	93.8	86.0	73.6	56.5		
Net Debt/Reported EBITDA (x)	3.3	2.8	1.8	1.6	1.3	2.1	2.1	1.6	1.2	0.8		
Net Debt/Cash EBITDA (x)	3.3	3.1	2.0	1.7	1.4	2.3	2.2	1.7	1.3	0.8		
<b>Segmental Revenue and EBITDA break-up</b>												
<b>1) Voice</b>												
Revenue	38.7	33.8	27.9	22.9	20.5	17.0	16.3	15.8	15.4	14.9	-3%	
EBITDA	3.3	2.6	1.7	1.5	3.4	2.2	1.9	1.8	1.8	1.7	-3%	
EBITDA Margin (%)	8.6%	7.8%	6.2%	6.7%	16.6%	12.9%	11.4%	11.4%	11.4%	11.4%		
<b>2) Data</b>												
Revenue	111	119	126	128	141	172	195	210	232	263	10%	Assumed revenue of INR 263bn in FY28 vs company's revised ambition of +INR 280bn in FY28.
EBITDA	26.5	34.4	43.6	43.5	42.6	37.6	36.5	45.9	53.9	64.3	21%	
EBITDA Margin (%)	23.9%	28.9%	34.6%	34.1%	30.2%	21.9%	18.7%	21.8%	23.2%	24.5%		
<b>i) Core Connectivity</b>												
Revenue	82.1	85.8	89.1	90.4	95.6	101	104	108	112	118	4%	
EBITDA	27.0	32.4	39.4	39.7	42.5	45.2	45.4	48.8	51.7	54.4	6%	
EBITDA Margin (%)	32.9%	37.7%	44.1%	43.9%	44.4%	44.7%	43.6%	45.3%	46.0%	46.1%		
<b>ii) Digital Portfolio</b>												
Revenue	28.5	32.9	36.8	37.4	45.4	70.3	91.0	103	120	145	17%	
EBITDA	-0.5	2.0	4.3	3.9	0.1	-7.7	-8.9	-2.9	2.2	9.9	NM	
EBITDA Margin (%)	-1.8%	6.0%	11.6%	10.3%	0.3%	-10.9%	-9.7%	-2.8%	1.8%	6.8%		

Source: Company, JM Financial.

### Exhibit 40. TCOM's SOTP valuation of INR 2,000/share

	FY27E Reported EBITDA (INR Bn)	EV/EBITDA multiple (x)	Enterprise Value (INR Bn)	Per Share Value (INR)
Data Business	53.9	11.0	593	2,079
Voice and Other Business	9.6	5.0	48	169
Value of Investment in Data Center Business (26% Stake)	9.7	16.0	40	142
<b>Total Firm Value</b>			<b>681</b>	<b>2,390</b>
Less: Net debt			74	258
Less: AGR Contingent Liability (Assumed 50% Probability of actualisation)			39	136
<b>Equity value</b>			<b>569</b>	<b>2,000</b>

Source: Company, JM Financial.

## APPENDIX I

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New Rating System: Definition of ratings	
Rating	Meaning
BUY	Expected return $\geq$ 15% over the next twelve months.
ADD	Expected return $\geq$ 5% and $<$ 15% over the next twelve months.
REDUCE	Expected return $\geq$ -10% and $<$ 5% over the next twelve months.
SELL	Expected return $<$ -10% over the next twelve months.

Previous Rating System: Definition of ratings	
Rating	Meaning
BUY	Total expected returns of more than 10% for stocks with market capitalisation in excess of INR 200 billion and REITs* and more than 15% for all other stocks, over the next twelve months. Total expected return includes dividend yields.
HOLD	Price expected to move in the range of 10% downside to 10% upside from the current market price for stocks with market capitalisation in excess of INR 200 billion and REITs* and in the range of 10% downside to 15% upside from the current market price for all other stocks, over the next twelve months.
SELL	Price expected to move downwards by more than 10% from the current market price over the next twelve months.

\* REITs refers to Real Estate Investment Trusts.

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