



November 11, 2025

National Stock Exchange of India Limited

Exchange Plaza, C-1 Block G
Bandra Kurla Complex, Bandra (E)
Mumbai – 400051, India
Symbol: BHARTIHEXA

BSE Limited

Phiroze Jeejeebhoy Towers
Dalal Street, Mumbai – 400001, India
Scrip Code: 544162

Sub: Transcript of the Earnings Call dated November 04, 2025

Dear Sir/ Ma'am,

Pursuant to Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015, we are enclosing herewith the transcript of the Earnings Call held on November 04, 2025 in respect of the audited financial results of the Company for the second quarter (Q2) ended September 30, 2025.

The transcript of the call is also uploaded on the Company's website i.e. <https://www.bhartihexacom.in/results-quarterly-results.html>.

Kindly take the same on record.

Thanking you,
Sincerely yours,

For **Bharti Hexacom Limited**

Amit Chaturvedi
Company Secretary & Compliance Officer

Encl.: As above

Conference Call Transcript

Event: Transcript of Bharti Airtel Limited and Bharti Hexacom Limited Q2 ended September 30, 2025 Earnings Webinar

Event Date/Time: November 4, 2025/ 0100hrs

Transcript of Bharti Airtel Limited and Bharti Hexacom Limited Q2 ended September 30, 2025 Earnings Webinar
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CORPORATE PARTICIPANTS**Mr. Gopal Vittal**

Vice Chairman & Managing Director, Bharti Airtel Limited

Mr. Shashwat Sharma

Chief Executive Officer Designate - Bharti Airtel Limited

Mr. Soumen Ray

Chief Financial Officer - India & South Asia – Bharti Airtel Limited & Director, Bharti Hexacom Limited

Mr. Harjeet Kohli

Joint Managing Director – Bharti Enterprises

Mr. Naval Seth

Head of Investor Relations – Bharti Airtel Limited & Bharti Hexacom Limited

Mr. Akhil Garg

Financial Controller – Bharti Airtel Limited & Chief Financial Officer, Bharti Hexacom Limited

Vaidehi Sharma – Moderator

Good afternoon, ladies and gentlemen. I am Vaidehi Sharma, the moderator for this webinar. Welcome to the Bharti Airtel Limited and Bharti Hexacom Limited Second Quarter ended September 30, 2025 Earnings Webinar. Present with us today, is the senior leadership team of Bharti Airtel and Bharti Hexacom Limited. I must remind you that the overview and discussions today may include certain forward looking statements that must be viewed in conjunction with the risks that we face. Post the management opening remarks, we will open up for an interactive Q&A session. Interested participants may click on raise hand option on your Zoom application to join the Q&A queue. The participants may click this option during the opening remarks itself to ensure that they find a place in the queue. Upon announcement of name, participant to kindly click on unmute myself in the pop-up screen and start asking the question post introduction. With this, I would now like to hand over to Mr. Gopal Vittal for his opening remarks.

Gopal Vittal – Vice Chairman & Managing Director - Bharti Airtel Limited

Thank you, Vaidehi. Good afternoon and very warm welcome to all of you. With me on this call, I have Shashwat, Soumen, Harjeet, Naval, and Akhil Garg. On today's call, we will focus on our Q2 performance along with an update on our key priorities.

Let me start with an update on the AGR issue. We have always maintained that the AGR judgment of 2019 was a body blow to the industry. The fact that even errors of calculation were not entertained was even more disappointing. We welcome the fact that the recent order of the Supreme Court permits the government to undertake a comprehensive assessment, reassessment, and reconciliation of the AGR dues, including interest and penalties, up to financial year 2016-2017. The order has been made in the petition of Vodafone Idea. We are now planning to take up our matter with the government.

Let me now turn to ESG. We are making significant progress on our ESG agenda by leveraging technology and digital innovation across our operations to drive sustainability, enhance efficiency, and deliver long-term impact. During the quarter, we solarized over 2900 sites, taking our total solar site count to over 35,000. Our AI-enabled RAN engine is optimizing energy usage by accurately predicting traffic patterns and dynamically determining ideal time windows for cell sleep. This adaptive approach enables greater energy savings compared to traditional fixed scheduling methods. At Nxtra, we aim to achieve 15% improvement in equipment performance, a 25% boost in the operational productivity, and a 10% reduction in non-IT energy consumption, all with the help of AI. One of the key areas I want to call out today is the employment we offer. We directly employ over 20,000 people, which is what we report. In addition, we employ associates who work for us. This is another, about, 80,000. Over and above this, we offer employment indirectly of another 6,70,000 people. That means we provide 7,60,000 jobs, making us one of the largest employment generators in India.

Let me turn to our financial performance. We delivered another quarter of consistent performance. Consolidated revenues came in at about 52,000 Crores with an annualized run rate of over Rs.200,000 Crores. India revenues, excluding Indus, came in at Rs.34,900 Crores and the EBITDAaL margin excluding the passive infra side came in at 51.5%. The operating free cash flow, which is the EBITDAaL less capex, was strong, at about Rs.10,750 Crores. Capex for the quarter was about Rs.7200 Crores.

Our balance sheet strength is predicated on disciplined capex and continued operational excellence. India net debt to EBITDAaL now stands at 1.32.

Our strategy to premiumize the portfolio and drive execution rigor is delivering consistent performance. The mobile segment delivered another quarter of industry-leading revenue growth. Broadband is seeing sustained growth momentum, and our IPTV offer is gaining strong traction, driving our convergence agenda. Our network expansion continues as planned, with about 2480 network sites and over 10,000 km of fiber rollout during the quarter. Over the last few years, we have stepped up our fiber deployment. Our

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domestic fiber network now spans over 500,000 kilometers and is growing at a fast pace. We continue to expand fiber home passes for our broadband segment, along with FWA rollout to over 3000 cities.

Let me share a quick update on each of our segments. In the mobile business, we added 1.4 million revenue earning customers to our customer base and 5.1 million Smartphone data users. Postpaid net adds were about 1 million accounting for 68% of total net adds. ARPU, at 256, had the benefit of one extra day in the quarter and continued mixed improvement. Our simplified international roaming plans and significant convenience to customers are yielding strong outcomes. As a result, in the last two years, we have seen over a 30% increase in international out-roamers on our network.

I do want to underscore that featurephone to Smartphone upgrades, prepaid to postpaid upgrades, data monetization, and international roaming remain key drivers of our ARPU growth in the absence of any tariff repair. Our 5G expansion is going as planned. We ended the quarter with 167 million 5G users. 5G shipments continue to grow, while we believe that more affordable handset options at the entry level of the market will continue to accelerate our adoption. Our share in 5G shipments is seeing sustained improvement. 5G sites now handle over 40% of the total network traffic.

In the broadband business, we delivered another solid quarter with net adds of 951,000. We are seeing strong traction in FWA, with the customer base crossing 2.3 million. We see growth momentum as we accelerate our FTTH home pass deployment, along with FWA expansion to newer pin codes.

In the digital TV business, we lost 340,000 customers during the quarter. The industry saw the impact of pronounced seasonality, which is reflected in our performance as well. I had mentioned earlier that we had made structural changes on the set-top box subsidy at the start of the year. This is already showing improved cashflows despite CPE investments for IPTV expansion. At the same time, IPTV customer additions are tracking well, and we are amplifying our efforts to accelerate adoption.

On Airtel Business, we reported revenues of about Rs.5,275 Crores, growing 4.3% sequentially. The domestic business remains steady. Global business is seeing signs of improvement with growth in order book as well as improved funnel. During the quarter, we signed multiple connectivity deals with marquee global customers. On adjacencies, we have secured deals in our Cybersecurity and IoT business. We have recently secured a multi-year contract from the Indian Railways Security Operations Center to deliver a comprehensive suite of security services.

On digital businesses, we are scaling our digital portfolio across high-growth verticals, including Cloud, Cybersecurity, Financial Services, IoT, and CPaaS. Airtel Finance continues to deliver solid momentum with continued growth in loan disbursement and EMI card issuances. Digital revenues delivered a strong growth of about 24% over the last year.

On the payments bank, our monthly transacting users crossed 100 million and now stands at over 104 million. The annualized run rate is over Rs.3,200 Crores, growing at 19% year-on-year. Deposits remain strong at about Rs.4,000 Crores, growing 35% year-on-year.

A quick update on Africa. We delivered another quarter of solid performance with constant currency revenue growth of 7.1% sequentially. Favorable currency movement has led to a reported revenue growth of 10.7% sequentially. EBITDAaL was over Rs.5,300 Crores with a margin of 38.8%. Balance sheet remains solid with a net debt to EBITDAaL of 0.7.

Let me now briefly comment on each of our areas of focus. We continue to build a diversified and resilient portfolio. The underlying performance across the portfolio has been strong. Africa accounts for 26% of revenues, India mobile at 54%, and India non-mobile at 13%, while Indus is at 7%. Our investments are directed towards future-proofing Airtel by building digitally powered networks, reshaping our portfolio to drive growth across segments, and building scalable digital services that accelerate the long-term growth trajectory. Second area of focus is winning quality customers.

Let me start with broadband. We are seeing strong structural tailwinds in the home broadband segment, driven by rising smart TV adoption and evolving content consumption habits. As I mentioned, we see the industry growing to about 100 million over the medium term, from currently over 50 million connected homes. We are investing at an accelerated pace to capitalize on this opportunity. The three areas of focus- deeper network coverage and market expansion. Here, we have stepped up our home pass, to reach 2.5 million homes per quarter run rate. In addition, we are complementing fiber with FWA, where we do not have fiber just yet.

Second area of focus is to deliver enhanced value to our customers and drive convergence. Our convergence agenda is gaining traction with IPTV adoption, and we see this accelerating in the coming quarters. The third area of focus is to cross-sell across our channels and sweat our assets optimally. With our channel infrastructure now fully integrated, we are leveraging data analytics and digital tools to accelerate acquisitions.

A quick word on mobile. Our focus is to upgrade 90 million credit-scored potential customers to our postpaid services. Use of data analytics and next best action from our data engine is driving data monetization and mix improvement. We continue to simplify our roaming plans and enhance value to our customers. Our rural expansion, our efforts are directed towards sweating our network deployments done over the last three years to drive competitive growth.

Let me now move to B2B. We are seeing large opportunities across connectivity, data centers, digital, and adjacencies. Two things to call out. First, we are building gold-standard high-capacity and low-latency fiber network, submarine cables, as well as OPGW infrastructure. This is a major area of focus, and it will help in accelerating our core connectivity segment within our B2B business.

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Second is the data center infrastructure, which is another area of focus. You have already heard of our large-scale investments planned on the AI data hub with Google. This goes to show our strong belief in the long-term growth opportunity for Nxtra. Airtel and Google will jointly establish the purpose-built data center in Vishakhapatnam. The partnership with Google, coupled with the ongoing expansion in Nxtra, gives us a clear visibility to get to over 1 gigawatt in the next few years. This is a four-fold increase from our operating capacity currently.

Finally, we continue to scale our digital portfolio of IoT, Cloud, security, and SD-WAN. Our Airtel Cloud is getting encouraging response from our customers. We have over 70 ongoing conversations with large customers and already signed on deals across BFSI as well as manufacturing. We believe this can be a big growth driver for the Company. There are three areas of focus here. One is to build out a suite of features that make us competitive with the best public cloud players. Second, to build out a world-class delivery and assurance model from Pune. Third is to raise the account management and product sales capability within the Company. In addition, we have embellished cloud through partnership with various players, including IBM, to address the unique needs of several industries that require migration from IBM power systems.

The third pillar of our strategy is the obsession to deliver brilliant customer experience. Delivering this remains at the heart of everything we do. Our digital experience layer is underpinned by a converged data engine. This is a full-stack software-as-a-service-based platform that powers all our capabilities. This engine is the secret behind our consistent performance. We have already extended this to Airtel Africa, and it is already live there, and are in talks with over 40 customers globally. In addition, we have converted this engine into a PaaS service, which is platform-as-a-service, on Airtel Cloud, to differentiate our cloud platform and this is also getting traction from some of our domestic customers as we have conversations on the cloud.

Our obsession to deliver the best experience remains, and we are glad that this was validated yet again by Opensignal. Airtel won all the five of the five awards in FWA and four of the five awards in FTTH. We are now in the process of transitioning our 5G networks towards 5G advanced by introducing dual NSA plus SA mode and migrating our FWA users on the same. Today, our FWA customers across 13 circles are already experiencing our dual-mode 5G network with SA. For the mobile network, pilots are underway for the 5G dual mode in a couple of circles, and we plan to make it commercial in the coming months as the traffic on our 5G network grows. This is a point that I had made to you a few years ago, and we are well aligned with making this happen.

The fourth pillar of our strategy is to build and leverage our digital capabilities. Our AI-powered anti-spam solution continues to deliver significant relief to our customers. We have identified over 57 billion spam calls and 4.2 lakh fraudulent links. All of this has been enabled by AI. In fact, the power of our solution has been endorsed by the Home Ministry. The Indian Cybercrime Coordination Center, where the Ministry of Home Affairs has now confirmed that there has been a staggering 69% decrease in the value of financial losses on the Airtel network.

What we are now doing is putting AI at the very heart of our business, and using it to strengthen our digital platforms, which are running at scale. We are in the process of testing these capabilities to help add competitiveness to our business. Our business objective for this is one of three. Drive share of wallet by improving persuasion using a very, very specific customer context. Second, lower cost of doing business by improving productivity and third, to differentiate Airtel by solving real customer problems. All of the new initiatives we have driven, whether it is cloud, it is digital platforms, Airtel Finance, or anti-spam, meet this differentiation objective. One other comment to make is on the democratization of AI. For us, this has also been a mission. The remarkable partnership we struck with Perplexity to democratize AI to all Airtel customers is just one example here.

The fifth and last pillar of our strategy is war on waste. We continue to identify areas to drive efficiencies in our cost structure powered by extensive use of technology. For example, we have deployed AI/ML-powered RAN energy-saving tool that has enhanced our energy efficiency by optimizing the RAN operational cost. We believe there is still opportunity to strip out waste from our operations through a combination of using digital tools, extreme de-averaging, and very tightly run operations.

To sum up, overall, we delivered yet another quarter of steady performance, reinforcing the strength of our diversified portfolio, as well as disciplined execution. We are seeing strong growth opportunities in postpaid, in broadband, in convergence, and B2B. We are investing across our businesses to future-proof Airtel and capitalize on the growth opportunities. All of this is done by keeping digital at the heart of everything we do. Our solid balance sheet is a function of our disciplined capital allocation, continued de-leveraging, and sustained operational excellence. This provides us with a capacity to invest in emerging growth opportunities. With this, let me hand back to Vaidehi.

Vaidehi Sharma – Moderator

Thank you so much, Gopal. We will now begin the Bharti Airtel Q&A interactive session for all the participants. Please note that the Q&A session will be restricted to analysts and investor community only. Due to time constraints, we would request if you could limit the questions to two per participant to enable more participation. Interested participants may click on "Raise Hand option" on your Zoom application to join the Q&A queue. Upon announcement of name, participants to kindly click on unmute myself in the popup screen and start asking the question post introduction. Participants are requested to limit their questions to Bharti Airtel till 02:00 pm as the management will start the Q&A discussion on Bharti Hexacom from 02:00 pm onwards.

The first question comes from Mr. Piyush Choudhary. Mr. Choudhary you may please unmute your side, introduce yourself and ask your question now.

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Piyush Choudhary - HSBC

Hi, good afternoon. This is Piyush from HSBC. Congrats on a great set of numbers. Two questions. Firstly, on your partnership with Google in Vishakhapatnam; can you advise on the scale of investments, which will be made by Airtel over the next five years; is your role, kind of, limited to building cable landing station and providing intra-intercity fiber or does it also include build-out of the data center, because you alluded your capacity will expand 4x? That is the first question. Secondly, can you update us on the progress of Xtelify, Airtel Cloud and software solution, has there been any key client wins or contracts signed during the quarter? Thank you.

Gopal Vittal – Vice Chairman & Managing Director - Bharti Airtel Limited

Thank you, Piyush. With the partnership with Google. Firstly, I think the point to make is, on Nxtra we have been investing about Rs.1500 Crores a year. We see a lot of opportunity here on Nxtra to build out greater, sort of, capacities in the data center space. We will allocate more capital to buy more land in the right places and in addition, of course, to continue to invest in the partnership with the Google facility in Vishakhapatnam. To clarify the point that you have made, we are absolutely building data centers in Vishakhapatnam for Google, so that is part of the deal. We will be providing the full terrestrial networks to Google connecting Vishakhapatnam to Delhi and Mumbai and third, we will also build the cable landing station, so it is a full composite deal, which will have a combination of connectivity, cable landing stations, and data center build-out. The data center build-out will happen through Nxtra, because that is the business that Nxtra does. The connectivity and cable landing station will be run through Bharti Airtel, which is within the Airtel Business, so it is a composite deal, just to clarify. The point I would just like to make is that in the past, we have moderated the investments we have made in Nxtra, we operate at a market share of about 10%-12%, we are not satisfied with the level of market share for a player like us, we believe that we need to step up our market share given the fast-growing data center market that we see in India and so we will do whatever it takes to make that happen. On Xtelify, I think the cloud conversations are really going well, we have opened up conversations with 70 odd customers, this is a decision-making process that takes time, but I can tell you that every single one of those conversations is met with a lot of interest. We have already signed about six deals across manufacturing and distribution as well as BFSI and we are in the process of signing on several more. A lot of this will now depend on actually moving workloads to Airtel Cloud and building confidence and then seeing how we can scale this, because once you have an inroad into workloads for a customer, over time, more and more workloads move, so that is something that we will do. We are also in conversation with several public sector units to see what we can do to provide the cloud. I think one of the advantages that the Airtel Cloud offers is sovereignty in its true sense of the word, the control plane resides in India, the operational control resides in India and the jurisdiction that we are subjected to, which is the laws that Airtel Cloud is subject to, are based on Indian laws. All of this actually adds to the benefit of what is really, truly sovereign.

Piyush Choudhary - HSBC

Just to clarify on the Google deal. Is there a co-investment or this entire DC buildout of 1 GW will be done through Nxtra?

Gopal Vittal – Vice Chairman & Managing Director - Bharti Airtel Limited

I think that you would have seen the press release, we are doing a part of the build-out, and there is also another partner who is doing another part of the build-out, so it is a combination of two partners, because Google is actually using two partners in India to build out this facility.

Piyush Choudhary - HSBC

Got it, Gopal. Any color on the overall investment over five years towards this?

Gopal Vittal – Vice Chairman & Managing Director - Bharti Airtel Limited

Piyush, I think we are still trying to work this out, but I would say that we will step up from where we are today and we will do whatever this business needs to make sure that it really builds competitiveness.

Mr. Piyush Choudhary – HSBC

Great. Thank you, Gopal.

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Vaidehi Sharma – Moderator

The next question comes from Mr. Kunal Vohra. Mr. Vohra, you may please unmute your side, introduce yourself, and ask your question now.

Kunal Vohra - BNP Paribas

Yes, thanks for the opportunity. On the Supreme Court AGR judgment, how do you see the applicability for Airtel, it seems the order is applicable to Vodafone Idea, do you need to approach the Court or you can work directly with the government, and do you think the interest penalty computation errors, all of that are up for review? Sorry, that is the first question.

Gopal Vittal – Vice Chairman & Managing Director - Bharti Airtel Limited

No, thank you for the question. As I mentioned in my opener, we have always said that the AGR judgment, which we sought reviews on around calculation errors, was something that, having lost was a disappointment for us, so in that sense, we are pleased that this has been allowed for a reconciliation by the Court. We are now going to be taking it one step at a time, so first, we are going to reach out to the government, and that is something that the Company will do over the course of the coming days. Then we'll take it from there.

Kunal Vohra - BNP Paribas

Second, is on home broadband, you have seen strong growth, but Jio has been better, I see that there is a big spike in capex in home broadband this quarter. Are you doing anything differently now and how should we look at home broadband capex? Also, you mentioned 100 million is the potential market, how do you look at your share in that market? And also, you have seen 2.3 million customers in FWA; are you facing any capacity issues? Are you looking at UBR? Yes, that is the second question.

Gopal Vittal – Vice Chairman & Managing Director - Bharti Airtel Limited

On home broadband, we are clearly seeing a consistent step up in our performance in home broadband. The fact is that even, whether it is on mobile or home broadband; the definition of what constitutes a customer is a very stringent definition for us, which is based on 30 days revenue earned. So, while I am not in a position to comment on the numbers reported by any competitor, what I will tell you is that on home broadband, one of the metrics we look at is our share on some of the OTT platforms, the leading large OTT platforms, and some of them have analytics that they provide to players around the world, and I would say that if I look at that, we are tracking very well and we are pleased with where we are. That does not mean that we cannot step up home broadband further, because I think where we are is that we are feeling that, actually, there is further opportunity to improve our operational tightness, in order to drive further growth of home broadband. At this point, we are not seeing any capacity issues on FWA. We are currently in the process of experimenting and doing the trials on UBR. The challenge on UBR, as I mentioned in previous quarters is the interference in dense locations, because it uses the same Wi-Fi band that is used at homes, and you would see sometimes in your own home, where you have browsing problems, it really comes due to interference issues in the lower band of the Wi-Fi frequency. This is an area of trials, but I do believe that UBR has a legitimate opportunity to expand into areas, which are not so dense, so this could be remote locations, rural areas, small towns, etc., where the density of presence of fiber is low, so that is being assessed right now. On the capex front, home broadband has two components of capex, one is the home pass that we roll out and the second is the router, so, the CPE. Both of those, the second is linked directly to growth. Maybe, Soumen, you can just add some colour on the capex.

Soumen Ray – Chief Financial Officer - India & South Asia – Bharti Airtel Limited & Director, Bharti Hexacom Limited

Yeah, Gopal, what you said is right. Basically, we have accelerated our home pass rollout as well as, we are deploying on 5G. Both the two avenues of growth are being triggered at the same time. You will see some amount of elevated capex in the near future because of both going parallelly. Thank you.

Kunal Vohra - BNP Paribas

Thank you. Just lastly, a follow-up to what Piyush was asking, if I look at one gigawatt data center, the cost could be \$25-\$30 billion, if I am not mistaken, and if there are two partners or two entities doing it, the amount for Airtel also could be fairly large. So, can you give us some comments on what is the scale of investment we are looking at in data centers?

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Gopal Vittal – Vice Chairman & Managing Director - Bharti Airtel Limited

We have not yet guided on this particular issue, but I would again come back to saying that whatever is required to be invested, we will make the investment. I think the numbers that you are talking about are obviously much, much higher than what we think it will be. Suffice it to say that we will do what it takes to step up the growth of Nxtra.

Kunal Vohra - BNP Paribas

Understood. Thank you. That's it from me.

Vaidehi Sharma – Moderator

The next question comes from Mr. Sanjesh Jain. Mr. Jain, you may please unmute your side, introduce yourself, and ask your question now.

Sanjesh Jain - ICICI Securities

A couple of questions from my side, Gopal. First, you said there is a standalone and non-standalone doability that we are doing on the network to ramp up the FWA. Can you provide more detail on that; how many circles, how does the technology work, does it give us the capability to do spectrum split link, the one which standalone enables, how should we see this transition, and does it indicate that we need to go to a standalone 5G before, or are we preponing that transition now?

Gopal Vittal – Vice Chairman & Managing Director - Bharti Airtel Limited

You had a second question, Sanjesh?

Sanjesh Jain - ICICI Securities

Yes, one on the capital allocation side. We have announced to raise the equity stake in Indus Towers by 5%, just wanted to understand the rationale. We understood until 50%, we wanted to have a controlling stake. Just from a capital allocation perspective, just wanted to understand what is the rationale behind increasing the stake and how does it change the position for Airtel in terms of Indus?

Gopal Vittal – Vice Chairman & Managing Director - Bharti Airtel Limited

Yeah. Sanjesh, I think, just to explain the standalone. Over a period of time, if you take a longer period of time, let us say over the next five or six years, as all of the 4G traffic shifts to 5G and more and more devices come in, we will be refarming band-by-band spectrum to move it to SA. This is a point that I made a few years ago. Now, as you do this transition, you need to operate some spectrum in non-standalone mode and some spectrum in standalone mode, because you are operating, what is called, a dual mode, this is a standard practice, it is standard in all markets. For example, you can see in the U.S. market, this is exactly what they are doing, even in China, this is exactly what they are doing, because you cannot refarm all of the spectrum immediately, right? At this point in time, when we say it is a dual mode, in 13 circles, we already have a live standalone network that is operating for fixed wireless access. One of the advantages that we are seeing on this is the fact that the time on technology that is spent is greater, because they do not sort of toggle between 4G and 5G, and that sort of frees up the networks. The second is there is a slight improvement in the uplink performance. These are the two things that we have seen and as a consequence, these 13 circles will extend across the country for fixed wireless access, this is one part of it. The second part of it is, we also believe that we are now ready, given that 40% of the traffic that we carry is on 5G networks, to also start refarming some spectrum for standalone on mobile and that gives all the capabilities of standalone as you rightly mentioned. This is a work in process. If we are sitting here, let us say, three to four years from now, you would see more and more frequency being refarmed to standalone and at some point non-standalone will just disappear there will just be standalone technology in the country on our networks. On the capital allocation point, I think, for us, we see Indus as a very clearly undervalued asset, it is a strong dividend-paying Company, it is a vital infrastructure for us and therefore, given all of these reasons, we have taken up the stake there, or we have proposed, we have taken an enabling provision to take up the stake there and at some point based on how things play out, we will look to activate that provision.

Sanjesh Jain - ICICI Securities

Got it. Just two follow-up questions, Gopal. One on the fixed broadband capex. Again, I was just looking at that number. Now, it works to around Rs.20,000 capex per customer, I was just looking at it, it was 15,000, a couple of quarters back it was around Rs.15,000-16,000 per customer addition. I thought fiber home pass has remained broadly the same: 10,000 per kilometer, 1.5 million, the one we have been adding, any reason why there is a spike in the capex per customer, if I look at the home services as a

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whole? That is number one. Number two, any thought process where we want to ultimately take our stake in Indus, is there any thought process there, we want to go it till 70, 65, any number there if you can share?

Gopal Vittal – Vice Chairman & Managing Director - Bharti Airtel Limited

Soumen, you want to talk a little bit about the capex piece?

Soumen Ray – Chief Financial Officer - India & South Asia – Bharti Airtel Limited & Director, Bharti Hexacom Limited

Yeah. So Sanjesh, earlier the home pass cost has remained largely the same cost per homes passed, but what has happened, as I explained, because this is a land grab opportunity, we are rolling out more fibers, and this will get extracted. In the parallel, we are also deploying FWA. Now, the cost of a connected home between a fiber and an FWA is almost similar, but because the home pass rollout is also becoming aggressive and we are doing more in a quarter, and we are acquiring more customers on FWA, you are seeing for some period, because you are dividing it by the number of customers, and hence you are seeing an elevated number. Other than that, there has been no change, no major change in the actual cost of every home pass, neither in the cost of the FWA unit. Thank you.

Gopal Vittal – Vice Chairman & Managing Director - Bharti Airtel Limited

So Sanjesh, just to give you a sense, we have been operating at between \$28-\$32 cost per home pass. That does not change, and that has not really changed. On Indus, we have always; like I mentioned earlier, we have taken enabling provision to climb by 5%, beyond that, there is nothing further to add at this point.

Sanjesh Jain - ICICI Securities

That is clear, Gopal. I think a stellar number, good execution, and best of luck for the coming quarters.

Gopal Vittal – Vice Chairman & Managing Director - Bharti Airtel Limited

Thank you, Sanjesh.

Vaidehi Sharma – Moderator

The next question comes from Mr. Ankur Rudra. Mr. Rudra, you may please unmute your side, introduce yourself, and ask your question now.

Ankur Rudra - JP Morgan

This is Ankur from JP Morgan. The first question on capex, if I heard you correctly, there will be an increase in capex on 5G standalone, capex on home passes, as you are looking to accelerate that across CPEs and also an acceleration on the data center side, so, how does all of this layer into the overall capex guide for it to moderate in the medium term? Do you think you may have to, sort of, update that short to medium-term capex expectation for us?

Gopal Vittal – Vice Chairman & Managing Director - Bharti Airtel Limited

Ankur, on 5G standalone, there is really no meaningful capex, because it is all software-led, right? All our networks are capable of moving to standalone at the flick of a button, so it is a very, very tiny amount of money that we spend for software. On homes capex, it is all built into our overall guidance of moderating on capex, so, nothing changes there. The only question is on data centers. I think there is an opportunity here to step up the growth of data centers in terms of investment. That part is the part that we will assess fully and then sort of come back on how that will impact. My own sense is, it will not be a very meaningful change. There could be some bump-up because of the investment in Nxtra, but there again, I would say, it is a bit premature to talk about it because we will do what it takes to make sure that we put in the requisite investments to build our position strongly. There, it is a very good investment because you get firm contracts for 20 - 25 years and so, to that extent, that works well.

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Ankur Rudra - JP Morgan

Thank you. Just to clarify the Nxtra investment and the model with Google, it is a co-location model that you are doing, you are not going to look at doing the capex of servers yourself, is there any clarity there?

Gopal Vittal – Vice Chairman & Managing Director - Bharti Airtel Limited

It is only a data center build-out.

Ankur Rudra - JP Morgan

Got it. Super helpful. Just, last question was, you mentioned about convergence being an opportunity. Can you talk us through in terms of how you think, look at this in the medium to long term for an overall ARPU premiumization and update that would be helpful?

Gopal Vittal – Vice Chairman & Managing Director - Bharti Airtel Limited

Yes, I think at this point in time, there is a land grab on homes, as we know, right? There is a massive growth and tailwind that you see in the home broadband segment. The convergence, which is broadband plus content, is a very compelling proposition for customers because the bundled pricing that is offered today in the industry is far lower than what it would be if it were disaggregated and sold through the form of DTH and home broadband separately, so, to that extent, it is a very compelling proposition. Plus, there is abundance of content as well, so there is a lot more content. This is really like going through in a very accelerated pace. I think, we are adding for our broadband users, almost 60% of converged sort of plans coming through. At some stage, once the land grab phase is over, will tariffs have some correction or see some repair in this segment, given the value that we offer? The answer to that could be yes. I think today, it is a bit early to comment on that.

Ankur Rudra - JP Morgan

Just to maybe a quick follow-up there, in terms of land grab phase, and you spoke about the 100 million homes opportunity, how long, I know, at the moment, you are adding about a million homes per quarter, your competitor adding a bit more than that. How long do you think this opportunity lasts in terms of, for us to get to around 100 million, broadly it could be three, four years, longer than that?

Gopal Vittal – Vice Chairman & Managing Director - Bharti Airtel Limited

Yes, my own sense is we are today, I think, in the next five to six years, I think we should probably get to it as an industry.

Ankur Rudra - JP Morgan

Appreciate it. Thank you.

Vaidehi Sharma – Moderator

The next question comes from Mr. Gaurav Malhotra. Mr. Malhotra, you may please unmute your side, introduce yourself, and ask your question now.

Gaurav Malhotra - Axis Capital

Just a couple of questions, more of follow-ups. Just, if I heard it correct, you were mentioning that the home pass capex versus an FWA per subscriber, is that in the similar ballpark?

Gopal Vittal – Vice Chairman & Managing Director - Bharti Airtel Limited

What Soumen was referring to was the cost per connected home pass and the cost of FWA is more or less the same. Like I mentioned, if you take a \$28-\$30 cost per home pass, typically the utilization on fiber over a period of a couple of years tends to be about 28%-30%. This is what happens pretty much in most parts of the world, including India, which means that your cost per connected home pass ends up at about \$100 and that is pretty much comparable with fixed wireless access. Fixed wireless access,

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what you have, is essentially a CPE. The mobile radio is already deployed for 5G, so it is only the cost of the CPE, which is about that much. That is what it was.

Gaurav Malhotra - Axis Capital

Thank you. The second is, this question has been asked a few quarters back, but given the increased potential for increasing stake in Indus, how should we think about any potential synergies between Nxtra and Indus from a corporate action perspective?

Gopal Vittal – Vice Chairman & Managing Director - Bharti Airtel Limited

No, Nxtra and Indus have really, nothing to do with each other. Indus is a passive tower company operating on towers on a very distributed basis. Airtel, we have strong relationships with hyperscalers, and all of the domestic enterprises uses the B2B channel, and therefore, there is a tremendous amount of synergy in the way you monetize data centers. The rest of it is, just then, land and power and the strength of the balance sheet, which allows you to invest in a business like Nxtra, so, there is no intention whatsoever of Nxtra being folded into Indus or any such thing.

Gaurav Malhotra - Axis Capital

Just a last question, follow-up on Indus itself. In the press release, it had mentioned in opening remarks, not in opening but in one of the answers, that one of the reasons for increasing stake in Indus is because it is obviously a strategic asset for you, given the importance of it, but it is already getting consolidated, so, just wanted to get a better sense as to that 51 going to 56 and then going ahead, how is it sort of going to change that kind of a situation for you?

Gopal Vittal – Vice Chairman & Managing Director - Bharti Airtel Limited

As I mentioned, obviously, we see it as a strategic asset but we also see it as a highly undervalued asset. The fact is that it is undervalued. Multiples of tower companies around the world tend to be much higher than what they are in Indus, so we see it as an undervalued asset. We see it as a strong dividend paying asset and we think that this makes a lot of sense to allocate some capital to take it up by 5%. Now, beyond that, whether we will or not, is a speculative question because that, we have not come to that bridge.

Gaurav Malhotra - Axis Capital

Thank you so much.

Vaidehi Sharma – Moderator

The next question comes from Mr. Anshuman Atri. Mr. Atri, you may please unmute yourself, introduce yourself and ask your question now.

Anshuman Atri – Premji Invest

Thank you for the opportunity and congratulations on strong performance. So, my question is more longer term, say right now, we are focusing on premiumization strategy, but do you think, say, five years, seven years down the line, we are letting our peer to grow at faster pace in terms of subscribers, who may not be premium right now but they may become a premium in the next four to five years, and how do you get them back to your network?

Gopal Vittal – Vice Chairman & Managing Director - Bharti Airtel Limited

I think, for us, Anshuman, it is a balanced approach, so we are constantly looking to see how we can tighten our operations to add more customers onto our network, this is an ongoing process. What we do not like is to waste a lot of money in acquiring customers who are just looking for a deal and move around between networks every two to three months because that is what refers to the quality of acquisition. So, the quality of acquisition is a big area of focus. I must say it is deteriorated in the last few quarters because it is just a, tremendous amount of commissions and sales commissions thrown in. We are constantly trying to harness our capabilities to see where you get the best, the right quality of acquisitions, which means which retail outlets we look at, if the churn in the first three to four months is much higher in a particular outlet, we will try and minimize the acquisition there, so a lot of analytics and lot of intelligence goes into that, but once we have acquired a customer, for us, the second obsession kicks in which is what we call tenured churn, which means customer who stayed in our network for more than four months; how do we crash that churn, and that comes down to the experience we deliver, that comes out of faults in our network or faults in other areas which are

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outside of the network and here there is a constant focus to improve where we are. On the tenured churn, I think we have done a good job. We need to do better, not just as Airtel, but certainly as an industry, on the quality of acquisition, which is the bane of the industry, because of the amount of spends that have happened. We think that, at a 365 million user base, this is a very wide user base that presents tremendous opportunities for continued premiumization. Now, that means that, will this user base grow, absolutely it will continue to grow and that has been a focus of us.

Anshuman Atri – Premji Invest

Just a followup. Is there any percentage or proportion which you keep in mind internally as to versus peer at least we should grow at certain level?

Gopal Vittal – Vice Chairman & Managing Director - Bharti Airtel Limited

For us, market share is a way of life and like I said, I think, I underscore this, the way different players in the industry define what constitutes a customer and how they report that varies by their own sort of approach. In our case, the definition of what constitutes a customer is the most stringent in India. It is based on revenue that is earned in the last 30 days. We do not like reporting customers who have been on the network, let us say, for three months and not giving us revenue and as a consequence, we are stringent on the way we report. The second thing that we look at is the market share that we are getting on OTT platforms, whether it is players like Meta for example, which are widely used by most players across Facebook, WhatsApp, Instagram, they have Meta analytics, which provides information on our relative market share, circle-by-circle and locality-by-locality. We believe on that front, we are tracking well, and we continue to look at different competitive parameters and finally, I will say that, ultimately, all of this comes together on, what is called, revenue market share, and that is the one that we are really obsessed about, which is, are we getting a right share of wallet in terms of revenue market share and here, I would say, in the last few years, we have shown consistent gains in revenue market share, our track record, pretty much, speaks for itself on the way that our competitiveness has grown.

Anshuman Atri – Premji Invest

Secondly, I just wanted to check more again on the longer term, if you had to do 5G again or when you do this 6G, what would you do differently than how you have phased out NSA, SA or how you have phased out FWA, so, what would you do differently and how do you adopt the 6G?

Gopal Vittal – Vice Chairman & Managing Director - Bharti Airtel Limited

I think, firstly, 6G is too far out even 5G has been across the world also shares the GSMA, across the Telco world, I can tell you that, one of the pain points in the telecom world across the globe is that 5G has not lived its promise of what it was meant to. The primary use case of 5G is only speed and now it is just a more efficient way of producing the same gigabyte, it is a more efficient way of doing it, but it has not led to any monetization, anywhere in the world. There have been some experiments and some moves on standalone through slicing in some markets like the US and so on, but it is too small and too few and far between to make a meaningful difference to the overall monetization that was promised. The simple answer to your question is, we would not change a thing, in fact, many years ago, there were lot of skeptics to say, Airtel is moving non-standalone, other players are moving standalone. I think, for us, it is not about technology, it is about experience to deliver and on experience, if you look at Crowdsense platforms like OpenSignal, in every single quarter since the launch of 5G, we have pretty much won all of the awards, and that is the proof of the pudding, so for us, chasing technology for the sake of technology is not our obsession, chasing experience and using technology to deliver right customer experience is the obsession.

Anshuman Atri – Premji Invest

Thank you, Gopal.

Vaidehi Sharma – Moderator

The next question comes from Mr. Sumangal Nevatia. Mr. Nevatia you may please unmute your side, introduce yourself and ask your question now.

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Sumangal Nevatia – Kotak Securities

Good afternoon everyone, Sumangal from Kotak Securities. First question, quick one on homes. So our view of 100 million homes in the medium term, I wanted to understand, what as per us is acceptable market share and until that time, over the next few years, do we expect us to remain in land grab mode and high capex mode?

Gopal Vittal – Vice Chairman & Managing Director - Bharti Airtel Limited

Firstly, I must tell you that the capex on homes is very small because you remember, the capex is the router, the router is also loaded on the capex, which is really, connecting a home because ultimately, what it does is, it leverages the existing fiber infrastructure that is rolled out for us. So, the fiber that is there, which is the backbone fiber connecting our towers, as well as our intra-city and inter-city fiber is the heart around which everything, sort of, runs on homes. Our market share aspirations, I do not want to set a target, but I will simply say that we are not happy where we are, the market is consolidating and we think that our ambition would be over the next three to four years, to really step up our performance overall in home broadband so that we get a significant share of those incremental net adds. I think we have tracked well, so consistently over the last six, seven quarters, we have been growing the business at homes and we have been growing competitively, but there is still a lot more to be done.

Sumangal Nevatia – Kotak Securities

That is useful. Second question, Gopal, you mentioned in the opener that, cross-selling is an important area of focus, so, today in India, wireless is still 70% plus, so, just want to understand, where do we see the non-wireless share moving over the next few years and can you, for the benefit, elaborate bit more on what are the cross-sell opportunities which we are eyeing on?

Gopal Vittal – Vice Chairman & Managing Director - Bharti Airtel Limited

Yeah, we have relationships with 365 million wireless customers and you think of that as top of the funnel. Within this, as I mentioned, there are about 90 million to 100 million customers who are credit approved: these are prime for postpaid, these are prime for home broadband and these are obviously, the best quality customers across the country. Just in terms of that, the capacity to buy a full range of services, I think, this part we have harnessed. The second is that we have got the converged data engine, which is our software platform that is homegrown purpose-based software platform, which allows us to, really, provide a customer an offer on a very, very contextual and immediate basis. This has been the reason why the lending that we have done through Airtel Finance is now worth close to 450 Crores, which is a substantial increase over what it was. So, the place that we need to do a better job on cross-sell, which is really the focus for the Company right now, is how do you light up every single channel, so whether it is the store, whether it is the retail outlet, the 800, 900, 1000 outlets we cover, whether it is the call centers, whether it is indeed our digital assets, in every single place, how do you light that up. I think we have done a good job on our digital assets. We are beginning to do something on the stores, there is a lot more that we need to do in other areas and we think that if we can harness this well and do it well, then this can become a serious moat for Airtel, because we are seeing, the capacity that we have to provide upgradation within mobile, the reason we get higher ARPUs, is because of this whole persuasion and cross-sell that you refer to. The reason we are able to drive more and more postpaid continuously or consistently is again because of that, but across the range of businesses in the full portfolio that we have, this is one of our major areas of focus, which is really, how do you drive cross-sell. We call it, how do you improve persuasion, this is really, how it is defined within the Company and it is a big mission for us.

Sumangal Nevatia – Kotak Securities

Got it. Thank you and all the best.

Vaidehi Sharma – Moderator

The next question comes from Mr. Vibhor Singhal. Mr. Singhal, you may please unmute yourself, introduce yourself and ask your question now.

Vibhor Singhal – Nuvama

This is Vibhor here from Nuvama. Thanks for taking my question. Gopal, my question was, again on basically, the data center power business. Now, we have seen lot of announcements by a lot of players in the Indian markets on the data center setup. Recently, we had TCS announce 1 gigawatt capacity that they are looking to build up over the next five to six years. Now, from the vantage point that you are there, do you see most of these investments, kind of, fructifying over the next five to six years, do you see there is still a huge demand supply mismatch or could this possibly be a case of some sort of an overhype in the beginning to begin with and many of these investments might or might not see the end of the day and also, related question would be that, as a Company, would we be okay, are we looking at both sides of the pie, we are okay with, let us say, data center buildup as in the case of Vizag partnership

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or the cable landing station or either of the two, are we okay with any of the pie coming to our piece or is there is a clear preference of data center buildup in our Nxtra business?

Gopal Vittal – Vice Chairman & Managing Director - Bharti Airtel Limited

Vibhor, I think, yes, there have been lot of announcements, I think the announcements, typically, are made in the form of intentions. What I can tell you is that 50% to 60% of the demand is really happening around Mumbai for the traditional data centers. When it comes to AI, there is likely to be growth outside of Mumbai. Vishakhapatnam is the first one, where Google has decided to build out because Vishakhapatnam is also very well located since it is also on the coast and as a consequence, cables will come into Vishakhapatnam and, sort of, connect up the rest of the world and Google made that announcement. Our business is actually, firstly, Nxtra will do only data center built and that is what we will focus on. When it comes to cable landing stations and terrestrial connectivity, which is where we will get, pretty much, we will be the preferential partner for Google, that will come in as part of Airtel business, so Nxtra is a data center site, cable landing station and terrestrial connectivity, OPGWs and all of that is really within Airtel.

Vibhor Singhal – Nuvama

Got it. That is really helpful. Just one last bit of question, in terms of, if I look at our India mobile business we have now crossed Rs.250 ARPU, earlier you had mentioned that Rs.300 was what you were looking as a target for the let us say a medium term, another tariff hike maybe in the next three quarters and we would be in touching distance with that, how do you see the industry playing out post that, let us say, over the next three to four quarters, we reach the number wherever we do, post that, do you see more of consolidation happening in the industry, or do you still see room beyond that number, for basically, ARPU is good to go up, would that be, just be driven by premiumization or there could be still be more room for tariff hike post that?

Gopal Vittal – Vice Chairman & Managing Director - Bharti Airtel Limited

There are two things I would say, one is that, we have made this point several times in past. Whether you look at average revenue per user or rate per gigabyte, India is the lowest on both those axes across the world, so I think there is certainly room for more tariff repair, but I also think that the price architecture, if it changes, which is again a point I have made in the past, to a more sensible ladder of pricing from small, medium, large to extra large. You will see natural tailwind for ARPU because the people who can afford to pay will then pay a lot more and people who cannot afford to pay will not need to pay enough. I think the problem in our pricing architecture in India is, as I have mentioned before, it is one-size-fits-all pricing, which, where you do not have as much avenue for upgradation through the growing affluence that you are likely to see over coming years and I hope that will change, my hope is that will change because that will be an easy one to then, really, consistently see upgradation.

Vibhor Singhal – Nuvama

Thanks for taking my questions and wish you all the best.

Vaidehi Sharma – Moderator

Thank you, everyone. I would now like to remind the participants to stay connected on the call for the next session on Bharti Hexacom. I would now like to invite Gopal for his closing remarks for Bharti Airtel.

Gopal Vittal – Vice Chairman & Managing Director - Bharti Airtel Limited

Again, thank you very much for joining this earnings call. It's been a very good discussion and a great set of questions. I look forward to seeing you in the next quarter. Thank you.

Vaidehi Sharma – Moderator

Thank you, Gopal. With this, I would now like to hand over the call to Mr. Soumen Ray for his opening remarks on Bharti Hexacom performance.

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Soumen Ray – Chief Financial Officer - India & South Asia – Bharti Airtel Limited & Director, Bharti Hexacom Limited

Thank you, Vaidehi. We delivered another consistent quarter with revenue of Rs.2,317 Crores, growing about 2.4% sequentially. EBITDAaL for the quarter came in at about Rs.1,098 Crores, with a margin of about 47.5%. Our revenue earning customer base stood at 28 million, which saw a very, very marginal dip sequentially. Smartphone customer additions came at about 193,000. I want to call out that the customer addition was impacted by a pronounced seasonality. It was a one-off phenomenon. We have started Q3 on a relatively positive note. ARPU for the quarter was at Rs.251, benefiting by one day additional in the quarter. The continued improvement in underlying portfolio mix helped that. Homes business is seeing sustained momentum with strong net adds, which is expected to continue. Our net customer addition was 60,000 in Q2, which was the highest ever in any quarter. Operating free cash generation, which is EBITDAaL minus capex, was a strong Rs.730 Crores. Our balance sheet is robust with a net debt excluding leases, of about Rs.2,814 Crores and a net debt excluding FLO versus EBITDAaL of about 0.6%. With that, I will hand it over to Vaidehi for the Q&A. Thank you.

Vaidehi Sharma – Moderator

Thank you so much, Soumen. We will now begin the Q&A interactive session. Due to time constraint, we would request, if you could limit the questions to two per participants to enable more participation. Interested participants may click on raise hand option on your Zoom application to join the Q&A queue. With this, the first question comes from Mr. Sanjesh Jain. Mr Jain, you may please unmute yourself, introduce yourself and ask your question now.

Sanjesh Jain - ICICI Securities

Hi Soumen, Good afternoon, couple of questions from my side. First on the revenue growth, sequentially mobile revenue growth for us was around 2.1% while Airtel did mobility of 2.6%, we thought, considering the under penetration in Rajasthan and the North East Circle, the anticipation was that we will grow slightly faster than Airtel. Is there anything in terms of seasonality or something which is changing and making this sequential number not so comparable with Airtel?

Soumen Ray – Chief Financial Officer - India & South Asia – Bharti Airtel Limited & Director, Bharti Hexacom Limited

Well, there are two different geographies. There are times when it is a little higher but there are times when it is a little lower. As I mentioned in my opener, Sanjesh, seasonality was pronounced, which led to a marginal drop in customer base, which had a headwind, but other than that, there is no major difference, if you see, ARPU growths are also similar. Overall, nothing major. It is just that, because of an aberration in seasonality, which we hope will get corrected in Q3.

Sanjesh Jain - ICICI Securities

Soumen, what is seasonality are we really talking about here?

Soumen Ray – Chief Financial Officer - India & South Asia – Bharti Airtel Limited & Director, Bharti Hexacom Limited

Seasonality, there is a migratory population and the two places where we have our operations are not extremely urbanized. So what happens is, there are people who go there and come back to their place of work, which leads to a little bit of seasonality and however it might seem awkward, Rajasthan had a very high share of rains and a bit of dislocation of public services as well, so, between the two, we had an impact and as I mentioned, Q3, we seem to be charting well versus how we have started.

Sanjesh Jain - ICICI Securities

Just one more question on the SG&A cost which has declined QoQ YoY. What is really driving that, efficiency or a one-off, how to read that?

Soumen Ray – Chief Financial Officer - India & South Asia – Bharti Airtel Limited & Director, Bharti Hexacom Limited

SG&A, there is a bit of a one-off which has come and hit. You can take an average of the last trailing two quarters and you will get a fair number.

Sanjesh Jain - ICICI Securities

That is pretty clear. Thanks, Soumen, for all those answers and best of luck for the coming quarters.

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Soumen Ray – Chief Financial Officer - India & South Asia – Bharti Airtel Limited & Director, Bharti Hexacom Limited

Thanks a lot, Sanjesh.

Vaidehi Sharma – Moderator

Requesting all the participants that would like to ask a question to kindly raise your hand and join the Q&A queue. With this, the next question comes from Mr. Shubham Gupta. Mr. Gupta, you may please unmute yourself, introduce yourself and ask your question now.

Vivekanand – Ambit

Sorry. This is Vivekanand from Ambit. Two questions. The first one is on the capex trajectory. Now, I understand that, there was some deferment of capex from 1Q which spilled over into the second quarter, which meant that on a year-on-year basis, capex trends are perhaps now better observable if one looks at the 1H numbers. If you can update us on the guidance for the capex for FY2026 and FY2027 using FY2025 as a reference point, that would be great, that is question one, and the second question is on the homes business. Now, Gopal spoke about the land grab that is applicable in Airtel when it comes to the homes business and that being perhaps dilutive from a pricing standpoint, are there any divergent trends in the circles of your operation and if you can update us on the revenue opportunity as far as contribution from homes and offices is concerned, say over, three to five years where could this get to? Thank you.

Soumen Ray – Chief Financial Officer - India & South Asia – Bharti Airtel Limited & Director, Bharti Hexacom Limited

Thanks, the capex trend, like we have mentioned, directionally, it should moderate over time. I am not taking a time limit of FY2026 or FY2027 or whatever. Within quarters, there are executional challenges, there are weather-related challenges, there is prioritization, a lot of those happen, so, I would not read too much into the quarterly phasing. At an annualized basis, like we have guided, directionally, there is a holding/decline in capex. On homes land grab, it is no different in these two places. I did not understand your question around price dilution. Can you explain that bit again?

Vivekanand – Ambit

Sure. Soumen, Gopal said that, currently the value that consumers derive out of the bundle that is given by the providers, the connection plus the plethora of OTT subscription offerings that is significantly generous or that is overly generous and perhaps also leading to, say some, depression in ARPU versus the scenario where competition is more benign. So, my question is, is that the case in your markets also, given they are more rural compared to the overall Airtel operations and, that was one part of the question and the second part was, where do you see the revenue contribution of homes and offices, say over, three to five years?

Soumen Ray – Chief Financial Officer - India & South Asia – Bharti Airtel Limited & Director, Bharti Hexacom Limited

First and foremost, on the ARPU being lower, I do not think what Gopal mentioned was a continuous decline. There is a mix impact that is happening, where more and more customers are wanting to take content-driven packs, which is helping us in customer acquisition, that is a key enabler. It also ensures that customers do not churn, because the content is a way by which customers stick to a service provider, so, that is no different here. As you expand the footprint of any product or service, the initial adopters are well informed and they typically take a higher priced pack, whereas, when you go into a land grab phase, the marginal customer is not as evolved as the first customer and hence, you tend to sell lower priced packs, so, that is the trend where you see that there is a directional reduction in the ARPU of homes. I think that is not of a concern, neither is the capex of a concern, this is a new service of connectivity, which is getting rolled out and across both our circles and we must ensure that we acquire the customer, we give him best of services, because the lifecycle value of the customer is extremely high. Coming to, what will be the ratio, I will not get into ratios, but you can see the growth, as we have said, of course, in this circle, mobility is an overwhelming number, but certainly, it is expected that homes growth trajectory which we have done in the last couple of quarters should continue. I must also add here that, FWA plays a very, very important role in these two circles and the share of FWA is very high, if I compare with some of the other players, so our belief is that FWA is a very important technology in both these two circles to ensure penetration of Wi-Fi.

Vivekanand – Ambit

Thank you, Soumen, for the detailed answers. All the best.

Vaidehi Sharma – Moderator

Thank you, everyone. I would now like to pass it to Soumen for his closing remarks for Bharti Hexacom.

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Soumen Ray – Chief Financial Officer - India & South Asia – Bharti Airtel Limited & Director, Bharti Hexacom Limited

Thanks a lot for taking the time and joining the call. We will meet in the next year. Thank you.

Vaidehi Sharma – Moderator

Thank you, everyone, for joining us today. Recording of this webinar will be available on the Company website. Have a great day ahead. Bye.