Vodafone Idea

Operator: Ladies and gentlemen, good day and welcome to Vodafone Idea Ltd. Q2 FY27 earnings conference call. This conference call may contain forward-looking statements about the company, which are based on the beliefs, opinions, and expectations of the company as of the date of this call. These statements are not guarantees of future performance and involve risks and uncertainties that are difficult to predict. As a reminder, all participant lines will be in listen-only mode, and there will be an opportunity to ask questions after the presentation concludes. Should you need assistance during the conference call, please signal an operator by pressing star and then zero on your touchtone phone. Please note that this conference is being recorded. I now hand the conference over to the Chief Executive Officer of Vodafone Idea Ltd., Mr. Abhijit Kishore. Thank you, and over to you, Mr. Kishore.

Abhijit Kishore – CEO: Thank you, {? Renju ?}. Good afternoon and a very warm welcome to all of you. Thank you for making the time to be here today. On November 12, 2026, our board of directors adopted the unaudited results for the quarter ending September 30, 2026. All the results-related documents are available on our website, and I hope you have had a chance to go through them. Before I move to the developments in this quarter, I would like to welcome {? Pramoj Bori ?} to the leadership team as the new Chief Operating Officer. I am confident that his experience and perspective will further strengthen our leadership team as we execute on the next phase of our journey.

Q2 has been a quarter of continued progress, and we are encouraged by the traction we have seen across key operating and financial parameters. Some of the highlights are that we added 1.3 million subscribers, ARPU grew 9.7% year-on-year to Rs.198, while revenue and cash EBITDA grew by 6.2% and 11.2%, respectively. We will talk more about these in the call today, but I want to start by reinforcing that these trends reflect the continued success of our focused efforts to strengthen our network, improve customer experience, and drive better monetization. Let me now take you through the key developments on the strategic initiatives, after which I will hand over the call to Tejas, our CFO, who will share details on the company's financial performance.

As we had guided last quarter, FY27 is a year of execution. Our execution agenda is centered on strengthening our capability to add and retain customers through three key levers: expanding network coverage, brand reappraisal, and creating differentiated products and services that enhance customer relevance and engagement. During Q2 FY27, we made meaningful progress on all three of these fronts. We accelerated our network investment during the quarter, and I am delighted to share that we have added nearly 9,000 new broadband towers, bringing the total unique broadband tower count close to 214,000. The quarter witnessed the highest quarterly addition in tower count since we embarked on our investment journey after FY24. We remain on track to conclude our 4G network rollout by FY28 to gain coverage parity with our peers in the 17 key circles.

Our 5G services are now available in 400 Indian cities and towns, and our 4G population coverage has increased to 88%. During the second quarter, our capex increased to Rs.3,946 crores, more than twice the run rate of Q1 FY27, taking our H1 FY27 capex to nearly 6,000 crores. We also placed capex orders worth over 13,200 crores against our 3-year capex guidance of Rs.45,000 crores. This acceleration demonstrates the robust progress we are making and our commitment to

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strengthening the network and delivering a superior customer experience. We undertook several initiatives during the quarter to strengthen customer relevance and engagement. Our focus continues to be on customer upgrades and differentiated propositions that provide greater value. This will help us attract and retain [trails off]

Management: ...customers as we deepen engagement and monetize them further to support long-term ARPU-related growth. At the end of September this year, we launched an industry-first initiative by making international roaming free on our key plans across both postpaid and prepaid. International roaming has traditionally been a high-friction part of the customer journey, with customers often underestimating the hassles associated with alternative connectivity options while traveling. By integrating international roaming into our plans, we aim to remove this friction and enable our subscribers to stay connected seamlessly and securely while retaining the convenience of their V number. More importantly, we believe this can also expand the international roaming category by encouraging adoption among travelers who have traditionally not used roaming services and have opted for rental services with different numbers. In another industry-first initiative, we also launched India's first prepaid family plan, enabling customers to share data among family members across the country.

We continue to broaden our entertainment proposition. During the quarter, we introduced the Rs.200 V Movies and TV prepaid pack, offering content across 20 OTT platforms along with data benefits. We also extended Spotify Premium to select prepaid plans. We continue to improve the V app, including AI-driven search and simpler management of plans and services. Alongside these propositions, we unveiled our refreshed brand identity and welcomed Shah Rukh Khan as our brand ambassador. This distinctive dot has moved to the top, reflecting the brand's upward momentum and its ambition to deliver a stronger network and a more rewarding customer experience. While the evolution of the logo is subtle, the symbolism behind it is powerful. More than a visual refresh, it signals the progress V is making as it transforms into a future-ready telecom brand. Supporting this promise is V's AI-powered network, which is enabling a smarter, more consistent experience while strengthening trust and confidence among customers. The V Pe Sab Hai VIP platform brings this transformation to life through a simple and inclusive belief: every customer is important to us and deserves equal attention and an equitable network experience.

We are encouraged by the response we have received to these campaigns and the refreshed identity. We see our enterprise segment, V Business, as a key growth engine. Our enterprise strategy is to move beyond traditional connectivity towards a broader portfolio of IoT, security, cloud, and intelligent digital infrastructure. We are leveraging our strong enterprise mobility position to deepen customer relationships and capture growth in this segment. We aim to serve as an end-to-end digital transformation partner for enterprises and build the nation's digital infrastructure with hyperscalers. Our partnership with AWS is an important step in our evolution from a connectivity provider to a broader digital transformation partner for enterprises. We are bringing together our 5G-ready network, AI capabilities, and a growing ecosystem of partnerships with global technology leaders such as Cisco and Meta. In parallel, we are also evolving our connectivity strategy towards a build-and-sell approach. Together, these capabilities will help us deepen customer engagement and contribute to the growing enterprise technology sector.

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During the quarter, we also launched many innovative propositions for our enterprise customers, including ID Plus for verified business calling, to let subscribers see a verified brand name and the reason for the call before answering. Next, we launched V Business WhatsApp, an enterprise-grade WhatsApp solution with AI-powered chatbots, voice calling, and premium Meta support. We have also expanded capacity in our data centers in the NLD segment to support growing enterprise demand. Another important development during the quarter was our collaboration with Hindalco Industries. V Business deployed a dedicated full-stack private network at the Hindalco Bauxite Mine in Odisha. This multi-year managed services engagement covers spectrum, core, RAN, and managed services, and demonstrates the potential of private networks to enable digital transformation in industrial environments.

Now moving on to the seven critical business parameters that we have consistently guided. The overall trajectory remains encouraging, with the increased investment intensity becoming visible across network coverage and experience, customer acquisition, customer engagement, and financial performance. As mentioned earlier, our Q2 revenue improved by 6.2% year-on-year to Rs.11,884 crores and grew by 1.7% sequentially. Cash EBITDA increased by 11.2% year-on-year to Rs.2,498 crores, while our cash EBITDA margin was 21%. We also continue to build subscriber momentum, with our customer base increasing to 194.4 million from 193.1 million in the previous quarter. Our 4G and 5G subscriber base increased to 131 million from 127.8 million in Q2 FY26.

Let me provide some context on the composition of this group. While the significant driver of the 1.3 million net subscriber addition during the quarter was machine-to-machine and the postpaid segment, I am pleased to report that our sequential net subscriber churn for prepaid reduced significantly from 1.5 million in Q1 to 0.6 million in Q2. This translates into a positive swing of almost a million prepaid subscribers in a quarter. We also recorded the highest sequential postpaid subscriber growth since FY24, with the subscriber base, including M2M, now standing at 33.9 million. We continue to see positive momentum across postpaid data and the 4G/5G subscriber cohort, indicating an improvement in the quality and mix of our subscriber base. While our focus continues to be on extracting the benefits of our network deployment for our customers, we are also conscious of the base we are acquiring.

On customer ARPU, it stood at Rs.198, representing healthy growth of 9.7% year-on-year. Customer ARPU continues to improve sequentially, though organic growth was moderated compared to the prior quarters, primarily due to the seasonal characteristics of the second quarter and the segmental interventions deployed to support them. We expect the ARPU growth trend to return to the previous quarter's levels from the next quarter, as the underlying customer engagement and premiumization trajectory remains intact. Our customers continue to engage with us deeply, with overall data usage increasing by 27.1% year-on-year to 93.6 petabytes per day, compared to 73.6 petabytes per day in Q2 FY26. As stated earlier, our capex trajectory and network rollout continue to progress in line with our guided rollout pace of 3,000 to 3,500 unique 4G towers per month. Building on this, we are also adding 5G sites supported by the fiber rollout.

Moving on to the funding and its mobilization through capex, we have secured total funding of over 10,500 crores till H1 FY27, including warrants and funded and non-funded facilities, of which over Rs.4,000 crores of incremental bank funding was arranged in Q2 FY27. As guided earlier, we are engaged with banks for funding across three cohorts: a public sector bank consortium led by SBI,

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Indian private banks, and ECB funding through foreign banks. Regarding the public sector bank consortium, the process continues to progress very well, while the involvement of multiple lenders has resulted in the overall process taking a little longer than we had earlier anticipated. However, we remain confident in our engagement with the consortium. Meanwhile, the incremental funding secured in H1 FY27 from the Indian private banks and foreign banks is sufficient to maintain our capex momentum. We continue to engage with all three cohorts to conclude the overall funding plan while ensuring that our planned network rollout continues smoothly. This quarter's performance clearly demonstrates that our priorities remain clear.

Abhijit Kishore – CEO: Sustaining the capex momentum, building on subscriber growth, and converting our differentiated propositions into stronger engagement and growth. With that, I will hand over the call to Tejas for the financial commentary. Thank you.

Tejas: Thank you, Abhijit. Good afternoon, everyone. This quarter's performance reflects sustained execution momentum and continued progress across key operating metrics. Revenue for the quarter was Rs.11,884 crores, improving 6.2% year-over-year and 1.7% sequentially. EBITDA for the quarter was Rs.4,981 crores, improving by 6.3% year-over-year. The EBITDA margin was stable on a year-over-year basis at 41.9%. On a sequential basis, the margin was slightly subdued due to the phasing of personnel costs and higher marketing expenses associated with the brand refresh initiatives. Such campaigns are a sustained effort, and therefore we expect the marketing cost to remain at these levels for the remainder of this financial year. EBITDA for H1 FY27 stood at Rs.10,015 crores, improving 7.7% year-over-year. Cash EBITDA for the quarter was Rs.2,498 crores, representing year-over-year growth of 11.2%. The cash EBITDA margin also improved by over 95 basis points to 21%. This is despite the rollout of over 22,500 unique broadband sites during the last 12 months and an increase in network costs, reflecting our overall focus on cost management.

Depreciation and amortization expenses and net finance cost for the quarter were Rs.5,505 crores and Rs.4,975 crores, respectively. Excluding the impact of Ind AS 116, depreciation and amortization expenses and net finance cost for the quarter were Rs.3,894 crores and Rs.3,684 crores, respectively. Additionally, an adverse impact of Rs.462 crores was recorded in exceptional items on account of the adverse impact of the mark-to-market valuation of treasury assets, which translated into a higher reported loss for the quarter. As explained previously, this remeasurement of fair value will be undertaken every quarter, with the resulting impact recognized under exceptional items until these shares are liquidated. Hence, the loss adjusted for these exceptional items during the quarter actually improved marginally to Rs.5,113 crores, compared to Rs.5,562 crores in Q2 FY26.

The capex deployed for the quarter was Rs.3,946 crores, reflecting a material step-up in investments as guided last quarter, with the run rate more than doubling compared to Q1 FY27. This significant acceleration was achieved on the back of the incremental funding secured, together with our operating cash flows. Our bank debt stood at Rs.943 crores as of September 30, 2026. Free cash and the bank balance stood at Rs.5,470 crores as of September 30, 2026. As of today, our old legacy bank debt has been fully repaid. The current drawdowns now represent incremental funding secured by the company.

I would like to highlight that alongside more than doubling our quarterly capex, we have also paid spectrum dues of over Rs.4,300 crores, which were due in October 2026. With this, we have now

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paid over Rs.6,000 crores against approximately Rs.7,000 crores of full spectrum obligations due in FY27. Taken together, the acceleration in quarterly capex and the payment of a substantial proportion of our FY27 spectrum obligations demonstrate that our current funding mix and cash flows are enabling us to sustain network investment even as we continue to progress the balance of our long-term financing plan.

Before I hand over, I would like to conclude by stating that this quarter's performance reflects continued execution and improvement across our key priorities, with sustained revenue and subscriber growth along with a significant acceleration in network investments. With this, I hand the call back to the moderator. Thank you.

Operator: Thank you. We will now begin the question-and-answer session. Anyone who wishes to ask a question may press star and one on the touchtone telephone. If you wish to remove yourself from the question queue, you may press star and two. Participants are requested to use handsets while asking a question. Ladies and gentlemen, we will wait for a moment while the question queue assembles. The first question comes from the line of Sanjesh Jain with ICICI Securities. Please go ahead.

Sanjesh Jain – ICICI Securities: Good afternoon, sir. Thanks for taking my questions. I have a few of them. First, on subscribers, we have made decent progress in the prepaid category, where the loss has reduced significantly. My question is, how are we planning to move into more sustained positive territory on the prepaid side? On the postpaid side, now that competition is increasing with priority service, converged packages, converged offerings, and so on, how do we plan to compete in that category, where ARPU and customer quality are the highest?

Abhijit Kishore – CEO: [pause] Hi, Sanjesh. Thanks for asking that question. Let me first take the prepaid part of it. As you can notice, the number on the prepaid side has reduced significantly. There are a couple of levers that we are working on. Obviously, the prepaid part of the business works on a couple of fundamentals, starting with network availability and network experience. As and when we roll out the network, we are clearly seeing the advantage of that in two ways. One is in the acquisition part, which has increased significantly in Q2 over Q1. The second is mobile number portability from a port-in point of view. As and when customers utilize the services, they find the service to be good, and hence they are porting in to Vodafone Idea Ltd.

The third part of sustained growth is retention, which is a critical agenda for us. As you would imagine, we have a large proportion of our customers who are still not on smartphones, and among smartphone customers who are using unlimited voice, this gives us an unparalleled opportunity to upgrade both these cohorts of customers while retaining them at the same time. All put together, on the back of our network, the refreshed brand, the new proposition on prepaid unlimited, and the network experience, I think prepaid is on a good trajectory. We are very confident that in the coming months we will move into positive territory, although we are still negative, but you have seen the significant reduction. That reduction is sustained.

The second part is postpaid. We have always been a differentiated player as far as the postpaid business is concerned. The latest example is international roaming being a part of postpaid. That, along with the family plans and RedX, gives clear differentiation on the mobile side as far as postpaid customers are concerned. We are very confident that this is yielding results. Again,

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between Q2 and Q1, there has been a significant increase in the net addition as far as human postpaid is concerned. So, both prepaid and postpaid, along with the network, the new brand refresh that we have done, the propositions that we have launched, and the progress that we have seen over the last few months, are all sustained and moving in the right direction.

Sanjesh Jain – ICICI Securities: No, thanks, Abhijit. But when do we expect all this network effort to finally show that non-M2M SIMs start showing decent growth for us?

Abhijit Kishore – CEO: If you take the non-M2M part and look only at the prepaid and postpaid human SIMs, we still see a massive swing of more than a million customers in Q2 over Q1. That is a big swing, even if you take out M2M. That is the reason I called it out specifically in my speech. That movement is there. Postpaid, as I have indicated earlier, is in a good positive territory. Prepaid is now marginally negative, and we expect to bring it into positive territory on a standalone basis very soon.

Sanjesh Jain – ICICI Securities: Do we think reducing churn could be one of the factors enabling us to show better growth, because we have a sticky churn at 4%?

Abhijit Kishore – CEO: If you look at Q2, we actually had a churn increase of 0.2%, but if you look at churn quarter-on-quarter or compared to Q2 FY26, we have actually improved by 0.5% as far as the business is concerned.

Abhijit Kishore – CEO: Churn is concerned. We have really improved, and we are also seeing that, if I could qualify it, the places where we are rolling out the network have substantially lower churn than the places where we are still catching up. So yes, retention and churn are the major parts of it, and more important than the acquisition part. Our acquisition engine is in place, but the retention of customers who are already with us is a larger and more critical part for us.

Sanjesh Jain – ICICI Securities: Got it, Abhijit. I do not know if you want to share this data, but can you tell us, from a purely human subscriber base, how many circles we have today out of the 17 critical circles where we have a positive net addition?

Abhijit Kishore – CEO: We have 17 circles. We do not share circle-wise data, but we have 17 critical circles. I would say that, if you look at the latest TRAI report, we had almost 11 out of the 17 that were positive. While, because of seasonality, it keeps fluctuating, it is largely moving into positive territory now.

Sanjesh Jain – ICICI Securities: Okay. That would be a fair representation because that also includes M2M. That is why I wanted to check specifically.

Abhijit Kishore – CEO: Yes, even if you take M2M out, in the TRAI data you can still make that assessment.

Sanjesh Jain – ICICI Securities: Got it. My next question is on the ARPU side. An ARPU increase or a tariff increase for the next 1-2 quarters looks a little challenging. In that scenario, our ARPU is significantly lower than our competition's, right? So how do we plan to continue growing ARPU in the absence of a tariff increase?

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Abhijit Kishore – CEO: The first point is that we have always maintained that when there is a structural tariff increase that the industry needs, we are more than willing to participate in it, but not in a transactional one. What you see as an increase in ARPU, not only in this quarter but in the last 4-5 quarters, and even today, is year-on-year ARPU growth of 9.7%, which is a fairly healthy growth. The Q2 growth that you see is a little muted from our expectation point of view, primarily because of seasonality. I do not think there is anything fundamentally missing in that.

The other very important part is the opportunity to upgrade from a limited data quota to NSH, which is Non-Stop Hero. That is a great opportunity, and we are doing very strong work on it. The second is the opportunity to upgrade a smartphone customer with unlimited voice to a data customer, and we see that growth as very strong. So, irrespective of the fact that a tariff increase may happen, as and when it happens, because that is not solely in our hands, we are working on ARPU upgrades and premiumization across these cohorts, not only in prepaid but also in postpaid.

Sanjesh Jain – ICICI Securities: Abhijit, how much do you think it is organically possible to increase ARPU or reduce the gap versus competition in ARPU?

Abhijit Kishore – CEO: The way I look at it, Sanjesh, is that over the next few quarters, as you have seen a 10% ARPU increase, our sense is that we will be able to maintain this momentum organically over the next few quarters as well.

Sanjesh Jain – ICICI Securities: Got it. Thanks, Abhijit, for all those answers, and best of luck for the coming quarters.

Abhijit Kishore – CEO: Thank you so much.

Operator: Thank you. A reminder to all participants: please restrict yourself to two questions. The next question comes from the line of Vivekanand Subbaraman, Ambit Private Limited. Please go ahead.

Vivekanand Subbaraman – Ambit Private Limited: Hi, thanks for the opportunity. I have a couple of questions. The first one is on revenue growth. Abhijit, I see that there is considerable traction on the B2B side as well, and the revenue run rate is now almost 15 billion per quarter. I heard your opening comments on monetizing B2B more effectively. I am trying to understand how much more headroom or capacity you have to monetize this segment in terms of revenue scale. Also, can you outline some sort of TAM that we could assess for the B2B segments you are able to serve with your current investments?

My second question is on fundraising. The bank funding that you mentioned, which is the incremental funding you secured in the first half, the 40 billion rupees, by when will it be operationalized in terms of reaching your bank account? At the end of the September quarter, I understand you did not have that in your bank debt discussion, as Rs.943 crores does not include this number. By when will you be able to utilize these funds and carry out capex? On a related note, if you can help us understand the total fundraise that you have, the 25,000 crores plus the 10,000 crores of non-funded credit facility, what will it look like? Will it be one mega loan that you will get over the next 6 months or so, or will it happen in phases, as you got 4,000 crores sanctioned in the first half? Perhaps you expect this to come in gradually. How should we think about it? Thank you.

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Abhijit Kishore – CEO: [pause] Thanks, Vivekanand. Let me take the enterprise question first. Our enterprise strategy is really centered around moving from being a traditional connectivity provider into an intelligent connectivity and digital solutions provider, as I said. Our key focus area is to strengthen the core enterprise connectivity business along with the IoT, digital infrastructure, and managed services businesses. The traction that you see in enterprise is currently driven by the connectivity part of the business. As you heard me say, we have augmented our capacity to a large extent for the enterprise.

Is it good enough? Obviously, we are working on it. I think this is a long journey for us, but enterprise is a clear focus and growth opportunity, and a lot of our focus is moving towards the enterprise. You will continue to hear me talk about this in the coming quarters and about the different things we are doing. Some of the things are still not public, and probably in the next quarter I will be able to share them. There is a large focus on enterprise and the four wings of the business, including IoT connectivity, digital infrastructure, and managed services for security and cloud.

From a TAM point of view, I think we are not a very significant player as far as non-mobility connectivity and the other parts of the business are concerned. We are a significant player as far as IoT and certain segments are concerned, but I think the large proportion of the money available, where we probably need to participate more aggressively, is in the fixed-line connectivity part of the business. That is where our strategy, which earlier used to be sell-and-build, has now changed to build-and-sell. That is where the investments are going. That is the enterprise perspective.

On fundraising, I will ask Tejas also to add to my comments, but there are a couple of points regarding what you asked. First, on the entire 35,000 crores, comprising 25,000 crores of funded and 10,000 crores of non-funded facilities, this entire conversation is progressing together. But do I need all that money in one go? The answer is no. What you see is that we are currently looking at whatever money is required to bring up capex intensity. We have roughly doubled capex intensity, and this intensity will continue over the coming quarters as well. At the same time, as I said, there are three cohorts. The largest cohort is the Indian public sector banks, and I think that conversation represents the largest pool. I hope that when I speak to you next time, I will be able to share some good news on that. We are very close to closure. We will draw down as and when required. We do not need the entire 35,000 crores, and hence I do not think we need to wait for the entire amount to be tied up. That is exactly what we are doing to maintain the intensity. There was another question [inaudible].

Tejas: I will take that. On the second question, Vivekanand, there is nothing more to add to Abhijit's comments on your third point. On the second question you had, Vivek, regarding why the loans do not show up in the bank account, as we have always mentioned, there are two parts to our bank funding and investments. Initially, we need more non-funded facilities, and we also have existing credit terms for our capex deployment. So what we have deployed has largely [inaudible]

Management: ...simply been credit and letters of credit, which do not show up in bank loans. The drawdowns that we have started are actually part of the new facility. What you see, almost all of it now—800-odd crores, more than 800 crores—is part of the new drawdown, and that will continue to increase as we exhaust our LCs and make payments towards them. Hence, you do not see the

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entire loan amount that Abhijit mentioned in the bank account, because it is a combination of funded and non-funded facilities. We utilize the non-funded or non-fund-based part first, and later we will follow with the funded drawdowns. You will see more in Q3.

Vivekanand Subbaraman – Ambit Private Limited: Right. Okay. Thanks. That was a very elaborate explanation. Thank you very much.

Management: Thanks, Vivekanand.

Operator: Thank you. The next question comes from the line of Balaji Subramanian with IIFL. Please go ahead.

Balaji Subramanian – IIFL: Good afternoon, everyone. Thanks for taking my question. I have two questions. The first is on the voice-only plan that the entire industry has launched, which I believe is Rs.185 for the 28-day plan, about 7% lower than the entry-level bundled plan that you used to offer. Considering your relatively higher 2G subscriber base, is there a risk of negative impact due to down-trading? That is the first question.

The second question is on spectrum renewals in December 2026. I believe that in a few circles, such as Bihar, you have spectrum coming up for renewal. With the auctions not happening, how should one think about this? How will you continue operating in these circles on this spectrum? Those would be my two questions.

Abhijit Kishore – CEO: Thanks, Balaji, for asking. On the first question, as per the TRAI mandate, we have made the changes at Rs.185. At this stage, it is too early to make any assumptions, but our sense in the initial days is that there has been very minimal disruption. We will continue to watch this space because consumer behavior changes, and we will assess it accordingly. But as we speak today, over at least the last 2 weeks, we have not seen any significant downgrade. Rather, we had three plans with different validity periods, and we see a little bit of an upside, with people migrating to the higher Rs.199 plan. So we do not see that as a major impact at this point in time.

On the second question, regarding spectrum due in December, there are eight circles where spectrum is due. As you rightly pointed out, the auction dates are not available, but as is the normal practice, until the auctions take place, we continue operating. We have already represented our interest in continuing to the Department of Telecommunications. We will wait and watch, but our services will not be disrupted at all.

Balaji Subramanian – IIFL: Thanks a lot, Abhijit, and all the best.

Abhijit Kishore – CEO: Thank you, Balaji.

Operator: Thank you. The last question comes from the line of Aditya Bansal with Motilal Oswal Financial Services Limited. Please go ahead.

Aditya Bansal – Motilal Oswal Financial Services: My question is on network opex. Some of it is above EBITDA and some of it is below. This time, I am referring more specifically to the lease part of network opex. Despite such a sharp acceleration in rollout, we are seeing a decline on a quarter-on-quarter basis. This also remains low compared to the rollouts that have happened. What

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explains this?

Abhijit Kishore – CEO: Aditya, I will hand it over to Tejas, but I will add one line here. Our network rollout intensity is proceeding absolutely as planned, and you will see an impact of that on EBITDA as opex increases. Let Tejas explain the numbers.

Tejas: Hi, Aditya. Thanks for the question. For clarity, if you look at the reported P&L, network costs actually show an increase. In absolute terms, there is an increase. If the question is whether this rate of increase is similar, as we continue the rollout, you will of course see inflation. So far, we have been able to manage that with our cost-saving measures, and we will absolutely continue to do that going forward. However, with the rollout, you will probably see an increase in network costs, as we have seen this quarter. Please check the numbers, but we have seen an increase of Rs.99 crores quarter-on-quarter in the network cost line.

Aditya Bansal – Motilal Oswal Financial Services: My question was on the below-EBITDA item, the difference between reported EBITDA and pre-Ind AS EBITDA. That part has actually gone down on a quarter-on-quarter basis.

Tejas: Okay, we can do that offline, but even at the cash EBITDA level, network costs have gone up. We can do a calculation offline with you and explain it, but there is no decrease in network costs, whether we consider cash EBITDA or reported EBITDA.

Aditya Bansal – Motilal Oswal Financial Services: Sure. Continuing on the voice-only plan, given the kind of subscriber mix we have, do you believe that the premiumization you mentioned, which should pick up from Q3, will outweigh any drag from the voice-only plan, if there is one? Can you provide any quantification of how we should look at near-term ARPU? Obviously, a tariff hike remains to be seen, but in the near term, would you see this as a drag, or should premiumization be able to...

Abhijit Kishore – CEO: We would distinguish between optimizing specific entry-level packs and the broader opportunity for ARPU improvement. The premiumization journey, in my view, is broader than any particular price point. On the voice-only plan, as I said, we had Rs.179, Rs.189, and Rs.199 plans. Now there is a new price plan at Rs.185, which is voice-only. Traditionally, the fear was that a Rs.199 customer might downgrade, but that is what I was telling Vivekanand as well—or Balaji, sorry—we have not really seen a downward trend so far. Rather, a Rs.179 customer is actually migrating. We are putting in every effort to migrate customers to Rs.185, and that is what we are doing right now. Probably when we meet in Q3, or when we meet offline, after perhaps 1 or 2 months have passed, we will be in a better position to assess this. However, the initial results are not concerning at all.

Aditya Bansal – Motilal Oswal Financial Services: Sure. Thanks a lot, and all the best.

Abhijit Kishore – CEO: Thank you.

Operator: Thank you. Ladies and gentlemen, that was the last question for today. We have reached the end of the question-and-answer session. I now hand the conference over to Mr. Abhijit Kishore for closing remarks.

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Abhijit Kishore – CEO: Thanks, Anju. To conclude, I think Q2 has been another quarter of progress for us. We are encouraged by the continued improvement in our subscriber trajectory and growth in ARPU and revenue. Our cash EBITDA also reflects the improving quality of our operating performance. The accelerated pace of investment and network expansion this quarter signals that we are entering the next phase of execution, with the intent to sustain this intensity in the coming quarters. Going forward, our priorities remain clear: sustaining network investment, building on improving subscriber trends, and translating our differentiated proposition into customer engagement. We remain confident in our strategy and focused on execution. Thank you for joining us, and we will meet again next quarter. Thank you.

Operator: Thank you. On behalf of Vodafone Idea Ltd., that concludes this conference. Thank you for joining us. You may now disconnect your lines.

Note: {? ... ?} indicates a figure or name where audio clarity was insufficient for confident transcription. Verify against the source audio or the company's published filings.

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