



15 January 2022

National Stock Exchange of India Limited
“Exchange Plaza”,
Bandra - Kurla Complex,
Bandra (E),
Mumbai – 400 051

BSE Limited
Phiroze Jeejeebhoy Towers,
Dalal Street,
Mumbai – 400 001

Dear Sirs,

Sub: Reply to Clarification

Ref: “Vodafone Idea Limited” (IDEA / 532822)

This is with reference to your email dated 13 January 2022, seeking certain clarification with regard to our stock exchange filing made on 11 January 2022.

In this regard, please note the following:

(i) Amendments to the existing Shareholders Agreement

The governance and certain other rights of the Promoter shareholders are governed by a Shareholders Agreement (SHA) to which the Company is a party. These rights are subject to a Promoter maintaining a minimum Qualifying Threshold shareholding of 21%. An amendment agreement to the Shareholders Agreement was executed on 11 January 2022, amongst, inter-alia, the promoters of the Company (i.e., certain persons/entities of the Aditya Birla Group and Vodafone Group) and the Company. The amendment resulted in reducing the minimum Qualifying Threshold of shareholding of each of the Promoters from existing 21% to 13% for the purpose of exercising such governance and other rights e.g. appointment of directors and relating to appointment of certain key officials, etc. Further, the amendment agreement also states that if the shareholding of a promoter falls below the Qualifying Threshold of 13% (Non-Qualifying Promoter), then the parties to the SHA will engage in good faith discussions to determine the consequences of such breach of Qualifying Threshold. If the parties are unable to reach agreement or the breach has not been cured within a period of 90 (Ninety) days, then such governance and other rights of the Non-Qualifying Promoter would automatically fall away, consequent to which the other Promoter will have a right to terminate the SHA. The Non-Qualifying Promoter will also have a right to seek re-classification as public shareholder.

(ii) Amendments to Articles of Association

The aforesaid governance and other rights of the Promoter shareholders as governed by the Shareholders Agreement (SHA) are incorporated in the Articles of Association of the Company. Pursuant to the aforesaid amendment in the SHA, the Board had also approved amendment in the Articles of Association to reflect the provisions of such amendment to the SHA. The amendment to the Articles of Association will require shareholders' approval by

special resolution. Pursuant to such amendment, the definition of “Qualifying Threshold” will be amended to reduce the minimum Qualifying Threshold from existing 21% to 13%. Further, if the shareholding of a promoter falls below the Qualifying Threshold of 13% (Non-Qualifying Promoter), then the parties to the SHA will engage in good faith discussions to determine the consequences of such breach of Qualifying Threshold. If the parties are unable to reach agreement or the breach has not been cured within a period of 90 (Ninety) days, then such governance and other rights of the Non-Qualifying Promoter would automatically fall away, consequent to which the other Promoter will have a right to terminate the SHA. The Non-Qualifying Promoter will also have a right to seek re-classification as a public shareholder.

We hope the above clarifies the matter.

Thanking you,

Yours truly,

For **Vodafone Idea Limited**



Pankaj Kapdeo
Company Secretary