

9th April, 2019

National Stock Exchange of India Limited
Exchange Plaza
Bandra Kurla Complex
Bandra East
Mumbai 400 051

BSE Limited
Phiroze Jeejeebhoy Towers
Dalal Street
Mumbai 400 001

Dear Sirs,

Sub: Media Release - Rights Issue aggregating upto Rs. 25,000 crore

Ref: "Vodafone Idea Limited" (IDEA / 532822)

Please find enclosed herewith release being issued to media in connection with the captioned subject.

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

Media Release – April 09, 2019

Vodafone Idea Limited: Rs. 250 billion rights issue to open on April 10, 2019 and close on April 24, 2019.
Last date for request of Split Application Forms: April 17, 2019

Vodafone Idea Limited ('Company'), one of the leading mobile telecommunications provider in India, opens on April 10, 2019, an issue of up to 20 billion fully paid up equity shares (face value Rs. 10 each) at a price of Rs. 12.50 per share aggregating up to Rs. 250 billion by way of rights issue to the eligible equity shareholders as on the record date of April 2, 2019. The rights entitlement is determined as 87 equity shares for 38 equity shares held by the eligible equity shareholders. The last date for request of Split Application Forms is April 17, 2019. The rights issue will close on April 24, 2019.

The Promoter shareholders, Vodafone Group and Aditya Birla Group confirmed their participation of up to Rs. 110 billion and up to Rs. 72.5 billion respectively in the rights issue. Furthermore, certain Promoter and Promoter group shareholders have also indicated that, in case the rights issue is undersubscribed, they reserve the right to subscribe to part or the whole amount of the unsubscribed portion, subject to applicable laws.

Balesh Sharma, CEO Vodafone Idea limited, said *“Our top priority is to integrate quickly to improve customer experience and profitability. We believe that the expanding coverage and increasing capacity will enable us to offer a superior network experience to our customers, enhance our ability to add more broadband customers and improve profitability by reducing costs and delivering synergies. We are moving faster than initially estimated on integration and are on track to deliver our synergy targets. We believe that the proceeds from the rights issue coupled with the monetisation of our stake in Indus Towers Limited will allow us to make the required investments in the business to achieve our strategic goals. With strong assets such as two leading brands, ‘Vodafone’ and ‘Idea’, the largest spectrum portfolio and a well invested network, we are well placed to exploit the growth opportunities ahead of us.”*

The Company has the largest spectrum portfolio, large network investments in the form of network sites and optical fibre, extensive distribution network and customer affinity for its two strong brands – ‘Vodafone’ and ‘Idea’. The Company had a revenue market share of approximately 32% of the Indian mobile telecommunications services industry (excluding wireline revenue for Bharat Sanchar Nigam Limited and Mahanagar Telephone Nigam Limited) for the quarter ended December 31, 2018 (as reported by TRAI). The Company had 387.2 million subscribers as of December 31, 2018. The Company had 391 million visitor location register (‘VLR’) subscribers and VLR subscriber market share of approximately 38% as of December 31, 2018 (as reported by TRAI). As of December 31, 2018, its broadband network is spread across approximately 270,000 towns and villages and covers approximately 68.8% of the Indian population.

The key pillars of Vodafone Idea’s well-defined strategy are as follows: 1. Accelerating the integration of our operations; 2. Prioritize investments in profitable areas; 3. Focus on increasing ARPU; and 4. Focus on increasing business services and other arrangements. The Company is progressing well on the stated strategy. Following are the key updates -

- In 9 out of 22 service areas, customers of both brands now enjoy a unified network experience across technologies (2G, 3G and 4G) following the consolidation of spectrum and the radio access network.
- With the implementation of dynamic spectrum re-farming (DSR), on relevant 900 MHz sites, the Company is able to offer 4G on 900 MHz on those sites. It has also re-farmed 2100 MHz spectrum from 3G to 4G usage on selected sites.
- Reducing capex by re-deployment of overlapping 3G and 4G equipment.
- Data capacity addition through spectrum consolidation across circles. The Company will further add capacity with rollout of TDD sites.
- Exiting low utilisation sites in certain districts without significantly impacting the coverage in those districts.
- The Company continues to expand offerings through arrangements with various global and regional content providers.

The Lead Managers to the rights issue are Kotak Mahindra Capital Company Limited, DSP Merrill Lynch Limited, Morgan Stanley India Company Private Limited, HDFC Bank Limited and SBI Capital Markets Limited.

About Vodafone Idea Limited (formerly Idea Cellular Limited)

Vodafone Idea Limited is an Aditya Birla Group and Vodafone Group partnership. It is India's leading telecom service provider. The Company provides pan India Voice and Data services across 2G, 3G and 4G platform. 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 is listed on National Stock Exchange (NSE) and Bombay Stock Exchange (BSE) in India.

Disclaimers

Vodafone Idea Limited (formerly Idea Cellular Limited) is proposing, subject to receipt of requisite approvals, market conditions and other considerations, a rights issue of its equity shares and has filed a Letter of Offer. The Letter of Offer is available on the website of the SEBI at www.sebi.gov.in, the website of BSE at www.bseindia.com, the website of NSE at www.nseindia.com and the respective websites of the Lead Managers at www.investmentbank.kotak.com, www.ml-india.com, www.morganstanley.com/about-us/global-offices/asia-pacific/india, www.hdfcbank.com and www.sbicaps.com. Investors should note that investment in equity shares involves a high degree of risk. For details, potential investors should refer to the Letter of Offer, including the section titled "Risk Factors". All capitalized terms used herein and not specifically defined shall have the same meaning as ascribed to them in the Letter of Offer.

The Rights Entitlements and the Rights Equity Shares have not been and will not be registered under the United States Securities Act of 1933, as amended (the "**Securities Act**"), or any U.S. state securities laws and may not be offered, sold, resold or otherwise transferred within the United States or the territories or possessions thereof, except in a transaction exempt from the registration requirements of the Securities Act. The Rights Entitlements and Rights Equity Shares are being offered in offshore transactions outside the United States in compliance with Regulation S under the Securities Act and in the United States to "qualified institutional buyers" (as defined in Rule 144A under the Securities Act) in transactions exempt from the registration requirements under Section 4(a)(2) of the Securities Act).