

Independent Auditor's Report on the Employees Stock Option Scheme 2006 and 2013, as required by the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 (as amended)

The Board of Directors
Vodafone Idea Limited
Suman Tower, Plot No 18,
Sector-11,
Gandhinagar,
Gujarat - 382011

1. This Report is issued in accordance with the terms of our service scope letter dated July 8, 2019 and master engagement agreement dated July 4, 2017 read with related amendments with Vodafone Idea Limited (hereinafter the "Company").
2. As requested, we have examined the Employees Stock Option Scheme 2006 and 2013 (hereinafter referred as the "ESOS-2006" and "ESOS-2013") of the Company, which were approved by the Board of Directors of the Company on September 10, 2007 and May 10, 2013, and Shareholders of the Company on November 5, 2007 and September 16, 2013 respectively, to determine whether the Schemes are in compliance with the relevant provisions of the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 (the "SEBI Regulations"). We understand that this letter is required to be placed on the upcoming Annual General Meeting of the Company to be held on September 30, 2020

Management's Responsibility

3. Management is responsible for:
 - i. Maintaining the information and documents, which are required to be kept and maintained under the relevant laws and regulations
 - ii. Implementing the Scheme in accordance with the SEBI Guidelines and the resolutions passed at the general meeting of the Company
 - iii. Establishing and maintaining effective internal control for properly recording the information related to the scheme in the records maintained by the Company.

Auditor's Responsibility

4. Pursuant to this, our responsibility is to express reasonable assurance in the form of an opinion whether the Company has implemented the Scheme in accordance with the provisions of the SEBI Regulations.
5. A reasonable assurance engagement includes performing procedures to obtain sufficient appropriate audit evidence on the reporting criteria. In this connection, we have performed the following procedures:
 - i. Read the copy of the Scheme, provided to us by the Company, to examine the compliance by the Company with the provisions of the SEBI Regulations.
 - ii. Read the resolution passed in the Board of Directors Meeting held on September 10, 2007 and May 10, 2013 noting the approval.
 - iii. Read the shareholders' resolution passed in the Annual General Meeting held on November 5, 2007 and September 16, 2013, noting the approval accorded to management to issue employee stock options to the employees and directors of the Company.

- iv. Read the shareholders' special resolution passed in the Annual General Meeting held on December 21, 2009 for re-pricing of the ESOS 2006 Scheme.
- v. Read the minutes of the meeting of Compensation Committee of the Board of Directors of the Company held on the following dates:

ESOS - 2006			ESOS - 2013			
Tranches	Date of meeting	Options Granted	Tranches	Type	Date of meeting	Options Granted
Tranche I	December 31, 2007	19,931,000	Tranche I	Stock Option	February 11, 2014	18,565,428
Tranche I (re-priced)	December 22, 2009	-		Restricted Stock Units		8,105,587
Tranche II	July 24, 2008	6,131,250	Tranche II	Stock Option	December 29, 2014	559,677
Tranche II (re-priced)	December 22, 2009	-		Restricted Stock Units		254,499
Tranche III	December 22, 2009	6,918,750	Tranche III	Stock Option	January 21, 2016	1,048,615
				Restricted Stock Units		476,851
Tranche IV	January 24, 2011	2,524,500	Tranche IV	Stock Option	February 11, 2017	416,033
				Restricted Stock Units		161,869

- vi. Obtained necessary representations from management.
6. We conducted our examination of the Statement in accordance with the Guidance Note on Reports or Certificates for Special Purposes issued by the Institute of Chartered Accountants of India. The Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by the Institute of Chartered Accountants of India.
 7. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

Opinion

8. Based on our examination and information and explanations given to us, as above, in our opinion, the Company has implemented the Scheme in accordance with the provisions of the SEBI Regulations and in accordance with the resolution of the Company in the general meetings.

S.R. BATLIBOI & ASSOCIATES LLP

Chartered Accountants

Restriction on use

9. This report is intended solely for your information and in connection with the purpose mentioned above, and is not to be used or referred to for any other purpose or distributed to anyone other than the members of the Annual General Meeting of the Company. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this report is shown or into whose hands it may come without our prior consent in writing.

For S.R. Batliboi & Associates LLP

Chartered Accountants

ICAI Firm Registration Number: 101049W/E300004



per Nilangshu Katriar
Partner

Membership Number: 58814

UDIN: 20058814AAAAEZ9545

Place: Mumbai

Date: September 4, 2020