Vodafone Idea | ADD

JM Financial

Promoter to infuse INR 47bn, INR 250bn debt to follow?

Dayanand Mittal
dayanand.mittal@jmfl.com | Tel: (91 22) 66303063
Shivam Gupta
shivam.gupta@jmfl.com | Tel: (91 22) 66303082
Anupam Jakhotia
anupam.jakhotia@jmfl.com | Tel: (91 22) 69703686

Voda Idea (VIL) Board approved issuance of 4.3bn warrants of INR 47.3bn to the Birla group family entity, convertible to 4.3bn fully paid equity shares at an exercise price of INR 11/warrant. Now, a key factor to watch from both VIL and Indus Tower's perspective would be if this gives comfort to the lenders to approve the long-pending INR 250bn debt fund-raise, needed to execute VIL's network-upgradation capex of INR 450bn to help grow its subscriber (subs) base. In Q4FY26, VIL reported EBITDA of INR 49.2bn (up 2.1% QoQ), above JMFe of INR 47.4bn (but lower than consensus of INR 50.9bn), on better ARPU (excluding M2M subs) of INR 190 (up 2.2% QoQ despite two less days) and minimal net subs loss (0.1mn). Capex was steady QoQ at INR 22.9bn in Q4FY26 on continued 4G network expansion and 5G rollouts. Net debt (excluding lease liability) declined INR 532bn QoQ to INR 1,496bn at end-Q4FY26 after accounting for full AGR relief. We have raised our FY27–FY28 revenue/EBITDA estimates by 1–3%, accounting for slightly higher ARPU and reduced net subs loss in Q4FY26. Our TP has also been revised to INR 14/share (from INR 9/share, due to reduction in debt by ~INR 550bn post AGR relief). We maintain ADD. Key variables to monitor remains lenders' approval of INR 250bn debt-raise and its impact on VIL's subs market share trends, and any potential relief on huge spectrum dues of INR 1,274bn like AGR relief (given VIL has to pay INR 70bn/150bn/270bn in FY27/FY28/FY29 towards spectrum dues).

- **Board approves issuance of 4.3bn warrants of INR 47.3bn convertible to 4.3bn equity shares at INR 11/warrant to Birla group entity; key to watch if this leads to INR 250bn debt-raise:** The Board approved issuance of 4.3bn fully convertible warrants of INR 47.3bn at issue price of INR 11/warrant (similar to Apr'24 FPO price) to Suryaja Investments Pte. Ltd. (Aditya Birla Group promoter entity) on preferential basis; each warrant is convertible into one fully paid-up equity share (or 3.8% of total shares post conversion) within 18 months of allotment; 25% payable now and balance at time of conversion). Assuming full conversion, Indian government (GoI) stake would dilute to ~47.1% (from 49% currently) and Vodafone Plc group stake would fall to ~15.5% (from 16.1%) whereas Aditya Birla Group stake would rise to ~13% (from 9.6%) **(Exhibit 1)**. The key factor to watch from both VIL and Indus Tower's perspective would be if this gives comfort to the lenders to approve the long-pending INR 250bn debt fund-raise, needed to execute VIL's larger network-upgradation capex plan of INR 450bn over three years to help grow its subs base.

- **Q4FY26 EBITDA higher at INR 49.2bn on better ARPU (excluding M2M) of INR 190 (up 2.2% QoQ despite two less days) and minimal net subs loss (0.1mn):** VIL's ARPU (including M2M subs) was better at INR 174 in Q4FY26 versus JMFe of INR 170 and ARPU (excluding M2M subs) was INR 190 in 4QFY26 (JMFe of INR 183), up 2.7% QoQ despite two less days QoQ, mostly due to upgrades and improved subs. This compares to Bharti's ARPU of INR 257 (down 0.8% QoQ) and BHL's ARPU of INR 252 (down 0.4% QoQ). VIL's data usage per subscriber grew 5.1% QoQ to 20.2GB/month in 4Q. Moreover, net overall subs loss (inclusive of M2M subs) was also minimal at 0.1mn (net subs loss of 3.8mn in Q3); however, if we adjust for M2M subs gain (of 1mn as per TRAI subs data), net wireless subs loss could be slightly higher at 1.1mn. Further, 4G/5G subs gain was also lower at 0.4mn (JMFe: gain of 1.5mn). Hence, revenue was higher at INR 113bn (up 0.1% QoQ); reported EBITDA at INR 49.2bn (up 2.1% QoQ) was also greater than JMFe of INR 47.4bn (but lower than consensus of INR 50.9bn). EBITDA margin improved to 43.4% (42.5% in 3Q). Pre-Ind AS EBITDA (or cash EBITDA) was INR 24.3bn (up 3.1% QoQ, and up 4.8% YoY) **(Exhibit 2-3)**.

Recommendation and Price Target

Current Reco.	ADD
Previous Reco.	ADD
Current Price Target (12M)	14
Upside/(Downside)	7.7%
Previous Price Target	9
Change	55.6%

Key Data – IDEA IN

Current Market Price	INR13
Market cap (bn)	INR1,403.0/US$14.6
Free Float (%)	33.0
Shares in issue (mn)	108,343.0
Diluted share (mn)	108,343.0
3-mon avg daily val (mn)	INR6,189.6/US$64.5
52-week range	INR13/6
Sensex/Nifty	75,238/23,644
INR/US$	96.0

Price Performance

%	1M	6M	12M
Absolute	35.9	18.4	75.7
Relative*	41.8	33.2	92.3

*To the NSE Nifty 50

Financial Summary (INR mn)

Y/E Mar	FY25A	FY26A	FY27E	FY28E	FY29E
Net Sales	435,713	448,722	498,983	557,746	606,582
Sales Growth (%)	2.2	3.0	11.2	11.8	8.8
EBITDA	181,266	190,302	227,384	264,311	299,073
EBITDA Margin (%)	41.6	42.4	45.6	47.4	49.3
Adjusted Net Profit	-273,834	-240,279	-186,246	-144,529	-80,446
Diluted EPS (INR)	-3.8	-2.2	-1.7	-1.3	-0.7
Diluted EPS Growth (%)	-	-	-	-	-
ROIC (%)	-4.4	-3.2	0.0	4.4	10.0
ROE (%)	-	-	-	-	-
P/E (x)	-	4.1	-	-	-
P/B (x)	-	-	-	-	-
EV/EBITDA (x)	18.6	15.1	13.1	11.5	10.1
Dividend Yield (x)	-	-	-	-	-

Source: Company data, JM Financial. Note: Valuations as of May 15, 2026

Board okays issuance of INR 47.3bn warrants to promoters

Board approved issuance of 4.3bn warrants of INR 47.3bn convertible to 4.3bn equity shares at INR 11/warrant to Birla group family entity; key to watch if this leads to INR 250bn debt-raise: Board approved issuance of 4.3bn fully convertible warrants of INR 47.3bn at issue price of INR 11/warrant to Suryaja Investments Pte. Ltd. (Aditya Birla Group promoter entity) on preferential basis; each warrant is convertible into one fully paid-up equity share within 18 months of allotment. For context, VIL had raised equity via its FPO in Apr'24 at an issue price of INR 11/share, similar to the current warrant exercise price of INR 11/warrant. Further, it should be noted that 25% of the Warrant Exercise Price of INR 11/warrant shall be payable at the time of subscription of warrants (forfeitable by company in case of non-exercise of right within 18 months of allotment) and balance 75% of the Warrant Exercise Price shall be payable later by the warrant holder at the time of exercise of the right.

Assuming full conversion of 4.3bn warrants into 4.3bn fully paid equity shares (or 3.8% of total shares post conversion), GoI stake would dilute to ~47.1% (from 49% currently), Vodafone Plc group stake to fall to ~15.5% (from 16.1% currently) whereas Aditya Birla Group's stake will increase to ~13% (from 9.6% currently). Importantly, GoI stake dilution below 49% potentially provides limit headroom (~2%) for any future spectrum dues conversion into equity without breaching its earlier indicated intention of keeping its stake below 49%. Now, it would be key to watch from both VIL and Indus Tower's perspective if this gives comfort to the lenders to approve the long-pending INR 250bn debt fund-raise, needed to execute VIL's larger network-upgradation capex plan of INR 450bn over three years to help grow its subs base.

Exhibit 1: VIL's shareholding pattern (%)

	As on 31st Mar'26		Post assumed conversion of 4.3bn share warrants into 4.3bn fully paid equity shares at exercise price of INR 11/warrant	
	(mn)	VIL (%)	No. of shares held (mn)	Shareholding in VIL (%)
Promoters	**27,781**	**25.6**	**32,081**	**28.5**
Vodafone Group	17,414	16.1	17,414	15.5
Aditya Birla Group	10,367	9.6	14,667	13.0
Non- Promoters	**80,562**	**74.4**	**80,562**	**71.5**
Govt. of India	**53,083**	**49.0**	**53,083**	**47.1**
Non-Govt. Minority	27,479	25.4	27,479	24.4
Total	**108,343**	**100.0**	**112,643**	**100.0**

Source: Company, JM Financial

Q4FY26 results highlights

Q4FY26 EBITDA higher at INR 49.2bn versus JMFe of INR 47.4bn on better ARPU (excluding M2M) of INR 190 (up 2.2% QoQ despite two less days) and minimal net subs loss (0.1mn): VIL's ARPU (including M2M subs) was INR 174 (JMFe INR 170) in Q4FY26 and ARPU (excluding M2M subs) was INR 190 (JMFe INR 183), up 2.7% QoQ despite two less days in the quarter, mostly due to upgrades and improved subs. This compares to Bharti's ARPU, which declined by 0.8% QoQ to INR 257, and BHL's ARPU, which fell by 0.4% QoQ to INR 252. Furthermore, VIL's data usage per subscriber grew 5.1% QoQ to 20.2GB/month. Moreover, VIL's net overall subs loss (inclusive of M2M subs) was minimal at 0.1mn versus JMFe of net subs loss of 0.5mn (net subs loss of 3.8mn in Q3FY26); however, if we adjust for M2M subs gain (added 1mn in 4Q as per TRAI subs data), net wireless subs loss could be slightly higher at 1.1mn. This compares with Bharti's wireless subs addition of 4.7mn. VIL's 4G/5G subs gain was also lower at 0.4mn (JMFe: gain of 1.5mn). Hence, revenue at INR 113bn (up 0.1% QoQ) was higher than JMFe of INR 111bn (but lower than consensus of INR 117bn) and reported EBITDA at INR 49.2bn (up 2.1% QoQ) was also higher than JMFe of INR 47.4bn (but lower than consensus of INR 50.9bn); EBITDA margin improved to 43.4% (42.5% in Q3FY26). Pre-Ind AS EBITDA (or cash EBITDA) was INR 24.3bn (up 3.1% QoQ/4.8% YoY).

Exhibit 2: Quarterly snapshot

Consolidated, INR mn	1QFY25	2QFY25	3QFY25	4QFY25	1QFY26	2QFY26	3QFY26	4QFY26	QoQ (%)	YoY (%)
Revenue	105,083	109,322	111,173	110,135	110,225	111,947	113,230	113,320	0.1%	2.9%
-Implied Wireless Revenue	92,571	97,133	98,974	97,908	97,985	98,797	100,517	100,668	0.2%	2.8%
-Implied Enterprise Revenue (balancing figure)	12,512	12,189	12,199	12,227	12,240	13,150	12,713	12,652	-0.5%	3.5%
Operating costs	63,036	63,824	64,049	63,538	64,104	65,096	65,060	64,160	-1.4%	1.0%
-Network costs	23,935	23,566	23,635	23,255	23,493	23,625	23,610	23,450	-0.7%	0.8%
-License fees, SUC and oher revenue share	8,924	9,312	9,443	9,283	9,473	9,595	9,700	9,470	-2.4%	2.0%
-Access Charges	10,852	11,353	11,808	11,961	11,139	11,357	11,600	10,910	-5.9%	-8.8%
- Employee Costs	5,467	5,854	5,493	5,495	5,435	6,072	6,030	5,830	-3.3%	6.1%
-SG&A and other costs	13,858	13,739	13,670	13,544	14,564	14,447	14,120	14,500	2.7%	7.1%
Reported EBITDA	**42,047**	**45,498**	**47,124**	**46,597**	**46,121**	**46,851**	**48,170**	**49,160**	**2.1%**	**5.5%**
EBITDA margin (%)	40.0%	41.6%	42.4%	42.3%	41.8%	41.9%	42.5%	43.4%		
Incremental EBITDA margin (%)	133.1%	81.4%	87.8%	50.8%	-528.9%	42.4%	102.8%	1100.0%		
Pre-IND AS EBITDA	**21,000**	**23,239**	**24,497**	**23,207**	**21,807**	**22,459**	**23,580**	**24,320**	**3.1%**	**4.8%**
Depreciation & Amortization	53,691	54,040	56,288	55,713	54,721	55,675	55,500	55,180	-0.6%	-1.0%
EBIT	-11,644	-8,542	-9,164	-9,116	-8,600	-8,824	-7,330	-6,020		
Associates	1	-3	0	20	0	0	0	0		
Net interest cost	55,186	66,136	59,399	64,713	58,928	47,844	58,280	49,900	-14.4%	-22.9%
Reported PBT	-64,266	-71,681	-66,068	-71,661	-66,111	-55,273	-52,900	520,030		
Tax	-55	-78	-25	0	30	31	40	-60		
Reported PAT	-64,321	-71,759	-66,093	-71,661	-66,081	-55,242	-52,860	519,970		
Reported EPS (INR)	-0.95	-1.03	-0.95	-1.00	-0.61	-0.51	-0.49	4.80		

Source: Company, JM Financial.

Exhibit 3: Operational details

	1QFY25	2QFY25	3QFY25	4QFY25	1QFY26	2QFY26	3QFY26	4QFY26	QoQ (%)	YoY (%)
EoP Total subscribers (mn)	210	205	200	198	198	197	193	193	-0.1%	-2.7%
Net subscriber addition (mn)	-2.5	-5.1	-5.2	-1.6	-0.5	-1.0	-3.8	-0.1		
EoP Postpaid subs (including IoT) (mn)	24.1	24.5	25.2	25.6	26.6	27.9	28.8	30.1	4.5%	17.6%
Net postpaid subs (including IoT) addition (mn)	0.2	0.4	0.7	0.4	1.0	1.3	0.9	1.3		
Postpaid subs (including IoT) as % of total subs	11.5%	12.0%	12.6%	12.9%	13.5%	14.2%	14.9%	15.6%	4.6%	20.9%
EoP Total Data subscribers (mn)	136.9	134.9	134.2	134.1	134.8	134.7	134.9	135.0	0.1%	0.7%
Net data subscriber addition (mn)	-0.4	-2.0	-0.7	-0.1	0.7	-0.1	0.2	0.1		
Data subs as % of total subs	65%	66%	67%	68%	68%	68%	70%	70%		
EoP Total 4G/5G subscribers (mn)	127	126	126	126	127	128	129	129	0.3%	2.0%
Net 4G/5G subscriber addition (mn)	0.4	-0.8	0.1	0.4	1.0	0.4	0.7	0.4		
4G/5G subs as % of total subs	60%	61%	63%	64%	64%	65%	67%	67%		
Churn (%)	4.0%	4.5%	4.5%	4.1%	4.1%	4.3%	4.4%	3.9%		
Implied Gross subscriber addition (mn)	22.9	22.9	22.1	22.9	23.8	24.4	21.9	22.5		
AMDU (Monthly data usage ,GB)	15.6	15.4	15.2	15.9	17.3	18.5	19.2	20.2	5.1%	27.2%
Blended ARPU including M2M subs (INR)	146	156	163	164	165	167	172	174	1.2%	6.1%
ARPU (excluding M2M subs) (INR)	154	166	173	175	177	180	186	190	2.2%	8.6%
EoP Total Unique Towers	183,323	184,245	187,708	195,284	197,139	198,428	203,555	206,981	1.7%	6.0%
Increase in unique tower QoQ	-435	922	3,463	7,576	1,855	1,289	5,127	3,426		
EoP Total Unique Broadband Towers	170,813	172,103	176,133	184,644	189,229	191,096	197,692	202,008	2.2%	9.4%
Increase in unique broadband tower QoQ	283	1,290	4,030	8,511	4,585	1,867	6,596	4,316		
EoP Total Broadband sites (3G+4G+5G)	417,245	439,599	460,250	494,596	516,183	527,012	548,027	566,376	3.3%	14.5%
Increase in unique broadband tower QoQ	-13,460	22,354	20,651	34,346	21,587	10,829	21,015	18,349		

Source: Company, JM Financial.

Capex steady QoQ at INR 22.9bn in Q4FY26 (INR 22.5bn in Q3FY26) on continued acceleration in 4G network expansion and 5G rollouts: Capex in Q4FY26 was steady QoQ at INR 22.9bn (INR 22.5bn in Q3FY26) on continued acceleration in 4G network expansion and 5G rollouts (supported by INR 33bn fundraise via NCDs through its subsidiary, concluded in Q3FY26). However, capex was still lower YoY at INR 87.4bn in FY26 (INR 95.6bn in FY25) amid delay in its long-pending INR 250bn debt fund-raise, which it needs to execute its larger capex plan (of INR 450bn over three years) to strengthen the network. Management said the ongoing capex has led to 4G population coverage reaching 86.3%+ at end-Mar'26 (85.5% at end-Dec'25, 84% at end-Sep'25, 83% at end-Mar'25 and 77% at end-Mar'24) and reiterated its aim of reaching 95% in its 17 priority circles with the planned investment. Hence, 4G data capacity has risen by over 12% from FY25.

Net debt (excluding lease liability) down INR 532bn QoQ to INR 1,496bn at end-4QFY26 after accounting for full AGR relief: VIL's AGR liability declined to INR 253bn at end-Q4FY26 (from INR 805bn at end-Q3FY26) after accounting for full AGR relief, including the incremental impact of the recently concluded DoT-constituted committee's re-assessment of VIL's AGR dues to ~INR 640bn as on 31st Dec'25 (originally frozen at ~INR 877bn), payable as follows. i) minimum INR 1bn to be paid annually over four years, i.e., from FY32 to FY35; and ii) INR 106.1bn to be paid annually over six years, i.e., from FY36 to FY41. Hence, gross debt (excluding lease liability) declined to INR 1,533bn at end-Q4FY26 (INR 2,098bn at end-Q3FY26) comprising: i) Government dues of INR 1,526bn related to deferred spectrum liability of INR 1,274bn and AGR liability of INR 253bn; and ii) bank and other debt of INR 7bn. However, cash also declined QoQ to INR 37bn (INR 70bn at end-Q3FY26). Net debt-to-EBITDA is currently 7.6x (annualised). VIL said it has to meet debt payment obligation of INR 70.8bn in respect of AGR and spectrum dues by end-Mar'27. It also clarified that it has to pay spectrum usage charges worth INR 6.1bn with interest in respect of FY18 and FY19 in six annual instalments of INR 1.2bn between Mar'26 and Mar'31. Accordingly, it paid INR 1.24bn in Mar'26.

Exhibit 4: Debt breakdown

INR bn	1QFY25	2QFY25	3QFY25	4QFY25	1QFY26	2QFY26	3QFY26	4QFY26	QoQ (%)	YoY (%)
Gross debt (excluding lease liability)	**2,157**	**2,184**	**2,296**	**1,972**	**2,011**	**2,030**	**2,098**	**1,533**	-26.9%	-22.3%
Govt debt	**2,109**	**2,151**	**2,273**	**1,949**	**1,991**	**2,014**	**2,054**	**1,526**		
Spectrum debt	1,392	1,419	1,527	1,189	1,216	1,229	1,249	1,274	2.0%	7.1%
AGR debt	717	732	746	760	775	785	805	253		
Bank debt	**48**	**33**	**23**	**23**	**19**	**15**	**44**	**7**	-83.6%	-68.8%
Cash and cash equivalents	**182**	**136**	**121**	**99**	**68**	**31**	**70**	**37**		
Net debt (excluding lease liability)	**1,976**	**2,047**	**2,176**	**1,873**	**1,943**	**1,999**	**2,028**	**1,496**		
Net Debt (excl Lease liability) to reported EBITDA (x)	**11.7**	**11.2**	**11.5**	**10.0**	**10.5**	**10.7**	**10.5**	**7.6**		
Net Debt (excl Lease liability) to cash or pre-Ind AS EBITDA (x)	**23.5**	**22.0**	**22.2**	**20.2**	**22.3**	**22.2**	**21.5**	**15.4**		
Capex	**7.6**	**13.6**	**32.1**	**42.3**	**24.4**	**17.5**	**22.5**	**22.9**	1.9%	-45.8%

Source: Company, JM Financial. *Debt reporting norms have changed from 4QFY24 onwards and it no longer includes 'interest accrued but not due'

Assumptions and estimates

Exhibit 5: Key assumptions and estimates

Particulars (INR mn)	FY20	FY21	FY22	FY23	FY24	FY25	FY26E	FY27E	FY28E	FY29E	FY30E
Key operational assumptions											
EoP Subscribers (mn) (including M2M subs)	291	268	244	226	213	198	193	195	197	199	201
Subs growth YoY (%)		-8%	-9%	-7%	-6%	-7%	-3%	1%	1%	1%	1%
Net Subs Adds (mn)	-43.0	-23.3	-24.0	-17.9	-13.3	-14.4	-5.4	2.0	2.0	2.0	2.0
Blended ARPU including M2M subs (INR/month)	120	125	112	132	143	157	170	192	215	233	252
ARPU Growth YoY (%)		4%	-11%	18%	8%	10%	8%	13%	12%	8%	8%
Key financials											
Revenue	449,575	419,522	385,155	421,772	426,517	435,713	448,722	498,983	557,746	606,582	659,900
EBITDA	148,462	169,476	160,361	168,170	171,260	181,266	190,302	227,384	264,311	299,073	338,036
YoY Growth (%)		14%	-5%	5%	2%	6%	5%	19%	16%	13%	13%
EBITDA margin	33.0%	40.4%	41.6%	39.9%	40.2%	41.6%	42.4%	45.6%	47.4%	49.3%	51.2%
Pre-IND AS EBITDA (i.e. cash EBITDA)	57,356	74,500	65,800	83,000	84,000	91,943	92,166	129,248	166,175	200,937	239,900
Net interest cost	142,864	178,239	208,514	230,430	256,523	235,228	209,546	185,917	177,123	145,450	137,453
Capex	101,300	61,434	45,000	33,600	18,500	95,600	87,360	119,756	89,239	81,889	89,086
Capex as % of revenue	23%	15%	12%	8%	4%	22%	19%	24%	16%	14%	14%
pre-IND AS FCF*	-160,970	-138,915	-161,008	-156,143	-161,855	-211,891	-172,946	-143,225	-66,987	6,798	46,560
CFO	71,613	-94,976	-94,561	-85,170	-87,259	-89,322	-98,136	-98,136	-98,136	-98,136	-98,136

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

Exhibit 6: Change in estimates

	New	Old	Divergence
TP (INR)	14.0	9.0	54.7%
Rating	ADD	ADD	
Revenue (INR mn)			
FY27	498,983	492,968	1.2%
FY28	557,746	543,898	2.5%
Post Ind AS EBITDA (INR mn)			
FY27	227,384	222,521	2.2%
FY28	264,311	256,566	3.0%
PAT (INR mn)			
FY27	-166,246	-163,939	1.4%
FY28	-144,529	-144,173	0.2%
EPS (INR)			
FY27	-2	-2	1.4%
FY28	-1	-1	0.2%

Source: JM Financial

Valuation

Exhibit 7: VIL – Base-case DCF implies FV of INR 14/share

Particulars, INR bn unless mentioned	**FY28E**	**FY29E**	**FY30E**	**FY31E**	**FY32E**	**FY33E**	**FY34E**	**FY35E**
Assumptions								
EoP Subscribers (mn)	197	199	201	203	205	207	209	211
Subs growth YoY (%)		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
Blended ARPU including M2M subs (INR/month)	215	233	252	273	296	321	348	377
ARPU Growth YoY (%)		8%	8%	8%	8%	8%	8%	8%
DCF								
EBIT X (1-tax rate)	-2,536	29,874	66,719	107,877	147,248	190,903	239,354	293,163
Depreciation & Amortization	168,711	171,062	173,180	175,952	179,404	183,568	188,479	194,179
Changes in net working capital	7,315	3,959	3,795	3,420	6,408	6,442	6,433	6,372
Capex	-89,239	-81,889	-89,086	-96,945	-105,524	-114,892	-125,118	-136,284
Free cash flow to the firm [FCFF]	**84,250**	**123,007**	**154,609**	**190,304**	**227,536**	**266,021**	**309,147**	**357,430**
FCFF growth (%)		46%	26%	23%	20%	17%	16%	16%
WACC	12%							
PV of cash flows (FY28E-35E)	956							
PV of terminal value	2,196							
Terminal value as % of Enterprise Value	70%							
Total Enterprise Value	3,152							
Less: Net debt/(cash)	1,637							
Total Equity value	1,515							
VIL number of shares (mn)	108,343							
Equity Value for VIL (INR/share)	**14.0**							

Source: Company, JM Financial.

Every increase/decrease in ARPU by INR 10 results in increase/decrease in VIL's consolidated FY27 EBITDA by ~2.9% and (Base Case) valuation by INR 0.9/share. Similarly, every increase/decrease in subscribers by 5m results in increase/decrease in VIL's consolidated FY27 EBITDA by ~0.7% and (Base Case) valuation by INR 0.8/share.

Exhibit 8: Sensitivity of FY27 EBITDA (INR 227bn in base case) & Valuation (INR 14/share in base case) to FY27E ARPU and subscriber base (mn)

		Subscriber base (mn)						
		180	**185**	**190**	**195**	**200**	**205**	**210**
ARPU (INR)	**162**	203	205	206	208	209	210	212
	172	210	211	213	214	216	217	219
	182	216	218	219	221	222	224	225
	192	222	224	226	227	229	231	232
	202	229	231	232	234	236	237	239
	212	235	237	239	241	242	244	246
	222	242	243	245	247	249	251	253

		Subscriber base (mn)						
		180	**185**	**190**	**195**	**200**	**205**	**210**
ARPU (INR)	**162**	9.3	9.9	10.6	11.3	12.0	12.7	13.4
	172	10.1	10.8	11.5	12.2	12.9	13.6	14.3
	182	10.9	11.6	12.4	13.1	13.8	14.6	15.3
	192	11.7	12.5	13.2	14.0	14.7	15.5	16.2
	202	12.5	13.3	14.1	14.9	15.7	16.4	17.2
	212	13.4	14.2	15.0	15.8	16.6	17.4	18.2
	222	14.2	15.0	15.8	16.7	17.5	18.3	19.1

Source: JM Financial

Exhibit 9: VIL – 1Y forward EV/EBITDA band chart

Source: JM Financial, Bloomberg

Exhibit 10: Global telecom companies' valuation snapshot

Company	EV/EBITDA (x)			P/E (x)			P/B (x)			EBITDA Margins (%)			ROE (%)		
	CY25/FY26	CY26/FY27	CY27/FY28	CY25/FY26	CY26/FY27	CY27/FY28	CY25/FY26	CY26/FY27	CY27/FY28	CY25/FY26	CY26/FY27	CY27/FY28	CY25/FY26	CY26/FY27	CY27/FY28
Bharti Airtel	11.3	9.8	8.7	41.1	28.3	22.2	8.2	6.9	5.9	57.0	57.5	57.9	21.4	26.5	28.8
Bharti Hexacom	16.3	13.8	11.9	41.0	29.4	22.6	11.1	9.3	7.5	52.6	54.4	56.1	28.7	34.2	36.3
Jio (JMFe)	17.1	14.5	12.3	39.3	29.0	22.1	4.1	3.6	3.1	54.9	55.3	55.8	11.1	13.2	15.1
Vodafone Idea	19.2	16.3	13.9	NM	NM	NM	NM	NM	NM	42.2	44.9	47.1	NM	NM	NM
Indian telcos average	**16.0**	**13.6**	**11.7**	**40.5**	**28.9**	**22.3**	**7.8**	**6.6**	**5.5**	**51.7**	**53.0**	**54.2**	**20.4**	**24.6**	**26.7**
AT&T	6.8	6.6	6.4	12.0	10.7	9.7	1.5	1.5	1.4	37.0	37.1	37.7	13.9	13.8	15.1
T-Mobile	8.7	7.9	7.3	19.2	18.1	14.0	3.6	3.8	3.8	38.5	39.5	40.9	19.4	21.5	27.9
Verizon	6.8	6.8	6.6	12.0	9.5	9.0	1.5	1.8	1.7	36.4	37.4	38.0	13.9	19.1	19.1
US telcos average	**7.5**	**7.1**	**6.7**	**14.4**	**12.8**	**10.9**	**2.2**	**2.4**	**2.3**	**37.3**	**38.0**	**38.8**	**15.8**	**18.1**	**20.7**
Deutsche Telekom	6.7	6.4	5.8	13.8	12.7	11.2	2.2	2.2	2.1	37.2	38.1	40.6	13.9	16.2	17.6
Orange	7.0	6.2	5.8	25.6	18.3	16.1	1.6	1.6	1.6	30.9	32.4	33.2	5.7	8.5	9.1
Telefonica	5.7	5.6	5.4	13.9	10.5	10.2	1.3	1.6	1.5	32.3	35.3	35.1	1.2	12.6	12.2
Telenor	7.3	7.6	7.4	18.4	15.3	16.2	3.3	3.0	3.0	44.6	45.2	45.9	16.2	22.1	18.6
Vodafone Plc	6.2	5.6	5.3	13.7	12.1	10.6	0.6	0.6	0.6	28.4	29.7	30.5	3.4	4.2	4.9
BT Group	5.5	5.5	5.5	12.5	13.8	13.5	1.8	1.8	1.8	40.4	41.4	42.1	13.2	12.0	11.8
Europe telcos average	**6.4**	**6.2**	**5.9**	**16.3**	**13.8**	**13.0**	**1.8**	**1.8**	**1.8**	**35.6**	**37.0**	**37.9**	**8.9**	**12.6**	**12.4**
China Mobile	7.2	4.1	4.1	10.1	12.2	11.8	1.9	1.1	1.1	32.6	32.2	31.9	18.4	9.1	9.2
China Telecom	3.6	3.7	3.7	12.6	14.2	13.4	0.9	0.9	0.9	27.1	26.7	26.5	7.5	6.5	6.6
China Unicom	1.7	1.8	1.0	9.6	10.7	10.2	0.6	0.5	0.5	25.2	24.9	43.3	5.8	5.0	5.2
China telcos average	**4.2**	**3.2**	**2.9**	**10.8**	**12.4**	**11.8**	**1.1**	**0.9**	**0.8**	**28.3**	**27.9**	**33.9**	**10.6**	**6.9**	**7.0**
KT Corp	1.7	4.0	4.0	9.6	10.0	9.2	0.6	0.8	0.8	22.3	21.5	21.4	5.8	8.3	8.6
LG Uplus	3.8	3.5	3.4	8.8	9.7	8.7	0.9	0.8	0.7	23.3	24.5	24.4	10.2	8.0	8.4
SK Telecom	6.6	5.7	5.7	58.4	18.7	17.0	1.9	1.6	1.6	27.3	30.4	30.2	3.5	9.1	9.4
Korea telcos average	**4.1**	**4.4**	**4.4**	**25.6**	**12.8**	**11.6**	**1.1**	**1.1**	**1.0**	**24.3**	**25.4**	**25.3**	**6.5**	**8.4**	**8.8**
Celcom Digi	8.9	8.9	8.5	23.2	21.2	18.8	2.3	2.4	2.3	44.9	43.5	44.8	10.5	10.9	12.2
Telekom Malaysia	6.5	6.6	6.2	16.4	17.0	15.6	2.7	2.6	2.5	38.5	36.6	38.1	16.6	15.1	16.0
Malaysia telcos average	**7.7**	**7.8**	**7.4**	**19.8**	**19.1**	**17.2**	**2.5**	**2.5**	**2.4**	**41.7**	**40.1**	**41.4**	**13.5**	**13.0**	**14.1**
Advanced Info	10.1	9.6	9.3	24.0	20.5	19.3	10.3	19.3	17.9	53.8	54.2	54.3	44.9	62.2	89.1
Chungwa Telecom	11.9	11.5	11.2	27.9	26.5	25.4	2.8	2.8	2.8	37.7	37.6	37.5	10.1	10.4	10.9
Converge ICT	3.8	3.5	3.2	6.8	6.2	5.6	1.3	1.1	0.9	58.9	58.6	58.7	19.9	18.9	17.8
Globe Telecom	6.9	6.6	6.5	12.7	11.6	10.7	1.5	1.4	1.3	48.4	48.5	48.5	12.9	13.2	13.8
Indosat	4.8	4.5	4.3	16.0	12.6	11.2	2.1	2.0	1.8	47.3	47.5	47.9	13.4	15.6	16.5
MTN Group	5.3	4.2	3.5	16.2	12.0	9.5	2.4	2.4	2.0	43.9	46.5	47.9	NM	NM	NM
Singtel	22.2	20.9	19.9	25.9	23.2	19.9	3.0	2.9	2.9	27.7	28.3	28.8	11.7	12.2	13.8
Taiwan Mobile	11.8	12.2	12.2	24.2	23.4	23.1	4.0	4.0	4.0	21.4	21.2	21.3	17.2	17.3	18.0
Telecom Indonesia	4.8	4.6	4.5	13.6	12.6	11.9	2.1	2.0	2.0	49.5	50.2	50.3	14.7	15.5	16.0
XL Axiata	6.1	5.4	4.9	NM	NM	21.5	1.7	1.7	1.6	43.8	45.6	47.9	(7.6)	-4.4	8.0
Other regional telcos average	**8.8**	**8.3**	**7.9**	**18.6**	**16.5**	**15.8**	**3.1**	**3.9**	**3.7**	**43.2**	**43.8**	**44.3**	**15.2**	**17.9**	**22.6**
Global telcos average	**8.2**	**7.6**	**7.1**	**20.2**	**16.3**	**14.7**	**2.8**	**3.0**	**2.8**	**38.9**	**39.5**	**40.7**	**13.0**	**15.2**	**17.3**

Source: JM Financial

Financial Tables (Consolidated)

Income Statement					(INR mn)
Y/E Mar	FY25A	FY26A	FY27E	FY28E	FY29E
Net Sales	435,713	448,722	498,983	557,746	606,582
Sales Growth (%)	2.2	3.0	11.2	11.8	8.8
Other Operating Income	-	-	-	-	-
Total Revenue	**435,713**	**448,722**	**498,983**	**557,746**	**606,582**
Cost of Goods Sold/Op. Exp	177,327	177,422	189,928	209,011	220,885
Personnel Cost	22,309	23,367	24,685	26,213	27,082
Other Expenses	54,811	57,631	56,985	58,211	59,543
EBITDA	**181,266**	**190,302**	**227,384**	**264,311**	**299,073**
EBITDA Margin (%)	41.6	42.4	45.6	47.4	49.3
EBITDA Growth (%)	5.8	5.0	19.5	16.2	13.2
Depn. & Amort.	219,732	221,076	227,713	231,717	234,068
EBIT	-38,466	-30,774	-328	32,594	65,004
Other Income	-	-	-	-	-
Finance Cost	235,228	209,546	185,917	177,123	145,450
PBT before Excep. & Forex	-273,694	-240,320	-186,246	-144,529	-80,446
Excep. & Forex Inc./Loss(-)	-	-	-	-	-
PBT	-273,694	-240,320	-186,246	-144,529	-80,446
Taxes	158	-41	-	-	-
Extraordinary Inc./Loss(-)	-	586,066	20,000	-	-
Assoc. Profit/Min. Int.(-)	18	-	-	-	-
Reported Net Profit	-273,834	345,787	-166,246	-144,529	-80,446
Adjusted Net Profit	**-273,834**	**-240,279**	**-186,246**	**-144,529**	**-80,446**
Net Margin (%)	-62.8	-53.5	-37.3	-25.9	-13.3
Diluted Share Cap. (mn)	71,393	108,343	108,343	108,343	108,343
Diluted EPS (INR)	**-3.8**	**-2.2**	**-1.7**	**-1.3**	**-0.7**
Diluted EPS Growth (%)	-	-	-	-	-
Total Dividend + Tax	-	-	-	-	-
Dividend Per Share (INR)	-	-	-	-	-

Source: Company, JM Financial

Balance Sheet					(INR mn)
Y/E Mar	FY25A	FY26A	FY27E	FY28E	FY29E
Shareholders Fund	-703,202	-357,580	-543,826	-688,355	-768,800
Share Capital	713,930	1,083,430	1,083,430	1,083,430	1,083,430
Reserves & Surplus	-1,417,132	-1,441,010	-1,627,256	-1,771,785	-1,852,230
Preference Share Capital	-	-	-	-	-
Minority Interest	-	-	-	-	-
Total Loans	1,965,551	1,497,140	1,583,765	1,641,508	1,628,821
Def. Tax Liab. / Assets (-)	167	80	80	80	80
Other non-current liabilities / Lease Liabilities	297,882	419,510	419,510	419,510	419,510
Total - Equity & Liab.	**1,560,231**	**1,559,070**	**1,459,450**	**1,372,663**	**1,279,531**
Net Fixed Assets	1,437,912	1,445,400	1,400,449	1,320,978	1,231,804
Gross Fixed Assets	1,672,694	1,852,656	1,972,412	2,061,651	2,143,540
Intangible Assets	851,240	788,460	733,268	681,939	634,203
Less: Depn. & Amort.	1,110,738	1,210,256	1,319,771	1,437,153	1,560,479
Capital WIP	24,716	14,540	14,540	14,540	14,540
Investments	230,359	253,290	253,290	253,290	253,290
Current Assets	310,395	217,690	216,140	220,193	223,561
Inventories	11	210	234	261	284
Sundry Debtors	20,003	19,690	34,177	38,202	41,547
Cash & Bank Balances	2,568	21,060	5,000	5,000	5,000
Loans & Advances	172,379	57,560	57,560	57,560	57,560
Other Current Assets	115,434	119,170	119,170	119,170	119,170
Current Liab. & Prov.	418,268	357,230	410,350	421,717	429,044
Current Liabilities	107,480	88,260	141,380	152,747	160,074
Provisions & Others	310,788	268,970	268,970	268,970	268,970
Net Current Assets	-107,873	-139,540	-194,209	-201,524	-205,483
Other Non Current Assets/ROU Assets	-	-	-	-	-
Total - Assets	**1,560,231**	**1,559,070**	**1,459,450**	**1,372,663**	**1,279,531**

Source: Company, JM Financial

Cash Flow Statement					(INR mn)
Y/E Mar	FY25A	FY26A	FY27E	FY28E	FY29E
Profit before Tax	-273,676	-240,320	-186,246	-144,529	-80,446
Depn. & Amort.	219,732	221,076	227,713	231,717	234,068
Net Interest Exp. / Inc. (-)	-	586,066	20,000	-	-
Inc (-) / Dec in WCap.	-250,935	50,159	38,609	7,315	3,959
Others	-	-	-	-	-
Taxes Paid	5	-46	-	-	-
Operating Cash Flow	**-304,874**	**616,935**	**100,077**	**94,503**	**157,581**
Capex	-250,008	-228,564	-182,762	-152,245	-144,895
Free Cash Flow	-554,882	388,371	-82,685	-57,743	12,687
Inc (-) / Dec in Investments	82,884	-22,931	-	-	-
Others	-23,384	121,628	-	-	-
Investing Cash Flow	**-190,508**	**-129,867**	**-182,762**	**-152,245**	**-144,895**
Inc / Dec (-) in Capital	212,732	369,500	-	-	-
Dividend + Tax thereon	399,568	-369,665	-20,000	-	-
Inc / Dec (-) in Loans	-116,028	-468,411	86,625	57,743	-12,687
Others	-	-	-	-	-
Financing Cash Flow	**496,272**	**-468,576**	**66,625**	**57,743**	**-12,687**
Inc / Dec (-) in Cash	**890**	**18,492**	**-16,060**	**0**	**0**
Opening Cash Balance	1,678	2,568	21,060	5,000	5,000
Closing Cash Balance	2,568	21,060	5,000	5,000	5,000

Source: Company, JM Financial

Dupont Analysis					
Y/E Mar	FY25A	FY26A	FY27E	FY28E	FY29E
Net Margin (%)	-62.8	-53.5	-37.3	-25.9	-13.3
Asset Turnover (x)	0.3	0.3	0.3	0.4	0.5
Leverage Factor (x)	-	-	-	-	-
RoE (%)	-	-	-	-	-

Source: Company, JM Financial

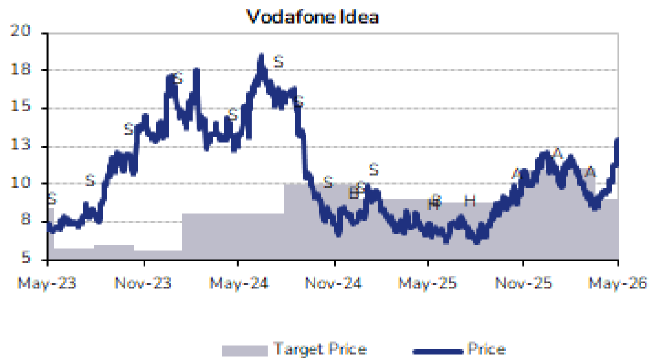
Key Ratios					
Y/E Mar	FY25A	FY26A	FY27E	FY28E	FY29E
BV/Share (INR)	-9.8	-3.3	-5.0	-6.4	-7.1
ROIC (%)	-4.4	-3.2	0.0	4.4	10.0
ROE (%)	-	-	-	-	-
Net Debt/Equity (x)	-	-	-	-	-
P/E (x)	-	4.1	-	-	-
P/B (x)	-	-	-	-	-
EV/EBITDA (x)	18.6	15.1	13.1	11.5	10.1
EV/Sales (x)	7.7	6.4	6.0	5.4	5.0
Debtor days	17	16	25	25	25
Inventory days	0	0	0	0	0
Creditor days	154	125	190	190	190

Source: Company, JM Financial

Recommendation History Table

Date	Recommendation	Target Price	% Chg.
2-Apr-26	Add	9	-18.0
29-Jan-26	Add	11	0.2
11-Nov-25	Add	11	25.7
14-Aug-25	Hold	9	0.0
9-Jun-25	Buy	9	0.0
2-Jun-25	Hold	9	-2.5
12-Feb-25	Sell	9	0.0
19-Jan-25	Sell	9	0.0
3-Jan-25	Buy	9	-9.8
14-Nov-24	Sell	10	-0.6
19-Sep-24	Sell	10	0.0
13-Aug-24	Sell	10	24.8
17-May-24	Sell	8	-0.5
30-Jan-24	Sell	8	42.6
27-Oct-23	Sell	6	-6.6
15-Aug-23	Sell	6	4.4
26-May-23	Sell	6	-31.3
15-Feb-23	Sell	8	-3.8
4-Nov-22	Sell	9	-2.6
4-Aug-22	Sell	9	

Recommendation History Chart



APPENDIX I

Investment in securities market are subject to market risks. Read all the related documents carefully before investing.

Research Analyst(s) Certification

The Research Analyst(s), with respect to each issuer and its securities covered by them in this research report, certify that:

All of the views expressed in this research report accurately reflect his or her or their personal views about all of the issuers and their securities; and

No part of his or her or their compensation was, is, or will be directly or indirectly related to the specific recommendations or views expressed in this research report.

Rating System: Definition of ratings	
Rating	**Meaning**
BUY	Expected return >= 15% over the next twelve months.
ADD	Expected return >= 5% and < 15% over the next twelve months.
REDUCE	Expected return >= -10% and < 5% over the next twelve months.
SELL	Expected return < -10% over the next twelve months.

Note: For REITs (Real Estate Investment Trust) and InvIT (Infrastructure Investment Trust) total expected returns include dividends or DPU (distribution per unit)

Important Disclosures

This research report has been prepared by JM Financial Institutional Securities Limited (JM Financial Institutional Securities) to provide information about the company(ies) and sector(s), if any, covered in the report and may be distributed by it and/or its associates solely for the purpose of information of the select recipient of this report. This report and/or any part thereof, may not be duplicated in any form and/or reproduced or redistributed without the prior written consent of JM Financial Institutional Securities. This report has been prepared independent of the companies covered herein.

JM Financial Institutional Securities is registered with the Securities and Exchange Board of India (SEBI) as a Research Analyst and a Stock Broker having trading memberships of the BSE Ltd. (BSE) and National Stock Exchange of India Ltd. (NSE). No material disciplinary action has been taken by SEBI against JM Financial Institutional Securities in the past two financial years which may impact the investment decision making of the investor. Registration granted by SEBI and certification from the National Institute of Securities Market (NISM) in no way guarantee performance of JM Financial Institutional Securities or provide any assurance of returns to investors.

JM Financial Institutional Securities renders stock broking services primarily to institutional investors and provides the research services to its institutional clients/investors. JM Financial Institutional Securities and its associates are part of a multi-service, integrated investment banking, investment management, brokerage and financing group. JM Financial Institutional Securities and/or its associates might have provided or may provide services in respect of managing offerings of securities, corporate finance, investment banking, mergers & acquisitions, broking, financing or any other advisory services to the company(ies) covered herein. JM Financial Institutional Securities and/or its associates might have received during the past twelve months or may receive compensation from the company(ies) mentioned in this report for rendering any of the above services.

JM Financial Institutional Securities and/or its associates, their directors and employees may; (a) from time to time, have a long or short position in, and buy or sell the securities of the company(ies) mentioned herein or (b) be engaged in any other transaction involving such securities and earn brokerage or other compensation or act as a market maker in the financial instruments of the company(ies) covered under this report or (c) act as an advisor or lender/borrower to, or may have any financial interest in, such company(ies) or (d) considering the nature of business/activities that JM Financial Institutional Securities is engaged in, it may have potential conflict of interest at the time of publication of this report on the subject company(ies).

Neither JM Financial Institutional Securities nor its associates or the Research Analyst(s) named in this report or his/her relatives individually own one per cent or more securities of the company(ies) covered under this report, at the relevant date as specified in the SEBI (Research Analysts) Regulations, 2014.

The Research Analyst(s) principally responsible for the preparation of this research report and their immediate relatives are prohibited from buying or selling debt or equity securities, including but not limited to any option, right, warrant, future, long or short position issued by company(ies) covered under this report. The Research Analyst(s) principally responsible for the preparation of this research report or their immediate relatives (as defined under SEBI (Research Analysts) Regulations, 2014); (a) do not have any financial interest in the company(ies) covered under this report or (b) did not receive any compensation from the company(ies) covered under this report, or from any third party, in connection with this report or (c) do not have any other material conflict of interest at the time of publication of this report. Research Analyst(s) are not serving as an officer, director or employee of the company(ies) covered under this report.

While reasonable care has been taken in the preparation of this report, it does not purport to be a complete description of the securities, markets or developments referred to herein, and JM Financial Institutional Securities does not warrant its accuracy or completeness. JM Financial Institutional Securities may not be in any way responsible for any loss or damage that may arise to any person from any inadvertent error in the information contained in this report. This report is provided for information only and is not an investment advice and must not alone be taken as the basis for an investment decision.

This research report is based on the fundamental research/analysis conducted by the Research Analyst(s) named herein. Accordingly, this report has been prepared by studying/focusing on the fundamentals of the company(ies) covered in this report and other macro-economic factors. JM Financial Institutional Securities may have also issued or may issue, research reports and/or recommendations based on the technical/quantitative analysis of the company(ies) covered in this report by studying and using charts of the stock's price movement, trading volume and/or other volatility parameters. As a result, the views/recommendations expressed in such technical research reports could be inconsistent or even contrary to the views contained in this report.

The investment discussed or views expressed or recommendations/opinions given herein may not be suitable for all investors. The user assumes the entire risk of any use made of this information. The information contained herein may be changed without notice and JM Financial Institutional Securities reserves the right to make modifications and alterations to this statement as they may deem fit from time to time.

This report is neither an offer nor solicitation of an offer to buy and/or sell any securities mentioned herein and/or not an official confirmation of any transaction.

This report is not directed or intended for distribution to, or use by any person or entity who is a citizen or resident of or located in any locality, state, country or other jurisdiction, where such distribution, publication, availability or use would be contrary to law, regulation or which would subject JM Financial Institutional Securities and/or its affiliated company(ies) to any registration or licensing requirement within such jurisdiction. The securities described herein may or may not be eligible for sale in all jurisdictions or to a certain category of investors. Persons in whose possession this report may come, are required to inform themselves of and to observe such restrictions. Please click here to access our detailed Terms and Conditions, including the Most Important Terms and Conditions.

Additional disclosure only for U.S. persons: JM Financial Institutional Securities has entered into an agreement with JM Financial Securities, Inc. ("JM Financial Securities"), a U.S. registered broker-dealer and member of the Financial Industry Regulatory Authority ("FINRA") in order to conduct certain business in the United States in reliance on the exemption from U.S. broker-dealer registration provided by Rule 15a-6, promulgated under the U.S. Securities Exchange Act of 1934 (the "Exchange Act"), as amended, and as interpreted by the staff of the U.S. Securities and Exchange Commission ("SEC") (together "Rule 15a-6").

This research report is distributed in the United States by JM Financial Securities in compliance with Rule 15a-6, and as a "third party research report" for purposes of FINRA Rule 2241. In compliance with Rule 15a-6(a)(3) this research report is distributed only to "major U.S. institutional investors" as defined in Rule 15a-6 and is not intended for use by any person or entity that is not a major U.S. institutional investor. If you have received a copy of this research report and are not a major U.S. institutional investor, you are instructed not to read, rely on, or reproduce the contents hereof, and to destroy this research or return it to JM Financial Institutional Securities or to JM Financial Securities.

This research report is a product of JM Financial Institutional Securities, which is the employer of the research analyst(s) solely responsible for its content. The research analyst(s) preparing this research report is/are resident outside the United States and are not associated persons or employees of any U.S. registered broker-dealer. Therefore, the analyst(s) are not subject to supervision by a U.S. broker-dealer, or otherwise required to satisfy the regulatory licensing requirements of FINRA and may not be subject to the Rule 2241 restrictions on communications with a subject company, public appearances and trading securities held by a research analyst account.

Any U.S. person who is recipient of this report that wishes further information regarding, or to effect any transaction in, any of the securities discussed in this report, must contact, and deal directly through a U.S. registered representative affiliated with a broker-dealer registered with the SEC and a member of FINRA. In the U.S., JM Financial Institutional Securities has an affiliate, JM Financial Securities, Inc. located at 1177 Avenue of the Americas, 5th Floor, Offices 5045 and 5046, New York, New York 10036. Telephone +1 (332) 900 4956 which is registered with the SEC and is a member of FINRA and SIPC.

Additional disclosure only for U.K. persons: Neither JM Financial Institutional Securities nor any of its affiliates is authorised in the United Kingdom (U.K.) by the Financial Conduct Authority. As a result, this report is for distribution only to persons who (i) have professional experience in matters relating to investments falling within Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (as amended, the "Financial Promotion Order"), (ii) are persons falling within Article 49(2)(a) to (d) ("high net worth companies, unincorporated associations etc.") of the Financial Promotion Order, (iii) are outside the United Kingdom, or (iv) are persons to whom an invitation or inducement to engage in investment activity (within the meaning of section 21 of the Financial Services and Markets Act 2000) in connection with the matters to which this report relates may otherwise lawfully be communicated or caused to be communicated (all such persons together being referred to as "relevant persons"). This report is directed only at relevant persons and must not be acted on or relied on by persons who are not relevant persons. Any investment or investment activity to which this report relates is available only to relevant persons and will be engaged in only with relevant persons.

Additional disclosure only for Canadian persons: This report is not, and under no circumstances is to be construed as, an advertisement or a public offering of the securities described herein in Canada or any province or territory thereof. Under no circumstances is this report to be construed as an offer to sell securities or as a solicitation of an offer to buy securities in any jurisdiction of Canada. Any offer or sale of the securities described herein in Canada will be made only under an exemption from the requirements to file a prospectus with the relevant Canadian securities regulators and only by a dealer properly registered under applicable securities laws or, alternatively, pursuant to an exemption from the registration requirement in the relevant province or territory of Canada in which such offer or sale is made. This report is not, and under no circumstances is it to be construed as, a prospectus or an offering memorandum. No securities commission or similar regulatory authority in Canada has reviewed or in any way passed upon these materials, the information contained herein or the merits of the securities described herein and any representation to the contrary is an offence. If you are located in Canada, this report has been made available to you based on your representation that you are an “accredited investor” as such term is defined in National Instrument 45-106 Prospectus Exemptions and a “permitted client” as such term is defined in National Instrument 31-103 Registration Requirements, Exemptions and Ongoing Registrant Obligations. Under no circumstances is the information contained herein to be construed as investment advice in any province or territory of Canada nor should it be construed as being tailored to the needs of the recipient. Canadian recipients are advised that JM Financial Securities, Inc., JM Financial Institutional Securities Limited, their affiliates and authorized agents are not responsible for, nor do they accept, any liability whatsoever for any direct or consequential loss arising from any use of this research report or the information contained herein.

JM Financial Institutional Securities Limited
Corporate Identity Number: U67100MH2017PLC296081
Member of BSE Ltd. and National Stock Exchange of India Ltd.
SEBI Registration Nos.: Stock Broker - INZ000163434, Research Analyst - INH000000610
Registered Office: 7th Floor, Cnergy, Appasaheb Marathe Marg, Prabhadevi, Mumbai 400 025, India.
Board: +91 22 6630 3030 | Fax: +91 22 6630 3488 | Email: jmfinancial.research@jmfl.com | www.jmfl.com
Compliance Officer: Ms. Ashley Johnson | Tel: +91 22 6224 1862 | Email: ashley.johnson@jmfl.com
Grievance Officer: Ms. Ashley Johnson | Tel: +91 22 6224 1862 | Email: instcompliance@jmfl.com