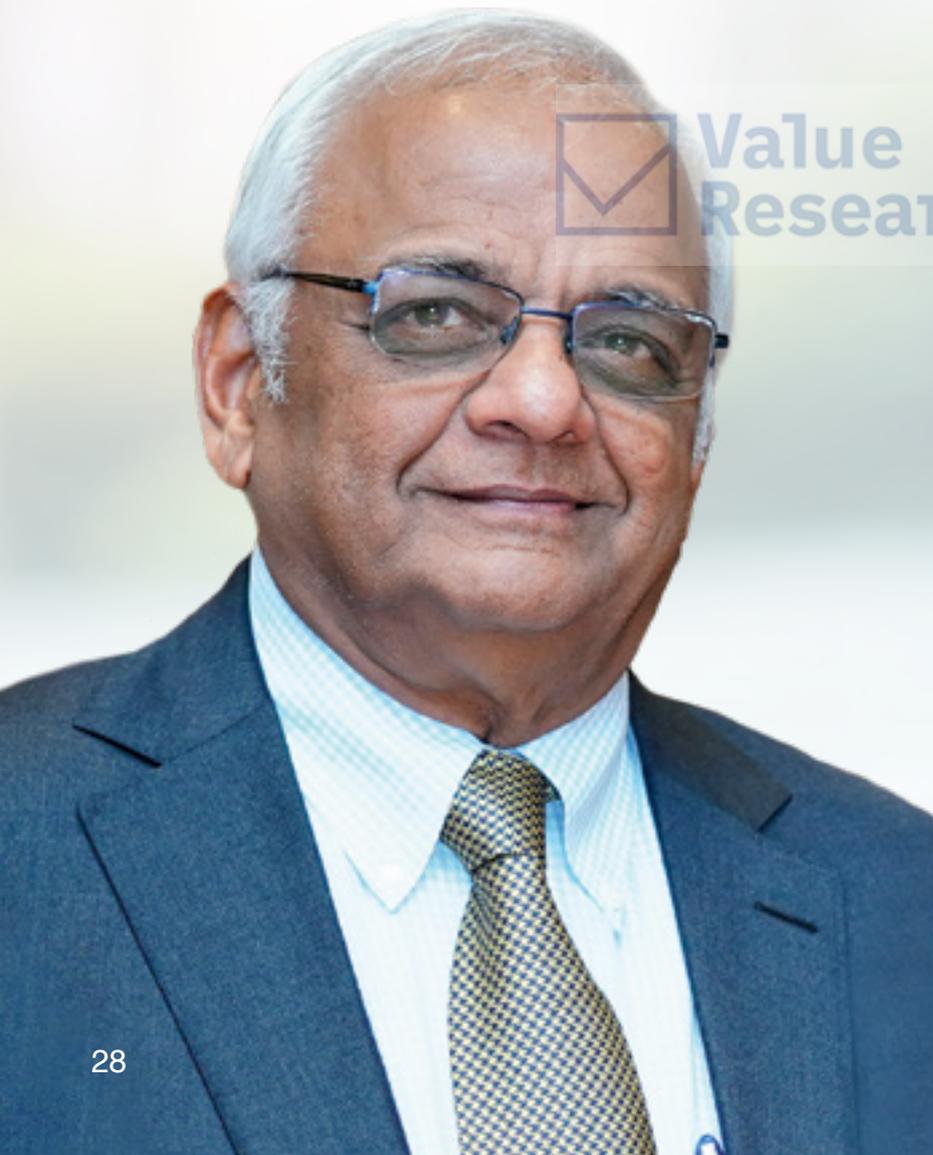


Message from Chairman

Dear Shareholders,

It is my privilege to address all of you, for the first time, as Chairman of Indus Towers, a Company formed by merger of erstwhile Indus Towers with and into the Company (formerly Bharti Infratel and now Indus Towers).



The COVID-19 situation has evolved further and we are dealing with an increasingly challenging year, on a scale that has not been seen yet. Medical professionals and other essential workers around the world are putting themselves at considerable risk to treat the sick and contain this pandemic under the gravest of circumstances. We are thankful to them and express our solidarity in these trying times. My sincere gratitude to the Indus field force for their efforts in maintaining vital connectivity for the larger good of the society, which is nothing short of serving the country and humanity in these challenging circumstances.

We are glad that the country is staging a recovery and cases of COVID-19 have decreased. However, we assure our stakeholders that we are aware of the possibility of a 3rd wave and your Company is preparing to face imminent challenges.

As one of the largest telecom tower companies in India, Indus Towers combatted the COVID-19 pandemic by ensuring minimal disruption to the customers while assuring employee safety and well-being. The telecom infrastructure companies continue to play a critical role in keeping businesses, governments and other institutions connected and operational. India continues to witness strong data growth, with total data traffic increasing by 36% YoY in FY 21 and average monthly data traffic per user increasing by 20.4% YoY in FY 21, driven by continued adoption of 4G and increased data consumption during the lockdown. Many telecom players have benefitted from the surge in the traffic of data usage and voice. As a result, the telecom infrastructure sector is performing better in comparison to the other sectors.

FY 21 marked a momentous year for the Indian Telecom Sector. While last year's headlines were dominated by AGR dues, this year heralds the news of auctions, fund raising by telecom

operators and 5G readiness. Potential tariff hikes by operators are likely to lead to overall improvement in the health of telecom service providers, resulting in an anticipated increase in their network spend. This should further bolster the health of telecom operators in the next few years and should result in stronger business outcome for Indus Towers.

The regulatory body, TRAI, in line with similar global developments has already offered a proposal for IP-1 registration holders to participate in active infrastructure sharing. Relevant regulations in this direction will provide the infrastructure industry players the path to go beyond traditional macro towers and create a wider business model where adjacent opportunities are also explored.

With regard to the merger of erstwhile Indus Towers Limited with and into the Company, the long-awaited merger scheme came into effect on November 19, 2020. The Company received fresh Certificate of Incorporation for changing the name of the Company from Bharti Infratel Limited to Indus Towers Limited, effective December 10, 2020. As part of the scheme, Vodafone Idea Limited had elected to receive cash for its 11.15% shareholding in erstwhile Indus Towers, which amounted to ₹ 37,642 Mn. Of the above, the Company received ₹ 24,000 Mn as part of its security package and the balance ₹ 13,642 Mn towards payment of past MSA dues, thus making the above a cash neutral transaction for the merged company.

For their 42% and 4.85% shareholding in erstwhile Indus Towers, Vodafone Group Plc and Providence were allotted approx. 758 Mn and 87 Mn equity shares, aggregating to 28.12% and 3.25% respectively, in the post-issue share capital of the Company. Bharti Airtel held 36.73% shares following the above allotment. Bharti Airtel has since then acquired additional stake of just under 5% through the open market, taking its holding to 41.73% in the Company. Together, Bharti Airtel and Vodafone Group are classified as promoters of the Company and they own 69.85% shares of the Company, as on March 31, 2021.

Upon effectiveness of the merger, the Board of the Company was reconstituted. I take this opportunity to place on record my sincere appreciation for the valuable contribution made by my eminent board members during their tenure and welcome the new members on the Board of Indus Towers.

Post-Merger, Indus Towers has a nationwide presence with operations in all the 22 telecommunication circles in India and caters to all wireless telecommunication service providers in India. The combined strength and highly complementary footprints of both the Companies will enable us to offer superior quality shared passive infrastructure services needed to support the pan-India expansion of wireless broadband services for the benefit of Indian consumers and businesses around the country.

Operationally and financially, Indus Towers saw a strong FY 21. We have witnessed the highest gross tower addition in the last ten years, an improvement in the number of co-locations and reduction of churn over the last year. The last three years have also seen a continuous improvement in network uptime for our customers.

For the year, the Company reported *consolidated revenues of ₹ 256,729 Mn (up 0.4% YoY), *EBITDA of ₹ 132,575 Mn (up 4.2% YoY) and *Profit after Tax of ₹ 49,751 Mn (down 1% YoY). The Company has declared total dividend of ₹ 20.12 per share for FY 21.

In conclusion, our outlook for the sector remains positive, riding on a huge upsurge in data demand and the need for a better-connected nation in the post pandemic world. The introduction of new technologies will further intensify the role of passive infrastructure players like us. Indus Towers, with its nationwide presence and several industry best benchmarks stands in good stead to invest and capitalize on these opportunities.

Regards,

N Kumar
Chairman

“FY 21 marked a momentous year for the Indian Telecom Sector. While last year’s headlines were dominated by AGR dues, this year heralds the news of auctions, fund raising by telecom operators and 5G readiness.”

*To show the combined strength and for effective comparison, the consolidated numbers of the Company and erstwhile Indus Towers for the period from April 1, 2020 to March 31, 2021 (and corresponding numbers of previous financial year) have been shown assuming merger was effective from April 1, 2019. However, the effective date of merger remains November 19, 2020.