Vodafone Idea Limited

February 17, 2020

Ratings

Facilities/Instruments	Amount (Rs. crore)	Ratings[1]	Rating Action
Long term Bank Facilities (Term Loan)	13,984.47	**CARE BB- (Under Credit Watch with Negative Implications) [Double B Minus (Under Credit Watch with Negative Implications)]**	**Revised from CARE BBB- and Continues to be on Credit Watch with Negative Implications**
Long-term Bank Facilities (Fund based)	822.00		
Long-term Bank Facilities (Non-fund based)	34,659.96		
Total Bank Facilities	**49,466.43 (Rupees Forty Nine Thousand Four Hundred Sixty Six Crore Forty Three lakhs only)**		
Non-Convertible Debenture (NCD) issue	7,500.00 (Rupees Seven Thousand Five hundred crore only)	**CARE BB- (Under Credit Watch with Negative Implications) [Double B Minus (Under Credit Watch with Negative Implications)]**	**Revised from CARE BBB- and Continues to be on Credit Watch with Negative Implications**

Details of instruments/facilities in Annexure-1

Detailed Rationale & Key Rating Drivers

The revision in the long term ratings assigned to the various bank facilities/instruments of Vodafone Idea Limited (VIL) takes into account the significant erosion in the overall risk profile of the company while taking into cognizance of the financial impact of no relief being granted on modification plea on 14th February 2020 of telecom companies (telcos) seeking new schedule of Adjusted Gross Revenues (AGR) dues by Hon'ble Supreme Court (SC) and significant losses to the tune of Rs 6,453 Crores in Q3FY20. Next date of hearing is on March 17, 2020. Provisions for AGR dues and these losses have resulted in the significant deterioration in the tangible net worth and overall debt protection metrics; leading to sharp erosion in the overall financial risk profile of VIL. Hon'ble Supreme Court has also orderd telcos to clear AGR dues by March 17, 2020 and instructed the department of telecommunications (DoT) to withdraw their executive orders on no-coercive action against telcom players for unpaid AGR dues. Subsequently, DoT has ordered to clear AGR dues by midnight of February 14, 2020. The ratings continue to remain under credit watch with negative implications.

The ratings also factor in weakening of financial support to VIL from its promoters (both Vodafone Plc. and Aditya Birla Group) in the near term owing to significant competitive pressure in the telecom industry. Along with these, any further delay in the monetization of its tower business housed in Indus Towers Limited and fibre assets, are likely to put further strain on the liquidity profile of the company. The ability of VIL to raise funds and manage the financial liability arising out of the AGR dues remains a key monitorable.
The ratings continue to be further constrained due to the elevated debt level, declining trend of subscriber base, technology obsolescence risk and prevalent intense competition in Indian Telecom industry. The prevalent high competition in Indian telecom industry has adversely impacted the operating performance of the company and will continue to remain as a key rating sensitivity.

Ability of VIL to maintain its operational performance amidst prevalent competition in industry and fructification of envisaged deleveraging measures remains key rating sensitivities. Further, continuity of support extended by Vodafone Group as well as Aditya Birla Group to VIL, will continue to be critical as well as key monitorable.

Rating Sensitivities:
Positive Factors:

- Fresh capital infusion from promoters

[1]*Complete definition of the ratings assigned are available at www.careratings.com and other CARE publications*

Negative Factors:
- Failure to comply with supreme court order
- Weakening of operational and financial performance indicators of the company
- Further delay in asset monetization plan of tower & fiber assets of VIL

Detailed description of the key rating drivers

Key Rating Weaknesses

Significant increase in regulatory risk: The telecom industry in India is surrounded by high level of regulatory uncertainties and VIL remains susceptible to adverse regulatory changes. In October, 2017, the government reduced the interconnect usage charges (IUC) for domestic calls from 14 paise to 6 paise and international calls from 53 paise to 30 paise, which has adversely impacted profitability of large incumbent players.. TRAI in December, 2019 had announced its decision to continue with the interconnect charges in 2020. Further, recent SC's ruling dated October 24, 2019 that the telcos have to include non-core revenues in Adjusted Gross Revenue (AGR) to calculate the spectrum charges. On November 20, 2019, the Committee of Secretaries (CoS) headed by Cabinet Secretary has decided to defer receipt of spectrum auction instalments due from the telcos for the year FY21 & FY22. Two years moratorium will provide some relief for ailing incumbent telcos. CARE understands that there might be significant impact on financial risk profile and debt coverage indicators of the company in the current scenario of upfront payment of dues demanded by the regulatory authority.

Subdued operational and financial performance of the company: The Company has continued to report losses at PAT level. The losses have widened to Rs. 14,603.90 crore during FY19 as against Rs. 4,168.20 crore in FY18 (although the numbers are not comparable and there is a large impact due to Vodafone India merger with Idea Cellular Limited (erstwhile) effective from August 31, 2018) mainly on account of one-time expense related to integration and squeeze in margins due to intense competition. The interest coverage ratio as well as total debt to GCA continued to remain vulnerable at 0.45x and -34.43x as on March 31, 2019 (PY: 1.36x and 32.46x as on March 31, 2018). VIL has high quantum of debt levels, majority of which is in the form of deferred payment loan from DoT availed for acquiring spectrum. These repayments are scheduled over a longer period of time. However, the proceeds received from rights issue has also helped in deleveraging the stretched balance sheet but recent AGR ruling by SC has elevated the debt level of VIL and heightened the worsening of VIL's credit profile. Moreover, delay in monetization of tower and fibre assets as indicated with the further extension in the long stop date from December 24, 2019 to February 24, 2020 of the merger of Indus tower with Bharti Infratel for the fulfillment of conditions precedent to closure of the transaction, including DoT approval under Foreign Direct Investments (FDI) regulations will also make the overall risk profile vulnerable.
During 9MFY20, the company has reported total operating income of Rs. 34076.4 crore, PBILDT of Rs. 11,405.5 crore and net loss of Rs. 62,234.6 crore. The losses has been widened on account of provision made for the SC's ruling on payment of AGR dues to DoT, reversal of deferred tax assets and assets impairment. The ARPU levels marginally increased to Rs. 109 in Q3FY20 as against Rs.107 in Q2FY20 mainly on account of better customer mix. The recent increase in tariff is expected to increase the ARPU levels of the company going forward.

Restricted financial flexibility from promoter groups towards extending financial support to VIL: In May 2019, VIL has successfully raised Rs. 24,999.79 crore from the rights issue from its existing shareholders including promoters (i.e. Vodafone Group and the Aditya Birla Group). Vodafone Group Plc. has stated that its potential contribution to any funding that may be required for Vodafone Idea Limited will be limited to the value of its two Indian assets, namely, Indus Towers Limited (individual 42% stake) and VIL (44.39% stake). At the time of the recent rights issue, Vodafone Group Plc. funded its contribution of Rs. 11,097 crore through a foreign currency loan indirectly secured on these assets. Vodafone Group Plc. plans to repay such loan through monetization of its 42% stake in Indus Towers Limited. Such monetization could release significant additional proceeds over and above the value of the loan, which Vodafone Group Plc. has said it would be prepared to use to support the joint venture if required.
As on December 31, 2019, Aditya Birla Group owned 27.66% stake in VIL mainly through Grasim Industries Limited (11.55% stake, CARE AAA; Stable/CARE A1+), Hindalco Industries Limited (2.61% stake, rated CARE AA+; Stable/CARE A1+), Birla TMT Holdings Pvt Ltd (1.23% stake)., IGH Holdings Private Limited (1.42% stake) and balance through other Birla group entities. Due to significant increase in the liabilities of VIL along with the slowdown in the economy, continuation of support from the Birla group remains contingent not only on recovery in telecom industry's profitability and viability of the VIL's business model but an uptick in the cash flows of the other business segment. Going forward, the extent of support though fresh infusion from the promoter groups would remain the key rating sensitivity.

Industry outlook: The Indian Telecom sector has been witnessing a lot of volatility for the past few years. The sector has seen intensified competition which has also resulted in consolidation among the players. The increase in the subscriber addition of larger operators is primarily due to exit of the smaller players. However, the increase in subscribers have not brought proportionate incremental revenue to the telcos on account of intense competition in the sector which had led to limited scope for increasing the tariffs. Development of new technologies and the rapid change in technology had led to increased challenges for the players with regards to return on investments in the current technology and additional investments in the new technology. However, the Digital India programme promoted by the government, increase in usage of e-wallets and banking applications are expected to increase the usage of mobile data consumption in the coming years.

Liquidity: Poor
The liquidity profile of VIL is expected to remain poor with negative free cash flow from operations, additional planned capex requirement, significant AGR dues and debt repayment obligations.
VIL has maturing debt repayment (including DoT Installment) of ~ Rs. 3,200 crore the 3 months ended March 2020. These repayments do not include any bank loan repayments which may crop up due to breach in the financing covenants; VIL has classified ~Rs.10,200 crore from non-current borrowing to current maturity of long-term borrowing in Q4FY19 for not meeting certain covenants in the financing documents. All relevant banks in this regard have not yet confirmed waiver of the covenants. Against both the debt repayments and capex requirement, VIL has a free available unencumbered cash and cash equivalents of Rs. 12,530 crore as on December 31, 2019. The liquidity profile of the company would be further stretched with the AGR dues to be paid within March 17, 2020; the funding for which is yet to be ascertained. The possibility of some relief and/or grant of relief package by the government to improve the overall financial health of the telecom sector will remain a key monitorable.
Timely realization from the monetization of stake in Indus tower, fibre assets and data center may provide additional liquidity to the company. However, any delay in visibility of completing the monetization of assets beyond FY20 would be a credit negative.

Key Rating Strengths
Well established promoter groups and experienced management team: Vodafone Idea is a part of Aditya Birla group and Vodafone Group Plc. Aditya Birla group is one of the largest and oldest corporate houses in India and well-known across the entire globe. The group, led by Mr. Kumar Mangalam Birla who is also the Chairman of VIL, enjoys a leading presence across several sectors including metals, cement, telecom, financial services, textiles and other manufacturing industries in the country. The group's operations span over 36 countries.
Vodafone Group is one of the world's largest telecommunications companies and provides a range of services including voice, messaging, data and fixed communications. Vodafone Group has mobile operations in 25 countries, partners with mobile networks in 46 more, and fixed broadband operations in 18 markets.
The operations of VIL are handled by an experienced management team who are having significant experience in the telecom industry. VIL's Board of Directors comprises of 12 Directors (including 6 Independent Directors) constituted, with Mr. Kumar Mangalam Birla as the Chairman.

Pan-India player with strong brand recognition: VIL had a subscriber base of over 304 million as on December 31, 2019. VIL has presence in over 186,000 unique locations with 1,846 MHz of spectrum and has over 417,361 (3G+4G) broadband sites covering 974 million Indians. As at December 31, 2019, VIL had completed network integration in 86% of total districts and it is expected to complete integration by Q1FY21. Both Vodafone and Idea brands, which have strong consumer affinity across metro, urban, rural and deep interior markets, will continue to operate separately.

Analytical approach: CARE has adopted a consolidated approach on account of common management as well as operational and financial linkages among entities. The list of entities whose financials have been combined is mentioned in Annexure 3.

Applicable Criteria
[CARE's Policy on Default Recognition]
[Criteria on assigning Outlook and credit watch to Credit Ratings]
[Rating methodology- Consolidation and Factoring Linkages in ratings]
[Rating Methodology - Infrastructure Sector]
[Financial ratios - Non-Financial sector]

About the Company
Vodafone Idea Limited (VIL, erstwhile Idea Cellular Limited) is an Aditya Birla Group (ABG) and Vodafone Group partnership. Idea Cellular Limited was merged with Vodafone on August 31, 2018 (effective date). Vodafone Group owns 44.39% stake and ABG owns 27.66% stake as on December 31, 2019 in VIL. VIL is the third largest telecom operator in India, having pan-India operations, offering voice, data and other value added services (VAS) across all 22 service areas in India. It has overall subscriber base of 304 million, with 4G subscriber base of 104.2 million as on December 31, 2019. Aditya Birla Group is

India's one of the largest conglomerate having its presence across 35 countries. Vodafone Group is one of the world's largest telecommunications companies has mobile operations in 25 countries, partners with mobile networks in 46 more, and fixed broadband operations in 18 markets.

Brief Financials (Rs. crore)[&] (consolidated)	FY18 (Audited)	FY19 (Audited)[$]
Total operating income	28,809.10	37,311.10
Profit Before Interest Lease Depreciation Tax (PBILDT)	6,584.70	4,334.90
Profit After Tax (PAT)	-4,168.20	-14,603.90
Overall Gearing	2.13	2.11
Interest Coverage (PBILDT)	1.36	0.45

[$]*Financials of Vodafone group for FY19 have been considered from the effective date of merger i.e. August 31, 2018 hence not comparable with FY18 financials*

[&]*the financials are reclassified as per CARE standards.*

Status of non-cooperation with previous CRA: Not Applicable

Any other information: Not Applicable

Rating History for last three years: Please refer Annexure-2

Annexure-1: Details of Instruments/Facilities

Name of the Instrument	ISIN no	Date of Issuance	Coupon Rate	Maturity Date	Size of the Issue (Rs. crore)	Rating assigned along with Rating Outlook
Non-fund-based - LT-Bank Guarantees/Letter of Credit	-	-	-	-	34,659.96	CARE BB- (Under Credit Watch with Negative Implications)
Term Loan-Long Term	-	-	-	June 30, 2026	13,984.47	CARE BB- (Under Credit Watch with Negative Implications)
Fund-based - LT-Bank Overdraft	-	-	-	-	822.00	CARE BB- (Under Credit Watch with Negative Implications)
Debentures-Non Convertible Debentures	INE669E08250	December 13, 2016	7.57%	December 13, 2021	1,500.00	CARE BB- (Under Credit Watch with Negative Implications)
Debentures-Non Convertible Debentures	INE669E08268	January 04, 2017	7.77%	January 04, 2022	1,000.00	CARE BB- (Under Credit Watch with Negative Implications)
Debentures-Non Convertible Debentures	INE669E08276	January 17, 2017	7.77%	January 17, 2022	500.00	CARE BB- (Under Credit Watch with Negative Implications)
Debentures-Non Convertible Debentures	INE669E08284	January 27, 2017	8.04%	January 27, 2022	2,000.00	CARE BB- (Under Credit Watch with Negative Implications)
Debentures-Non Convertible Debentures	INE669E08292	January 31, 2017	8.03%	January 31, 2022	500.00	CARE BB- (Under Credit Watch with Negative Implications)
Debentures-Non Convertible Debentures	INE669E08300	February 14, 2017	8.03%	February 14, 2022	500.00	CARE BB- (Under Credit Watch with Negative Implications)
Debentures-Non Convertible Debentures	INE669E08318	September 03, 2018	10.90%	September 02, 2023	1,500.00	CARE BB- (Under Credit Watch with Negative Implications)

Annexure-2: Rating History of last three years

Sr. No.	Name of the Instrument/Bank Facilities	Current Ratings			Rating history			
		Type	Amount Outstanding (Rs. crore)	Rating	Date(s) & Rating(s) assigned in 2019-2020	Date(s) & Rating(s) assigned in 2018-2019	Date(s) & Rating(s) assigned in 2017-2018	Date(s) & Rating(s) assigned in 2016-2017
1.	Non-fund-based - LT-BG/LC	LT	34659.96	CARE BB- (Under Credit watch with Negative Implications)	1)CARE BBB- (Under Credit watch with Negative Implications) (22-Nov-19) 2)CARE A- (Under Credit watch with Negative Implications) (30-Oct-19) 3)CARE A; Negative (08-Aug-19) 4)CARE A+; Negative (10-Jun-19)	1)CARE AA-; Negative (21-Feb-19) 2)CARE AA-; Negative (15-Feb-19) 3)CARE AA; Negative (26-Nov-18) 4)CARE AA; Negative (13-Nov-18) 5)CARE AA; Negative (26-Sep-18) 6)CARE AA; Negative (11-Sep-18) 7)CARE AA (Under Credit watch with Developing Implications) (03-Jul-18) 8)CARE AA (Under Credit watch with Developing Implications) (08-Jun-18)	1)CARE AA+ (Under Credit watch with Developing Implications) (14-Dec-17) 2)CARE AA+ (Under Credit watch with Developing Implications) (10-Nov-17)	1)CARE AA+ (Under Credit watch with Developing Implications) (24-Mar-17) 2)CARE AA+ (Under Credit watch with Developing Implications) (10-Mar-17) 3)CARE AA+ (Under Credit watch with Developing Implications) (06-Feb-17) 4)CARE AA+; Negative (25-Jan-17) 5)CARE AA+ (15-Jul-16)
2.	Term Loan-Long Term	LT	13984.47	CARE BB- (Under Credit watch with Negative Implications)	1)CARE BBB- (Under Credit watch with Negative Implications) (22-Nov-19) 2)CARE A- (Under Credit watch with Negative Implications) (30-Oct-19) 3)CARE A; Negative (08-Aug-19) 4)CARE A+; Negative (10-Jun-19)	1)CARE AA-; Negative (21-Feb-19) 2)CARE AA-; Negative (15-Feb-19) 3)CARE AA; Negative (26-Nov-18) 4)CARE AA; Negative (13-Nov-18) 5)CARE AA; Negative (26-Sep-18) 6)CARE AA; Negative (11-Sep-18) 7)CARE AA (Under Credit	1)CARE AA+ (Under Credit watch with Developing Implications) (14-Dec-17) 2)CARE AA+ (Under Credit watch with Developing Implications) (10-Nov-17)	1)CARE AA+ (Under Credit watch with Developing Implications) (24-Mar-17) 2)CARE AA+ (Under Credit watch with Developing Implications) (10-Mar-17) 3)CARE AA+ (Under Credit watch with Developing Implications) (06-Feb-17) 4)CARE AA+; Negative

Sr. No.	Name of the Instrument/Bank Facilities	Current Ratings			Rating history			
		Type	Amount Outstanding (Rs. crore)	Rating	Date(s) & Rating(s) assigned in 2019-2020	Date(s) & Rating(s) assigned in 2018-2019	Date(s) & Rating(s) assigned in 2017-2018	Date(s) & Rating(s) assigned in 2016-2017
						watch with Developing Implications) (03-Jul-18) 8)CARE AA (Under Credit watch with Developing Implications) (08-Jun-18)		(25-Jan-17) 5)CARE AA+ (15-Jul-16)
3.	Fund-based - LT-Bank Overdraft	LT	822.00	CARE BB- (Under Credit watch with Negative Implications)	1)CARE BBB- (Under Credit watch with Negative Implications) (22-Nov-19) 2)CARE A- (Under Credit watch with Negative Implications) (30-Oct-19) 3)CARE A; Negative (08-Aug-19) 4)CARE A+; Negative (10-Jun-19)	1)CARE AA-; Negative (21-Feb-19) 2)CARE AA-; Negative (15-Feb-19) 3)CARE AA; Negative (26-Nov-18) 4)CARE AA; Negative (13-Nov-18) 5)CARE AA; Negative (26-Sep-18) 6)CARE AA; Negative (11-Sep-18) 7)CARE AA (Under Credit watch with Developing Implications) (03-Jul-18) 8)CARE AA (Under Credit watch with Developing Implications) (08-Jun-18)	1)CARE AA+ (Under Credit watch with Developing Implications) (14-Dec-17) 2)CARE AA+ (Under Credit watch with Developing Implications) (10-Nov-17)	1)CARE AA+ (Under Credit watch with Developing Implications) (24-Mar-17) 2)CARE AA+ (Under Credit watch with Developing Implications) (10-Mar-17) 3)CARE AA+ (Under Credit watch with Developing Implications) (06-Feb-17) 4)CARE AA+; Negative (25-Jan-17) 5)CARE AA+ (15-Jul-16)
4.	Debentures-Non Convertible Debentures	LT	6000.00	CARE BB- (Under Credit watch with Negative Implications)	1)CARE BBB- (Under Credit watch with Negative Implications) (22-Nov-19) 2)CARE A- (Under Credit watch with Negative Implications)	1)CARE AA-; Negative (15-Feb-19) 2)CARE AA; Negative (26-Nov-18) 3)CARE AA; Negative (13-Nov-18) 4)CARE AA; Negative	1)CARE AA+ (Under Credit watch with Developing Implications) (10-Nov-17)	1)CARE AA+ (Under Credit watch with Developing Implications) (24-Mar-17) 2)CARE AA+ (Under Credit watch with Developing Implications)

Sr. No.	Name of the Instrument/Bank Facilities	Current Ratings			Rating history			
		Type	Amount Outstanding (Rs. crore)	Rating	Date(s) & Rating(s) assigned in 2019-2020	Date(s) & Rating(s) assigned in 2018-2019	Date(s) & Rating(s) assigned in 2017-2018	Date(s) & Rating(s) assigned in 2016-2017
					(30-Oct-19) 3)CARE A; Negative (08-Aug-19) 4)CARE A+; Negative (10-Jun-19)	(11-Sep-18) 5)CARE AA (Under Credit watch with Developing Implications) (03-Jul-18) 6)CARE AA (Under Credit watch with Developing Implications) (08-Jun-18)		(06-Feb-17) 3)CARE AA+ (Under Credit watch with Developing Implications) (06-Feb-17) 4)CARE AA+; Negative (25-Jan-17) 5)CARE AA+ (26-Dec-16) 6)CARE AA+ (06-Dec-16) 7)CARE AA+ (15-Jul-16)
5.	Commercial Paper	ST	-	-	1)Withdrawn (08-Aug-19) 2)CARE A1+ (10-Jun-19)	1)CARE A1+ (15-Feb-19) 2)CARE A1+ (26-Nov-18) 3)CARE A1+ (13-Nov-18) 4)CARE A1+ (11-Sep-18) 5)CARE A1+ (Under Credit watch with Developing Implications) (03-Jul-18) 6)CARE A1+ (Under Credit watch with Developing Implications) (08-Jun-18)	1)CARE A1+ (Under Credit watch with Developing Implications) (10-Nov-17)	1)CARE A1+ (Under Credit watch with Developing Implications) (24-Mar-17) 2)CARE A1+ (Under Credit watch with Developing Implications) (06-Feb-17) 3)CARE A1+ (25-Jan-17) 4)CARE A1+ (15-Jul-16)
6.	Debentures-Non Convertible Debentures	LT	1500.00	CARE BB- (Under Credit watch with Negative Implications)	1)CARE BBB- (Under Credit watch with Negative Implications) (22-Nov-19) 2)CARE A- (Under Credit watch with Negative Implications) (30-Oct-19) 3)CARE A; Negative (08-Aug-19)	1)CARE AA-; Negative (15-Feb-19) 2)CARE AA; Negative (26-Nov-18) 3)CARE AA; Negative (13-Nov-18) 4)CARE AA; Negative (11-Sep-18) 5)CARE AA (Under Credit watch with	-	-

Sr. No.	Name of the Instrument/Bank Facilities	Current Ratings			Rating history			
		Type	Amount Outstanding (Rs. crore)	Rating	Date(s) & Rating(s) assigned in 2019-2020	Date(s) & Rating(s) assigned in 2018-2019	Date(s) & Rating(s) assigned in 2017-2018	Date(s) & Rating(s) assigned in 2016-2017
					4)CARE A+; Negative (10-Jun-19)	Developing Implications) (23-Aug-18)		
7.	Non-fund-based - ST-BG/LC	ST	-	-	1)Withdrawn (08-Aug-19) 2)CARE A1+ (10-Jun-19)	1)CARE A1+ (21-Feb-19) 2)CARE A1+ (15-Feb-19) 3)CARE A1+ (26-Nov-18) 4)CARE A1+ (13-Nov-18) 5)CARE A1+ (26-Sep-18)	-	-
8.	Fund-based - ST-Term loan	ST	-	-	1)Withdrawn (08-Aug-19) 2)CARE A1+ (10-Jun-19)	1)CARE A1+ (21-Feb-19) 2)CARE A1+ (15-Feb-19) 3)CARE A1+ (26-Nov-18) 4)CARE A1+ (13-Nov-18) 5)CARE A1+ (26-Sep-18)	-	-
9.	Fund-based - ST-Term loan	ST	-	-	1)Withdrawn (10-Jun-19)	1)CARE A1+ (21-Feb-19)	-	-

Annexure-3: **List of subsidiaries, associates and joint ventures of VIL getting consolidated (list as on September 30, 2019)**

S.No.	Name of the company	% shareholding of VIL
1	Idea Telesystem Limited	100.00%
2	Vodafone M-Pesa Limited	100.00%
3	Vodafone Idea Manpower Services Limited (formerly Idea Celluar Services Limited)	100.00%
4	Vodafone Idea Business Services Limited (formerly Vodafone Business Services Limited)	100.00%
5	Vodafone Idea Communication Systems Limited (formerly Mobile Commerce Solutions Limited)	100.00%
6	Vodafone Idea Shared Services Limited (formerly Vodafone India Ventures Limited)	100.00%
7	Vodafone Idea Technology Solutions Limited (formerly Vodafone Technology Solutions Limited)	100.00%
8	Vodafone India Digital Limited	100.00%
9	You Broadband India Limited	100.00%
10	Vodafone Foundation	100.00%
11	Vodafone Towers Limited	100.00%
12	You System Integration Private Limited	100.00%
13	Connect (India) Mobile Technologies Private Limited	100.00%
14	Indus Tower Limited	11.15%
15	Firefly Networks Limited $	50.00%
16	Aditya Birla Idea Payments Bank Limited	49.00%

$ became joint venture of the Company effective August 31, 2018, pursuant to amalgamation of Vodafone Mobile Services Limited with the Company

Note on complexity levels of the rated instrument: *CARE has classified instruments rated by it on the basis of complexity. This classification is available at www.careratings.com. Investors/market intermediaries/regulators or others are welcome to write to care@careratings.com for any clarifications.*

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About CARE Ratings:
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