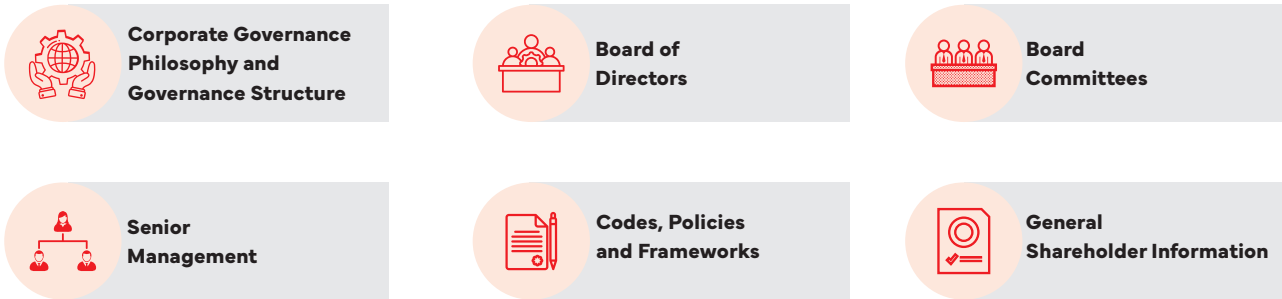


# Report on Corporate Governance

This Report on Corporate Governance unfolds into the ethical business practices, strong governance structure, policies, and procedures adopted by the Bharti Hexacom Limited (Bharti Hexacom/ Hexacom/ the Company) with an aim to create business driven by values and long term sustainable value creation for all its stakeholders. This report is divided into following:



## A. Corporate Governance Philosophy and Governance Structure

### Corporate Governance Philosophy

The Corporate Governance philosophy of the Company resonates in its objective of creating and enhancing long term stakeholder value and flows from its core values – being alive, inclusive and respectful. We believe that corporate governance is a means to achieve the Company’s vision and objectives, in a legally compliant, transparent and ethical manner while ensuring the best interests of all the stakeholders.

Our Corporate Governance principles are also embedded in our Code of Conduct which encompasses around:



This exhibits our commitment to best in class corporate governance practices with focus on ethics, transparency, integrity, accountability and sustainable success of the Company. Guided by our Code of Conduct, its principles are integrated in all our policies and processes to ensure alignment of all the business processes with the Code of Conduct.

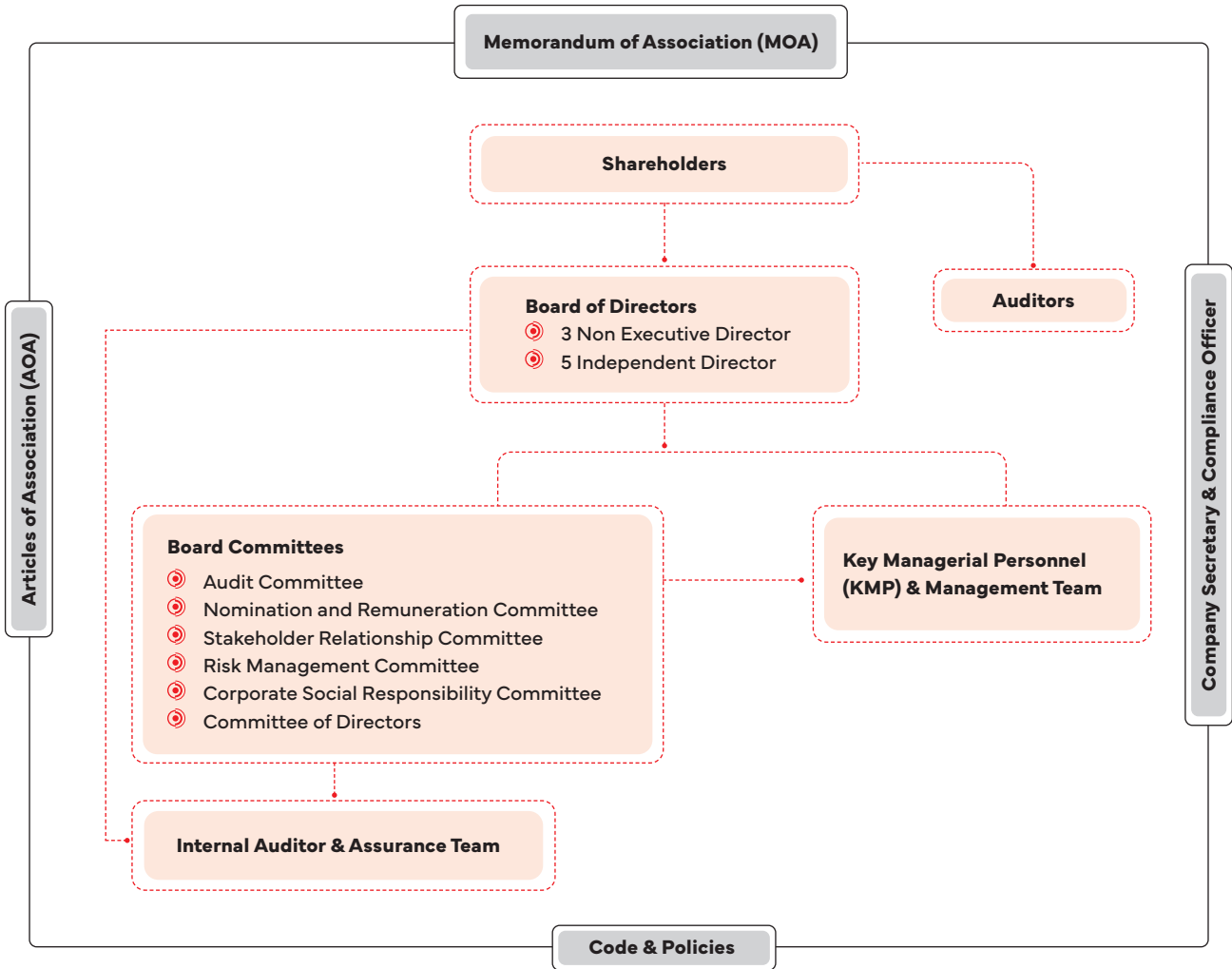
Corporate Governance is not just confined to a set of processes and compliances at Bharti Hexacom, it underlines the role that we see for ourselves for today, tomorrow and beyond. Corporate Governance practices at Bharti Hexacom are implemented through clear ‘tone at the top’, robust board and committees’ governance, strong management processes, internal controls, code of conduct, effective risk management framework, policies, procedures etc.

Your Company strives to adopt and embrace the best practices and governance standards being followed across the globe and continuously reviews them to benchmark its practices with the highest industry standards. In our endeavor to achieve the highest standards of corporate governance, we continue to refine the ongoing practices to create a long term sustainable value for all stakeholders.

### Governance Structure

We have built a strong, resilient and robust governance structure which underpins our growth journey through the years while ensuring that all the business practices are carried out within the governance framework.

**Governance Structure of Bharti Hexacom as on date of this report**



**MOA & AOA:** The business of the Company is carried out within the approved objectives of the Company stated in Memorandum of Association of the Company. The powers and responsibilities of the Board and Shareholders are defined in the Articles of Association, which provides clear guidance on the process to be followed while conducting business.

**Shareholders:** The shareholders are the ultimate owners of the Company. In compliance with the Companies Act, 2013 (“Act”), SEBI (Listing Obligations and Requirements Regulations), 2015 (“Listing Regulations”) and other applicable provisions of law, approval of shareholders is taken on various matters including fund raising, financials, appointment & remuneration of directors, material related party transactions, appointment of statutory auditors etc. The Company seeks the approval of shareholders on various matters either at the Annual General Meeting or at the Extra-Ordinary General Meeting or through postal ballot if required.

**Board of Directors:** The Board of Directors is the apex body in management of affairs of the Company. It provides strategic guidance, develops policies and processes and ensures that the business is conducted sustainably and aligned with the Memorandum of Association of the Company and all applicable laws. The Board is headed by a Non-Executive Chairman, who ensures the effectiveness and robust Board culture. A

brief profile of all Directors, the nature of their expertise in specific functional areas etc. are available on the website of the Company at <https://www.bhartihexacom.in/corp-governance-bord-director.html> and also provided separately in this Annual Report.

**Board Committees:** To ensure Board effectiveness, the Board has constituted various specialized committees to objectively deal with complex agenda items and provide their recommendation. The objective is to focus effectively on the issues and ensure expedient resolution of diverse matters. The Chairperson of each Committee briefs the Board on the decision, discussion and recommendation at its meeting. This helps the Board to focus on other strategic initiatives and utilize its time & efforts efficiently.

**KMPs and the Management Team:** The KMPs and the Management team of the Company closely work under the guidance of the Board and its Committees and deploys Board approved strategies. They also ensure the smooth management of the Company with focus on compliance, financial & operational performance and sustainability. The key performance indicators of KMPs and Management team include financials viz growth, margin, EBITA, working capital, revenue, etc. and non-financial parameters cover compliance, stakeholder management, digitisation, talent management, diversity, sustainability/ESG etc.

**Auditors:** The statutory auditors, secretarial auditors and cost auditors play a pivotal role in ensuring independence, fairness and transparency in disclosure of the financial statements and corporate law compliance. All the Auditors have direct access to the Audit Committee for reporting any observations or concerns to ensure complete independence throughout the Audit process.

**Internal Auditor (IA) and Internal Assurance Partner:** An Internal Auditor serves as a safeguard against potential operational, business, financial, and legal risks by continuously assessing the adequacy and effectiveness of internal controls. Supported by reputed external audit firms as internal assurance partner, the internal audit function reports directly to the Audit Committee, ensuring independence and objectivity.

**Company Secretary and Compliance Officer**

The Company Secretary and Compliance Officer plays a key role in effective management of the Board and its Committees while ensuring compliance, providing support and guidance on corporate governance practices by developing robust governance structure, processes, policies and effective communication/ feedback channel amongst all the stakeholders.

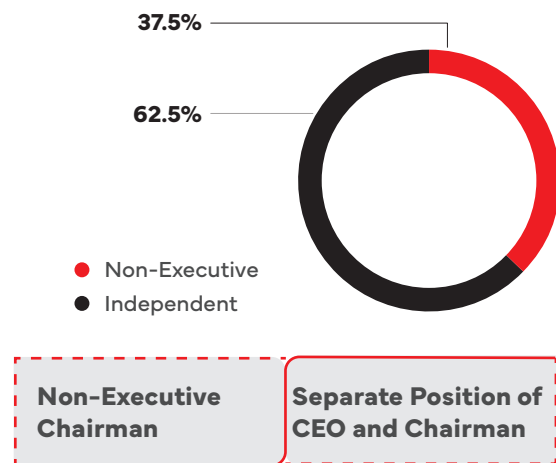
The roles and responsibility of Company Secretary includes (i) adherence to the Board processes and procedures; (ii) convening the Board, Committee and General meetings of the Company and ensure that relevant information is made available for effective decision making; (iii) the action points arising from the Board/Committee meetings are communicated to the management and an update is provided to the Board/Committee; (iv) assist the Board/Committee in developing the polices and processes around the applicable law viz. related party transactions, Board evaluation, Board familiarisation, Board/Committee roles and responsibilities, remuneration, loans and advances, investments, succession planning, compliance of applicable laws and other environmental, social and governance matters etc. for ensuring strict adherence to law in spirit; and (v) act as interface between the Board, management and external stakeholders.

**B. BOARD OF DIRECTORS**

**Board Composition**

The Company’s Board is an optimum mix of Non-Executive and Independent Directors for effective governance and management. The Board composition is in compliance with the provisions of the Act and Listing Regulations. As on date of this report, the Board comprised of 8 members with a Non-Executive Chairman, besides 2 Non-Executive Directors and 5 Independent Directors.

The Board reviews its strength and composition from time to time to ensure that it remains aligned with the statutory as well as business requirements. The



shareholders of the Company periodically approve the appointment/ re-appointment of all directors, including the rotational directors. There is no permanent Board seat.

The profiles of the Board members comprising their details of nationality, DIN, age, date of appointment, tenure on the Board, term-ending date, shareholding, directorships in Indian companies and membership in committees including listed companies etc. are provided under 'Board of Directors' section of this Annual Report.

None of the Director is a member of more than ten Committees or Chairperson of more than five Committees across all companies (including Bharti Hexacom Limited) in which they are Director as per the requirement of Regulation 26 of Listing Regulations.

**Changes in the Board during the FY 2023-24**

- Mr. Surajit Mandol was appointed as a Non-Executive Director on the Board of the Company w.e.f. April 15, 2023. His appointment was subsequently approved by the shareholders of the Company in the Extra-Ordinary General Meeting held on June 15, 2023.
- Mr. Arun Gupta, Mr. Kapal Kumar Vohra and Ms. Nalina Suresh were appointed as Independent Director(s) on the Board of the Company w.e.f. December 22, 2023. Their appointment was subsequently approved by the shareholders of the Company in the Extra-Ordinary General Meeting held on December 29, 2023.
- Due to their pre-occupation, Ms. Vidyut Gulati and Mr. Rahul Vatts, Non-Executive Directors resigned w.e.f. December 22, 2023.
- Mr. Ravinder Arora, Independent Director resigned from the Directorship of the Company with effect from December 22, 2023 due to his pre-occupation.

**Changes in the Board subsequent to the FY 2023-24**

Subsequent to the closure of the financial year and upon the consummation of the Initial Public Offer ("IPO") of the Company, the shareholders agreement between



Telecommunications Consultants India Limited (TCIL) and Bharti Airtel Limited was automatically terminated. Accordingly, Mr. Sanjeev Kumar and Mr. Surajit Mandol, the nominee directors of TCIL stepped down from the Board of the Company w.e.f. April 12, 2024.

### Board Meetings

The Board meets at least once in a calendar quarter to, inter alia, approve the quarterly financial results and review the strategic business plan and operations of the Company. In case of any special and urgent business need, the Board's approval is taken by passing resolution by circulation, as permitted by law, which are noted and confirmed at the subsequent Board meeting.

The Board has complete access to all the information about the Company. Following processes have been adopted to ensure that the Board is well equipped with all necessary information to effectively discharge its responsibilities:

- The Board and Committee meetings are governed by a structured agenda which is backed by comprehensive background information.
- Agenda papers, containing all relevant information are made available to the Board well in advance.
- Presentations are made to the Board by Business and Functional Heads on operations and various matters concerning the business of the Company, organization talent, culture and

succession planning for critical roles including the senior management.

- Independent access to the senior management of the Company.
- Draft minutes of the meetings are circulated to the Directors for their comments and the final Minutes are thereafter entered into the Minutes Book.
- Chairperson of each Committee updates the Board on the matters discussed by the Committees in their respective meetings.
- The Board does not step in the role of the management and mentors the senior management on various strategies to achieve the organisational goals.
- The Company has an effective post Board Meeting follow-up procedure.

During the financial year 2023-24, the Board met 7 times i.e. on May 30, 2023, August 10, 2023, November 7, 2023, December 22, 2023, January 19, 2024, February 12, 2024 and March 22, 2024. The Board met at least once in every calendar quarter and the gap between the two Board Meetings did not exceed 120 days. The quorum for every Meeting of Board was met as per the Act and the Listing Regulations. In addition to the above a few resolutions were passed by circulation which were duly noted by the Board in the subsequent Board Meeting.

The details of attendance in the Board Meetings and 28<sup>th</sup> Annual General Meeting of the Company held during the financial year 2023-24 is as under:

Attendance at Board Meetings and Annual General Meeting											
S. NO.	Name of Directors	Category	AGM held on Sep 29, 2023	Date of Board Meetings							% Attendance
				May 30, 2023	Aug 10, 2023	Nov 07, 2023	Dec 22, 2023	Jan 19, 2024	Feb 12, 2024	Mar 22, 2024	
1	Mr. Jagdish Saxena Deepak	Chairman & Non-Executive Director	☐	✓	✓	✓	☐	✓	☐	☐	100%
2	Mr. Devendra Khanna	Non-Executive Director	⊗	✓	☐	✓	☐	⊗	☐	⊗	71%
3	Mr. Soumen Ray	Non-Executive Director	⊗	☐	✓	✓	☐	☐	☐	☐	100%
4	Mr. Sanjeev Kumar <sup>1</sup>	Non-Executive Director	⊗	✓	☐	✓	☐	☐	☐	☐	100%
5	Mr. Surajit Mandol <sup>2</sup>	Non-Executive Director	⊗	✓	✓	✓	☐	✓	☐	☐	100%
6	Ms. Nalina Suresh <sup>3</sup>	Independent Director	NA	NA	NA	NA	NA	✓	☐	☐	100%
7	Mr. Arvind Kohli	Independent Director	☐	✓	✓	✓	☐	✓	☐	☐	100%
8	Mr. Ashok Tyagi	Independent Director	⊗	✓	✓	✓	☐	✓	☐	☐	100%
9	Mr. Kapal Kumar Vohra <sup>3</sup>	Independent Director	NA	NA	NA	NA	NA	✓	☐	☐	100%
10	Mr. Arun Gupta <sup>3</sup>	Independent Director	NA	NA	NA	NA	NA	✓	☐	☐	100%
11	Ms. Vidyut Gulati <sup>4</sup>	Non-Executive Director	⊗	⊗	☐	✓	☐	NA	NA	NA	75%
12	Mr. Rahul Vatts <sup>4</sup>	Non-Executive Director	☐	✓	☐	✓	☐	NA	NA	NA	100%
13	Mr. Ravinder Arora <sup>4</sup>	Independent Director	☐	✓	✓	✓	☐	NA	NA	NA	100%

✓ Attended in person    ☐ Attended through videoconference    ⊗ Leave of absence

1. Ceased to be a Director w.e.f. April 12, 2024.
2. Appointed as Non-Executive Director w.e.f. April 15, 2023 and ceased to be a Director w.e.f. April 12, 2024.
3. Appointed as Independent Director(s) w.e.f. December 22, 2023.
4. Ceased to be Director(s) w.e.f. December 22, 2023.

**96%**  
**Attendance at the  
 Board meeting during  
 FY 2023-24**

## Board Diversity and Structure

The Company recognizes and embraces the importance of a diverse Board in its success. It believes that a truly diverse Board will leverage differences in thought, perspective, knowledge, skill, industry experience, cultural and geographical background which will help us retain our competitive advantage. The Board has adopted a Policy which sets out the approach towards diversity of the Board of Directors.

The Board represents a confluence of experience and expertise across diverse areas, ranging from finance, telecommunication, technology, general management, corporate governance, ESG proficiency and people management. The Board, along with its committees, provides leadership and guidance to the Company's management and directs, supervises and controls the performance of the Company.

As on the date of the report, more than half of the Board (62.50%) comprises of Independent Directors which ensures safeguarding the interests of all stakeholders at large.

## Skill Matrix of the Board

The Board of the Company comprises of qualified directors who possess relevant skills, expertise and competence to ensure the effective functioning of the Company. This has helped us in effective decision making and guidance at Board level leading to long term value creation for all the stakeholders.

Skills/Expertise/Competencies	Summary
Leadership	Experience as Entrepreneur/ Business Leader/ CEO/ Industrialist, leading the operations of a large organization with an understanding of the consumer, operations, sales & marketing, business processes, strategic planning, risk management and governance.
Strategic Management	Giving strategic guidance to the management regarding organic and inorganic growth opportunities to enhance the profitability and value for investors, competitively and in a sustainable manner.
Industry and Sector Experience	Knowledge and experience in telecom sector to provide strategic guidance to the management in fast changing environment.
Technology	Ability to evaluate the impact of Digital / Information Technology across the value chain and understanding of emerging technologies.
Corporate Governance and Legal	Expert knowledge of high governance standards with an understanding of changing regulatory and legal framework. Protection of stakeholders' interest, observing best governance practices and identifying key governance risks.
Financial Expertise	Proficiency in financial management, financial reporting process, budgeting, treasury operations, audit and capital allocation. Ability to monitor the effectiveness of the risk management framework and practices.
ESG Proficiency	Ability to guide in improving Environmental, Social and Governance practices of the Company and evaluation of the Company's efforts towards social and environmental factors and driving corporate sustainability initiatives and ethics and values.
People Management	Experience of developing talent, planning succession and driving changes towards long-term growth. General know-how of business management, talent management and development, workplace health & safety.

While all the Board members broadly possess the identified skills, their domain of core expertise is given below:

Name of the Director	Leadership	Strategic Management	Industry and Sector Experience	Technology	Corporate Governance and Legal	Financial Expertise	ESG Proficiency	People Management
Mr. Jagdish Saxena Deepak	✓	✓	✓	✓	✓	✓	-	✓
Mr. Devendra Khanna	✓	✓	✓	✓	✓	✓	✓	✓
Mr. Soumen Ray	✓	✓	✓	✓	✓	✓	✓	✓
Ms. Nalina Suresh	✓	✓	-	✓	-	-	✓	✓
Mr. Arvind Kholi	✓	✓	-	-	✓	✓	✓	✓
Mr. Ashok Tyagi	✓	✓	-	-	✓	✓	✓	-
Mr. Kapal Kumar Vohra	✓	✓	-	-	✓	✓	-	✓
Mr. Arun Gupta	✓	✓	-	-	✓	✓	✓	✓



## Board Membership Criteria and Selection Process

### Robust Governance Structure around selection process



#### Nomination and Remuneration Committee

Developing and recommending to the Board, Policy on Nomination, Remuneration and Board Diversity.

Identifying need of appointing a candidate at Board keeping in view the current Board/Committee composition, industry dynamics and feedback from the Board.

Identifying, selecting and recommending to the Board, appointment of a candidate based on the criteria defined in the Policy on Nomination, Remuneration and Board Diversity.



#### Board of Directors

Constituting a Nomination and Remuneration Committee (NRC).

Approval of the Policy on Nomination, Remuneration and Board Diversity basis recommendation of the NRC.

Recommend identification of candidate at Board/Committee based on the current composition and industry dynamics.

Evaluate and deliberate on recommendation of appointment by NRC and recommend it to shareholders for approval.



#### Shareholders

Review the profile of candidate recommended by the Company for appointment at the Board.

Right to receive notice detailing the proposal, brief profile, rationale for proposed appointment and ask relevant questions, clarifications and need on proposal to appoint the Director.

Right to vote on the resolution in relation to proposal for appointment of Director.

As per the Company's Policy on Nomination, Remuneration and Board Diversity, identifying and evaluating a suitable candidate for the Board is the responsibility of the Nomination and Remuneration Committee ("NRC").

#### Factors considered while selecting a candidate

While selecting a candidate, the NRC considers various criteria and leverages differences in factors w.r.t. background, knowledge, skills, abilities & thought (to exercise sound judgment), professional experience & functional expertise, educational, professional, cultural and geographical background, personal accomplishments, nationality, gender, race, ethnicity, age, experience and understanding of the telecommunication sector/ industry, marketing, technology, finance and other disciplines relevant to the business of the Company.

#### Approval process

The NRC, on identification of suitable candidate based on evaluation of aforesaid criteria, makes suitable recommendations to the Board. The Board, on the recommendation of the NRC, appoints and further recommends the appointment to the members of the Company, wherever applicable, for their approval.

The Policy on Nomination, Remuneration and Board Diversity is available at [https://bhartihexacom.in/docs/policies/Item\\_No\\_20\\_Revised\\_Policy\\_on\\_Nomination\\_Remuneration\\_and\\_Board\\_Diversity.pdf](https://bhartihexacom.in/docs/policies/Item_No_20_Revised_Policy_on_Nomination_Remuneration_and_Board_Diversity.pdf).

#### Independent Directors

The Company has laid down the terms and conditions of the appointment of Independent Directors stipulating their roles, responsibilities and duties which are consistent with the provisions of Regulation 16 of Listing Regulations, Section 149 and Schedule IV of the Act. The said terms and conditions set out the criteria of independence, age limits, recommended tenure, committee memberships, remuneration and other related terms of appointment. It emphasizes the importance of independence.

The Company issues formal letters of appointment to the Independent Directors at the time of their appointment/re-appointment. The terms and conditions of the appointment of Independent Directors are available on the Company's website at [https://www.bhartihexacom.in/docs/policies/T\\_C\\_of\\_appointment\\_of\\_Independent\\_Director.pdf](https://www.bhartihexacom.in/docs/policies/T_C_of_appointment_of_Independent_Director.pdf).

At the time of appointment and thereafter at the beginning of each financial year, the Independent

Directors submit a self-declaration, confirming their independence as set out in Regulation 16 of Listing Regulations, Section 149(6) of the Act, read with rules and Schedule IV thereto and compliance with various eligibility criteria laid down by the Company, among other disclosures and the Company also ensures that its Directors meet the above eligibility criteria.

In terms of Regulation 25(8) of Listing Regulations, Independent Directors of the Company have confirmed that they are not aware of any circumstance or situation, which exist or may be reasonably anticipated, that could impair or impact their ability to discharge their duties.

Each of the Independent Directors have registered their names on the online databank maintained by the Indian Institute of Corporate Affairs. None of the Independent Directors of the Company serves as an Independent Director in more than seven listed companies or as a whole-time director in any listed company.

Based on the declarations received from Independent Directors, the Board of Directors confirm that all Independent Directors fulfill the criteria of independence and conditions specified in the Act, rules made thereunder and Listing Regulations and are independent of the management of the Company.

**Familiarization Programme for Board Members**

**Structured familiarization Programme**



The Company has adopted a structured induction programme for orientation and training of Directors at the time of their joining to provide them with an opportunity to familiarize themselves with the Company, its management, its operations and the industry in which the Company operates.

The induction programme includes one-to-one interactive sessions with the top management team, business and functional heads among others. They are also provided documents containing policies, codes, annual reports, the Memorandum and Article of Association, brief profile of directors along with Board and Committee Composition. All the Directors are made aware of their role, functions, duties and responsibilities, details regarding remuneration, training and development, performance evaluation process etc. at the time of their appointment. The Board also has an active communication channel with executive management which allows free flow of communication among Directors in terms of raising query, seeking clarifications for enabling a good understanding of the Company and its various operations.

As a part of ongoing familiarization, business/functional heads periodically presents update at the Board/Committee meetings to familiarize the Directors with Company’s strategy, business performance, operations, finance, risk management framework, human resources, and other related matters. Business updates on relevant changes and regulatory updates are regularly circulated to the Directors to keep them abreast of significant developments in the Company.

The details of such familiarization programs are disclosed on the website of the Company at [https://www.bhartihexacom.in/docs/policies/Familiarization\\_Programme\\_2024.pdf](https://www.bhartihexacom.in/docs/policies/Familiarization_Programme_2024.pdf).

**Meetings of Independent Directors**

The Independent Directors meet separately at least once a year without the presence of the Management and Non-Executive Directors. During the year, the Independent Directors met twice i.e. on February 12, 2024 and March 23, 2024. The Independent Directors inter-alia discussed (i) strategic agenda items and various other Board-related matters; (ii) identified areas where they need clarity or information from the Management; (iii) Company’s performance, operations and other critical matters; (iv) reviewed the performance of Non-Executive Directors, the Board as a whole and the Chairman of the Company, took into account the views of Non-Executive Directors; and (v) assessed the quality, quantity and timeliness of flow of information between the Management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

The Independent Directors have access to the Statutory Auditors, Secretarial Auditors, Cost Auditors, Internal Auditors and Assurance Partners, to discuss audit effectiveness, control environment and invite their general feedback.



## Performance Evaluation

### a. Objective & Overview

We believe that for an effective Board and Committee governance, there needs to be a strong and robust process of feedback through an annual evaluation of the Board, its committees and individual directors. This also helps the Board members in providing constructive feedback and understanding the right mix of background and competences, work on weaknesses and leverage on strengths.

In compliance with the provisions of the Act, the Nomination and Remuneration Committee ('NRC') had approved the process, format, attributes and criteria for the performance evaluation of the Board, Board Committees and Individual Directors including the Chairman and CEO. The process provides that the performance evaluation shall be carried out on an annual basis. The criteria for performance evaluation includes, inter alia, relevant experience and skills, preparedness and constructive contributions, participation in strategic long-term planning, integrity, focus on shareholder value creation, monitoring corporate governance practices and Board/Committee culture and dynamics.

The process and the questionnaire as approved by the NRC is aligned with the global standards.

During the financial year under review, the Board had completed the evaluation process, which included evaluation of the Board as a whole, the Board Committees and individual Directors including the Chairman and CEO, carried out by way of internal assessments based on combination of a detailed questionnaire and through verbal discussions.

### b. Evaluation criteria

#### Board:

Diversity, composition, structure, effectiveness of board meetings, board meeting practices, performance of specific duties, balanced approach on devotion of time towards strategies, business, governance and compliance.

Evaluating Body:  
Board

#### Board Committees:

Committee composition, diversity, skills, experience, effectiveness of performance basis the charter, decision making and contribution to the Board.

Evaluating Body:  
Board and Board Committees

#### Individual directors:

Devotion of time, contribution at the meeting, preparedness of meetings, attendance, quality of inputs, leadership skills, competence, ability to bring in different perspectives, independent judgement, knowledge, etc.

Evaluating Body:  
Peer Reviewed  
Reviewing Body for Non-Independent Directors:  
Independent Directors

#### Independent Directors:

The independent directors are additionally evaluated on independence, expertise and independent judgement, out-side in perspective, guidance, contribution to the board effectiveness.

Evaluating Body:  
Board excluding  
Independent Directors

#### CEO:

Leadership skills, achievement of strategic goals and targets, business performance, talent and leadership management.

Evaluating Body:  
Board

#### Chairman:

The Chairman is additionally evaluated on vision, strategic thinking, moderation capabilities at the meetings, encouraging participation of all the Board members, leadership management, Board management, openness to constructive feedbacks.

Evaluating Body:  
Board  
Reviewing Body:  
Independent Directors



**c. Outcome**

All Directors participated in the evaluation process. The Chairman of the Nomination & Remuneration Committees, updated the Board on the overall process and outcome of the evaluation process.

The Board of Directors including Chairman were satisfied with the performance of the Board, its Committees, individual directors and CEO, and noted that there is adequate flow of information from Company to the Board and the suggestions and recommendations given by the Board are considered for follow up action and to optimize its effectiveness. The Board Committees are well-managed, functioning adequately and the meetings are held on a timely basis giving attention to each agenda item.

**d. Action taken from outcome during last year**

The Board reviewed the progress on suggestions made during Board Evaluation for previous year and noted that the actions were duly rolled out to satisfaction of the Board. The management continued strengthening the Board practices viz comprehensive agenda, management presentation on the progress and industry trends etc.

**Remuneration of Directors**

In terms of the Listing Regulations and the Act, the Board has approved a Policy on Nomination, Remuneration and Board Diversity for its Directors, KMPs and other Senior Management and it includes the criteria for making payments to the Non-Executive Directors. The Policy is directed towards rewarding performance based on a periodic review of the achievements.

Following are key features of the Policy on Nomination, Remuneration and Board Diversity:

1. Criteria for appointment of Directors, Key Managerial Personnels and Senior Management includes size, mix, knowledge, skills, abilities & thought (to exercise sound judgement), professional experience, educational, professional, cultural & geographical background, personal accomplishments, integrity, criteria of independence (for Independent Directors), nationality, gender, age, experience, time commitment and understanding of the sector(s) & industry(ies) in which Company operates.
2. Criteria for remuneration of Directors, Key Managerial Personnels and Senior Management based on factors such as level, composition, performance and balance in fixed and variable pay reflecting short term and long term targets. The said Policy is reviewed periodically and presently includes the following criteria of payment to Independent Directors:

Type	Commission	Additional commission basis committee position
Annual Commission on Net Profit (Calculated as per Section 198 of the Companies Act, 2013)*	₹ 12,50,000/- p.a.	<b>Audit Committee-Chairman</b> ₹ 2,50,000/- p.a. <b>Nomination and Remuneration Committee-Chairman</b> ₹ 2,50,000/- p.a.
Sitting Fee	₹ 25,000/- per Board and Committee meeting	-

\* Subject to availability of sufficient profits and within an overall ceiling of 1% of the net profits for all Non-Executive Directors in aggregate.

The Commission is payable annually in the following manner:

- after the approval of shareholders for payment of commission; or
- in case the payment of commission is already approved by the shareholders of the Company, after the approval of financial results of the relevant financial year by the Board.

The detailed criteria for remuneration to other directors, KMPs and Senior Managements is provided in the said Policy which is also available on the website of the Company at [https://bhartihexacom.in/docs/policies/Item\\_No\\_20\\_Revised\\_Policy\\_on\\_Nomination\\_Remuneration\\_and\\_Board\\_Diversity.pdf](https://bhartihexacom.in/docs/policies/Item_No_20_Revised_Policy_on_Nomination_Remuneration_and_Board_Diversity.pdf).


**Details of the remuneration of Directors for the FY 2023-24**

S. No.	Name of Director	Designations	Sitting Fees (₹)	Commission (₹)
1	Mr. Jagdish Saksena Deepak	Non-Executive Director	NA	30,00,000
2	Mr. Ashok Tyagi	Independent Director	2,00,000	-
3	Mr. Ravinder Arora	Independent Director	1,00,000	-
4	Mr. Arvind Kohli	Independent Director	2,00,000	-
5	Mr. Kapal Kumar Vohra	Independent Director	1,00,000	-
6	Ms. Nalina Suresh	Independent Director	1,00,000	-
7	Mr. Arun Gupta	Independent Director	1,00,000	-

**Notes**

- There are no inter-se relationships between our Board members.
- The remuneration paid to the Board members is as per terms laid out in the Policy on Nomination, Remuneration and Board Diversity.
- None of the Non-Executive Directors have any material pecuniary relationship or transactions.
- Mr. Devendra Khanna, Mr. Rahul Vatts, Mr. Sanjeev Kumar, Mr. Soumen Ray, Mr. Surajit Mandol and Ms. Vidyut Gulati, Non-Executive Director(s) of the Company were not paid any sitting fees/ commission during the year with the Company.
- Except for Mr. Devendra Khanna, holding 2 shares as registered holder whose beneficial interest lies with Bharti Airtel Limited (Promoter), none of the Directors of the Company hold shares in the Company as on March 31, 2024.

**C. BOARD COMMITTEES**

The Board has constituted various Committees which play pivotal role in Board effectiveness and expedient resolution by providing expert opinion and guidance on the diverse matters.

In the financial year 2023-24, the Board has accepted all recommendations of its Committees. The Company Secretary of the Company acts as the Secretary to these Committees. The draft Minutes of the Committee Meetings are circulated to the respective Committee members for their comments and the final Minutes are thereafter entered into the Minutes Book. Minutes of the proceedings of Committee meetings are circulated to the Directors and placed before Board meetings for noting.

The Constitution and charters of the Board Committees are available on the Company's website at <https://www.bhartihexacom.in/corp-governance-board-committees.html>.

**Audit Committee**

In compliance with the requirements of Section 177 of the Act and Regulation 18 of Listing Regulations, the Company has duly constituted an Audit Committee. The Audit Committee prima-facie monitors and provides effective supervision of the financial reporting process with a view to ensure accurate, timely and proper disclosures in the financial statements / results and the transparency, integrity, and quality of financial reporting.

During the financial year 2023-24, the Committee met 5 times i.e. on May 30, 2023, August 10, 2023, November 7, 2023, January 19, 2024 and February 12, 2024. In addition to the above, the Committee also passed few circular resolutions which were duly noted at the subsequent committee meeting.

The Company Secretary acts as the Secretary to the Committee. The Chief Financial Officer, Internal Auditor, Internal Assurance Partners and the Statutory Auditors are invited to the meetings of the Committee to provide necessary information.

The Chairperson of the Committee could not attend the last AGM, held on September 29, 2023 due to his preoccupation and had specifically authorized Mr. Ravinder Arora to attend on his behalf. The composition of the Audit Committee as on March 31, 2024 and the attendance of the members at the Audit Committee meetings held during the FY 2023-24 are given below:

Name	Attendance					% Attendance
	May 30, 2023	Aug 10, 2023	Nov 07, 2023	Jan 19, 2024	Feb 12, 2024	
Mr. Ashok Tyagi Chairman, Independent Director	✓	✓	✓	✓	☐	100%
Mr. Soumen Ray Member, Non-Executive Director	☐	✓	✓	✗	☐	80%
Mr. Arvind Kohli Member, Independent Director	✓	✓	✓	✓	☐	100%
Mr. Surajit Mandal <sup>1</sup> Member, Non-Executive Director	✓	✓	✓	✓	☐	100%
Mr. Kapal Kumar Vohra <sup>2</sup> Member, Independent Director	NA	NA	NA	✓	☐	100%
Mr. Arun Gupta <sup>2</sup> Member, Independent Director	NA	NA	NA	✓	☐	100%
Mr. Ravinder Arora <sup>3</sup> Member, Independent Director	✓	✓	✓	NA	NA	100%

✓ Attended in person    ☐ Attended through video conference    ✗ Leave of absence

**Note:**

1. Inducted as member of the Committee w.e.f. April 15, 2023 and ceased to be member of the Committee w.e.f. April 12, 2024.
2. Inducted as member of the Committee w.e.f. December 22, 2023.
3. Ceased to be member of the Committee w.e.f., December 22, 2023.
4. Mr Sanjeev Kumar, Non-Executive Director, ceased to be member of the Audit Committee with effect from April 15, 2023

**~96%**

**Attendance during  
FY 2023-24**

**Key Responsibilities of the Audit Committee, inter-alia, includes the following:**

Key Responsibility	Frequency
(1) Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.	☐
(2) Reviewing, with the management, the quarterly financial statements/annual financial statements, auditor's report thereon and management letters / letters of internal control weaknesses issued by the statutory auditor's before submission to the board for approval.	☐
(3) Reviewing of management discussion and analysis of financial condition and results of operations.	☐
(4) Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the board to take up steps in this matter.	☐
(5) Reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process.	☐
(6) Approval or any subsequent modification of transactions of the Company with related parties.	☐
(7) Evaluation of internal financial controls and risk management systems.	☐
(8) Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems.	☐
(9) Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit.	☐
(10) Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board.	☐
(11) Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.	☐
(12) To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors.	☐
(13) To review the functioning of the whistle blower mechanism.	☐

☐ Quarterly    ☐ Annual    ☐ Periodic



The Committee is governed through its formal Charter which may be referred to for its detailed purpose and objective, responsibilities and powers. The same is available on the Company's Website at <https://bhartihexacom.in/docs/corporateGovernance/Charter-Document-Audit-Committee.pdf>.

Total fees for all services paid by the Company to the statutory auditors for FY 2023-24:

	(in ₹ Mn.)
Total Fees paid*	7

\*Total fees paid to statutory auditors includes the fees paid/payable for all the services for FY 2023-24.

## Audit Committee Report for Financial Year 2023-24

### To the Shareholders of Bharti Hexacom Limited

#### Composition & Governance Structure

1. **Composition:** As of March 31, 2024 the Committee comprised of 6 members, out of which 4 were Independent, and 2 were Non-Executive Directors. The Chairman of the Audit Committee is an Independent Director. Mr. Surajit Mandol, Non-Executive Director and nominee of Telecommunications Consultants India Limited ("TCIL"), and member of Audit Committee resigned with effect from April 12, 2024 due to termination of shareholders agreement between TCIL and Bharti Airtel Limited upon listing. The composition of the Committee is in compliance with the requirement of two-third being Independent Directors as prescribed under Regulation 18 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") and Section 177 of the Companies Act, 2013 ("Act").
2. **Roles and Responsibilities:** The Committee works within the framework of its Charter approved by the Board in line with Listing Regulations and the Act.
3. **Internal Assurance Group (IAG):** The audit is conducted by the IAG led by Mr. Puneet Diwan, the internal Auditor and supported by Internal Assurance Partners and is based on an internal audit plan finalised each year in consultation with the Audit Committee. The audits are based on risk-based methodology and inter-alia involve the review of internal controls, governance processes, compliance, operations, business, adherence to management policies, statutory compliances etc. The IAG shares its findings on an ongoing basis along with suggestions on the corrective actions.
4. **Statutory Auditors:** The Statutory Auditors have the responsibility of performing an independent audit of the Company's financial statements in accordance with the Indian Accounting Standards (Ind AS) and issuing a report thereon to the Audit Committee. The observations of IAG are also shared with the Statutory Auditors to ensure checks and balances in the entire process.

5. **Secretarial and Cost Auditors:** The Secretarial and Cost Auditors are responsible for independently reviewing and auditing the compliance of the applicable laws and internal controls in their respective areas. They have unrestricted right to access the Audit Committee in case of any observations.
6. **Chief Financial Officer:** The Chief Financial Officer periodically provides update on the financial statements, cashflows, future projections, need of capital, key ratios etc.
7. **Meetings:** The Committee met 5 times in the year with a gap of not more than 120 days in the Financial Year 2023-24. All the meetings had proper quorum as per the requirement of Listing Regulations.

#### Matters taken up by Audit Committee during financial year 2023-24

In this regard, the Audit Committee reports as follows:

- I. **Internal Audit:** The internal audit plan for the year was presented and approved by the Committee in the beginning of financial year 2023-24. The Internal Auditors along with the Internal Assurance Partner provided periodic update on the progress of Audit plan, its observations and actions taken by the management. Based on the reports submitted by the Internal Auditor and Internal Assurance Group and deliberations thereof, we noted that the Company has adequate internal controls as per the size and complexities of the business.
- II. **Statutory Audit:** The Audit scope, fee, and the plan is approved by the Committee basis the discussion with the Statutory Auditors, Deloitte Haskins & Sells LLP. The Statutory Auditors provide an update on the statutory audit, its observations and corrective actions on quarterly basis with the Committee. The Statutory Auditors have issued the report for financial year 2023-24 with unmodified opinion and confirmed that the financial statements of the Company are made in accordance with the Indian Accounting Standards.
- III. **Secretarial Audit:** The Committee reviewed the Secretarial Audit Report for FY 2023-24 by Makarand M. Joshi & Co., Company Secretaries and noted that there were no observations in the Secretarial Audit Report. The Secretarial Auditors had unrestricted access to the Audit Committee.
- IV. **Cost Audit:** The Committee reviewed the Cost Audit Report for FY 2022-23 issued by Sanjay Gupta & Associates, Cost Accountants and noted that the Company has maintained proper cost records and there were no observations in the Cost Audit Report. The Cost Auditors had unrestricted access to the Audit Committee.
- V. **Independence of Auditors:** The Committee has reviewed with the Management, the independence, effectiveness of Audit process

and performance of Statutory Auditor, Secretarial Auditor and the Cost Auditor (together referred to as "Auditors") and is of the view that the Auditors have relevant experience considering the complexity and size of the business and are independent of the management.

**VI. Performance and Independence of Internal Assurance Partners:**

The Committee, along with the Management, reviewed the performance of the Internal Assurance Partners viz. Ernst & Young LLP and ANB & Co., Chartered Accountants and reviewed the adequacy of internal control systems. The eligibility and independence of Ernst & Young LLP and ANB & Co. was also reviewed by the Committee and the Committee is of the view that they have experience and expertise to handle audit in line with business complexities and size of the Company. Therefore, has recommended to the Board the re-appointment of Ernst & Young LLP and ANB & Co. as the internal assurance partners.

**VII. Review of Internal Controls:**

The Committee has reviewed the internal financial controls for ensuring that the Company's accounts are properly maintained and that the accounting transactions are in accordance with prevailing laws and regulations. In conducting such reviews, the Committee found that the Company's internal control systems overall are designed adequately and are operating satisfactorily. Where deficiencies or improvement areas in control systems are pointed out by the internal audit, the management has taken adequate steps or is in process of addressing those areas.

**VIII. Risk Management:**

The Committee reviewed the Company's risk management systems from time to time and is of the view that the Company has robust Risk Management Framework.

**IX. Ombudsperson's Report:**

The Committee reviewed the Ombudsperson's report and systems to ensure strong functioning of the Whistle Blower Mechanism and reporting concerns about unethical behavior, actual or suspected fraud, or

violation of the Company's Code of Conduct. The Committee believes that the Company has an effective Whistle Blower Mechanism and nobody has been denied access to this mechanism.

**X. Insider Trading:**

The Committee reviewed the internal controls and systems in line with requirements of the Securities And Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 ("PIT Regulations"), including the maintenance of the Structured Digital Data Base, list of Designated Persons, controls to pre-clearance and monitoring mechanism. The Committee is of the view that proper controls exist to ensure compliance with PIT Regulations.

**XI. Related Party Transactions:**

The Committee reviewed the mechanism, management approach, and controls around the identification, monitoring, and approval of the transactions with Related Parties and is of the view that the systems are running efficiently. All the transactions with Related Parties during financial year 2023-24 were at arm's length and in ordinary course of business. The Committee is of the view that these transactions will be necessary for the Company to meet its business objectives and are at arm's length and in ordinary course of business.

**XII. The Committee has been vested with the adequate powers to seek support and other resources from the Company. The Committee has access to the information and records as well. It also has the authority to obtain professional advice from external sources, if required.**

In conclusion, the Audit Committee is sufficiently satisfied that it has complied with the responsibilities as outlined in the Audit Committee's Charter.

Place: California

**Ashok Tyagi**

Date: May 14, 2024

Chairman, Audit Committee



### Nomination and Remuneration Committee

In compliance with the requirements of Section 178 of the Act and Regulation 19 of the Listing Regulations, the Company has duly constituted a Nomination and Remuneration Committee ("NRC"). The NRC prima-facie ensures that the Company's nomination, remuneration and incentive policies, practices and key performance indicators of the Executive Directors, Key Managerial Personnel and the Senior Management are aligned with the Board's vision, values and overall business objectives and are appropriately designed to attract, motivate and retain them and to pursue the long term growth and success of the Company.

The Company Secretary acts as the Secretary of the Committee. Other Senior management members are also invited to the meeting to present reports relating to items being discussed at the meeting.

During the financial year 2023-24, the Committee met 4 times i.e. on May 30, 2023, November 7, 2023, December 22, 2023 and February 12, 2024. The composition as on March 31, 2024 and the attendance of the members at the NRC meetings held during the FY 2023-24 are given below:

Name	Attendance				% Attendance
	May 30, 2023	Nov 07, 2023	Dec 22, 2023	Feb 12, 2024	
Mr. Arvind Kohli <sup>1</sup> Chairman, Independent Director	✓	✓	🗨️	🗨️	100%
Mr. Ashok Tyagi <sup>2</sup> Member, Independent Director	NA	NA	NA	🗨️	100%
Ms. Nalina Suresh <sup>2</sup> Member, Independent Director	NA	NA	NA	🗨️	100%
Mr. Ravinder Arora <sup>3</sup> Member, Non-Executive Director	✓	✓	🗨️	NA	100%
Ms. Vidyut Gulati <sup>3</sup> Member, Non-Executive Director	✗	✗	🗨️	NA	33.33%

Attended in person    
 Attended through video conference    
 Leave of absence

#### Notes:

1. Inducted as Chairman of the Committee w.e.f. December 22, 2023.
2. Inducted as member(s) of Committee w.e.f. December 22, 2023.
3. Ceased to be the member(s) of Committee w.e.f. December 22, 2023.

# ~83%

Attendance during  
FY 2023-24

### Key Responsibilities of the Nomination and Remuneration Committee, inter-alia, includes:

Key Responsibility	Frequency
(1) Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the board of directors a policy relating to, the remuneration of the directors, key managerial personnel and other employees.	🗨️
(2) Formulation of criteria for evaluation of performance of independent directors and the board of directors.	🗨️
(3) Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the board of directors their appointment and removal.	🗨️
(4) Recommend to the board, all remuneration, in whatever form, payable to senior management.	🗨️
(5) Review and recommend the structure, size and composition (including the skills, knowledge, experience and diversity) of the Board and Board Committees.	🗨️
(6) Identify and recommend to the Board persons who are qualified to become directors and who may be appointed as key managerial personnel in accordance with the criteria laid down and their removal thereof.	🗨️
(7) Review the Remuneration / Promotion / Increment / Performance Linked Incentive Policy, including remuneration structure, retention and termination policies.	🗨️

Annual    
 Periodic

The Committee is governed through its formal Charter which may be referred to for its detailed purpose and objective, responsibilities and powers. The same is available on the Company's Website at <https://bhartihexacom.in/docs/corporateGovernance/Charter-Nomination-Committee.pdf>.



### Succession Planning

The Nomination and Remuneration Committee is preliminarily responsible to closely work with the Board and develop a strong and comprehensive succession planning framework for the Board of Directors and Senior Management to ensure smooth transition and a ready pipeline of talent to take up the next role. They are identified on the basis of various criteria viz performance, experience, expertise, capabilities to become a leader etc. These identified pool of talent are provided with need based training basis their strengths and are also provided mentors to take up the responsibility or next role in case of need.

### Stakeholders' Relationship Committee

In compliance with the requirements of Section 178 of the Act and Regulation 20 of Listing Regulations, the Company has duly constituted a Stakeholders' Relationship Committee (SRC). The Company Secretary acts as the Secretary of the Committee. During the financial year 2023-24, the Committee met once on May 30, 2023. The Chairperson of the Committee was present at the last AGM, held on September 29, 2023.

The composition as on March 31, 2024, and the attendance of the members at the SRC meetings held during the FY 2023-24 are given below:

Name	Attendance	% Attendance
	May 30, 2023	
Mr. Arun Gupta <sup>1</sup> Chairman, Independent Director	NA	NA
Mr. Kapal Kumar Vohra <sup>2</sup> Member, Independent Director	NA	NA
Mr. Soumen Ray <sup>2</sup> Member, Non-Executive Director	NA	NA
Mr. Rahul Vatts <sup>3</sup> Member, Non-Executive Director	✓	 100%
Mr. Ravinder Arora <sup>3</sup> Member, Independent Director	✓	 100%
Ms. Vidyut Gulati <sup>3</sup> Member, Non-Executive Director	⊗	-

✓ Attended in person      ⊗ Leave of absence

#### Notes :

1. Inducted as the Chairman of Committee w.e.f. December 22, 2023.
2. Inducted as the member(s) of Committee w.e.f. December 22, 2023.
3. Ceased to be the member(s) of Committee w.e.f. December 22, 2023.

### Key Responsibilities of the Stakeholders' Relationship Committee, inter-alia, includes:

1. Consider and resolve the grievances of the security holders of the Company.
2. Review of measures taken for effective exercise of voting rights by shareholders.
3. Review of adherence to the service standards adopted by the Company in respect of various services if being rendered by the Registrar & Share Transfer Agent.
4. Review of the various measures and initiatives taken by the Company for reducing the quantum of unclaimed dividend/ warrants and ensuring timely receipt of dividend warrants/ annual reports/ statutory notices by the shareholders of the Company.
5. Carrying out such other functions as may be specified by the Board from time to time or specified/ provided under the Act or Listing Regulations, or by any other regulatory authority.

The Committee is governed through its formal Charter which may be referred to for its detailed purpose and objective, responsibilities and powers. The same is available on the Company's Website at <https://bhartihexacom.in/docs/corporateGovernance/Charter-Stakeholders-Relationship-Committee.pdf>.

### Complaints Status and Redressal Mechanism

During FY 2023-24, the Company did not receive any complaint from any shareholder/ security holder. There were no pending complaints as on March 31, 2024. To redress investor grievances, following matrix can be followed by shareholders/ security holders:

#### 1. Investor Frequently Asked Questions/handbook

The Company has formulated Frequently Asked Questions/ shareholders handbook which provides answers to general queries of shareholders viz. dividend, demat, KYC updation, transmission, the turnaround timelines for resolving queries, contract details of Company and the Registrar and Transfer Agent etc. The same is available at <https://www.bhartihexacom.in/support-investor-support.html>.



## 2. Registrar and Share Transfer Agent (RTA)

All the functions relating to share registry are handled by the Company's Registrar and Share Transfer Agent viz. KFin Technologies Limited ('KFin'). The contact details of the RTA are mentioned in the "Address for Correspondence" section of this Report.

## 3. Company

While shareholder can directly reach out to Company in case of any query and grievance, it is advisable to reach out to RTA first and use Company as an escalation matrix. The contact details of the Company are mentioned in the "Address for Correspondence" section of this Report.

## 4. Scores and Online Dispute Resolution

The member can raise their grievances at the SCORES portal if their grievance is not redressed satisfactorily. In addition to SCORES, SEBI vide its Circular dated July 31, 2023 provided an option for arbitration as a Dispute Resolution Mechanism for investors. As per this Circular, investors can opt for arbitration with Stock Exchanges in case of any dispute against the Company or its RTA on delay or default in processing any investor services related request.

In compliance with SEBI guidelines, the details and link to ODR portal is available at the website of the Company at <https://www.bhartihexacom.in/support-investor-support.html>.

The Company did not receive any SCORES complaint during FY 2023-24.

## Risk Management Committee

In compliance with the Regulation 21 of Listing Regulations, the Company has duly constituted a Risk Management Committee ("RMC"). The Board has constituted RMC to focus on functions relating to risk management such as determination of Company's risk appetite, risk tolerance and regular risk assessments including risk identification, quantification and evaluation etc. The Company Secretary acts as the Secretary of the Committee.

During the financial year 2023-24, the Committee met 3 times i.e. May 30, 2023, November 7, 2023 and February 12, 2024. The composition as on March 31, 2024, and the attendance of the members at the RMC meetings held during the FY 2023-24 are given below:

Name	Attendance			% Attendance
	May 30, 2023	Nov 07, 2023	Feb 12, 2024	
Mr. Arvind Kohli <sup>1</sup> Chairman, Independent Director	✓	✓	☐	100%
Mr. Ashok Tyagi <sup>2</sup> Member, Independent Director	NA	NA	☐	100%
Mr. Akhil Garg <sup>3</sup> Member, CFO	NA	NA	☐	100%
Mr. Ravinder Arora <sup>4</sup> Member, Independent Director	✓	✓	NA	100%
Mr. Surajit Mandol <sup>5</sup> Member, Non-Executive Director	✓	✓	☐	100%
Ms. Vidyut Gulati <sup>4</sup> Member, Non-Executive Director	⊗	⊗	NA	0%

Attended in person    
 Attended through video conference    
 Leave of absence

### Notes:









- Inducted as the Chairman of the Committee w.e.f. December 22, 2023.
- Inducted as a member of Committee w.e.f. December 22, 2023.
- Inducted as a member of Committee w.e.f. December 22, 2023.
- Ceased to be the members of Committee w.e.f. December 22, 2023.
- Ceased to be the member of Committee w.e.f. April 12, 2024.

~83%

Attendance during  
FY 2023-24



**Key Responsibilities of the Risk Management Committee, inter-alia, includes:**






Key Responsibility	Frequency
(1) To formulate a detailed risk management policy which shall include:	
(a) A framework for identification of internal and external risks specifically faced by the Company, in particular including financial, operational, sectoral, sustainability (particularly, ESG related risks), information, cyber security risks or any other risk as may be determined by the Committee.	
(b) Measures for risk mitigation including systems and processes for internal control of identified risks.	
(c) Business continuity plan.	
(2) To ensure that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the Company.	
(3) To monitor and oversee implementation of the risk management policy, including evaluating the adequacy of risk management systems.	
(4) To periodically review the risk management policy, at least once in two years, including by considering the changing industry dynamics and evolving complexity.	
(5) To keep the board of directors informed about the nature and content of its discussions, recommendations and actions to be taken.	
(6) The appointment, removal and terms of remuneration of the Chief Risk Officer (if any) shall be subject to review by the Risk Management Committee.	

 **Periodic**

**Corporate Social Responsibility (CSR) Committee**

In compliance with the requirements of Section 135 of the Act, the Company has duly constituted the Corporate Social Responsibility Committee. The Committee evaluates and recommends the CSR proposals and Annual Report on CSR to the Board for approval, if any. The Company Secretary acts as the Secretary of the CSR Committee.

During the financial year 2023-24, the CSR Committee met once on May 30, 2023. The composition as on March 31, 2024, and the attendance of the members at the CSR meetings held during the FY 2023-24 are given below:

Name	Attendance	% Attendance
	May 30, 2023	
Mr. Soumen Ray Chairman, Non-Executive Director		 100%
Mr. Arvind Kohli <sup>1</sup> Member, Independent Director	NA	NA
Mr. Arun Gupta <sup>1</sup> Member, Independent Director	NA	NA
Mr. Ravinder Arora <sup>2</sup> Member, Independent Director		 100%
Ms. Vidyut Gulati <sup>2</sup> Member, Non-Executive Director		-

 Attended in person     Attended through video conference     Leave of absence

**Notes:**

- Inducted as a member(s) of Committee w.e.f. December 22, 2023.
- Ceased to be the member(s) of Committee w.e.f. December 22, 2023.

**Key Responsibilities of the Corporate Social Responsibility Committee, inter-alia, includes:**

- Formulate, monitor and recommend to the Board, CSR Policy and the activities to be undertaken by the Company along with Annual Action Plan.
- Devise a robust monitoring mechanism to ensure that the CSR projects/programs are undertaken effectively in accordance with the approval granted and are fully in compliance with applicable laws, rules and Regulations.
- Ensure that appropriate disclosures are made to the shareholders in the Company's annual reports.

**Corporate Social Responsibility Report for the year ended March 31, 2024**

The Report on Corporate Social Responsibility for the financial year 2023-24 under section 135 of the Act is annexed as Annexure E to the Boards' Report.



### Committee of Directors

To cater various day-to-day requirements and to facilitate seamless operations, the Company has formed a functional Committee known as Committee of Directors. The Committee comprises of 3 non-executive directors out of which 2 are independent.

During the financial year 2023-24, the Committee of Directors met 3 times i.e. August 10, 2023, November 07, 2023 and February 12, 2024.

#### Key Responsibilities of the Committee of Directors, inter-alia, includes:

1. Approve granting of loans, providing guarantee against the loans, purchasing and selling of securities of any company or body corporate.
2. Approve borrowing, creation of charge, security, sell dispose of the assets of the Company within the limit approved by the Board.
3. Approve investments in mutual funds, government securities, fixed deposits, and other treasury products.
4. Approve participation in tender process, merger, closure, consolidation of branch offices.
5. Approve purchase/sale, take of lease, rent offices for business requirements of the Company.

## D. SENIOR MANAGEMENT

The Senior Management are the key executives who lead the Company in day to day management and execution at operational level in their respective areas. They play a pivotal role in cascading the organizational strategy and expectations.

The Senior Management has been identified by the Company in compliance with Regulation 16 of the Listing Regulations.

#### Members of Senior Management of the Company as on March 31, 2024 are as follows:

Sr.No	Name	Designation
1	Mr. Marut Dilawari	Chief Executive Officer
2	Mr. Akhil Garg	Chief Financial Officer
3	Ms. Richa Gupta Rohatgi	Company Secretary & Compliance Officer
4	Mr. Rajnish Verma	Chief Executive Officer, Northeast Circle
5	Mr. Rajesh Chhatani	Commercial Officer
6	Mr. Deepesh Sirohia	Commercial Officer

#### The changes in Senior Management held during FY2023-24 is as under

Sr.No	Name	Designation	Date	Reason
1	Mr. Kamal Dua	Chief Financial Officer	November 7, 2023	Resignation
2	Mr. Akhil Garg	Chief Financial Officer	November 7, 2023	Appointment
3	Ms. Richa Gupta Rohatgi	Company Secretary & Compliance Officer	NA	Identified as per Regulation 16 of the Listing Regulations.
4	Mr. Rajnish Verma	Chief Executive Officer, Northeast Circle		
5	Mr. Rajesh Chhatani	Commercial Officer		
6	Mr. Deepesh Sirohia	Commercial Officer		

Individual profiles of the Senior Management is available on the website of the Company at <https://www.bhartihexacom.in/organization-structure.html>.

## E. CODES, POLICIES AND FRAMEWORKS

### Related Party Transactions

The Board of Directors have formulated a Policy on dealing with related party transactions pursuant to the provisions of the Act and the Listing Regulations. The Policy includes clear threshold limits and intends to ensure that proper reporting, approval and disclosure processes are in place for all transactions between the Company and related parties.

All transactions entered into by the Company with its related parties during the financial year ended on March 31, 2024, were in the ordinary course of business and on an arm's length basis and hence, do not attract the provisions of Section 188 of the Act. All transactions entered with related parties during the quarter are placed before the Audit Committee for its review and approval. As a process, omnibus approval is obtained for related party transactions on periodic basis for transactions which are repetitive in nature as per criteria for making the omnibus approval and unforeseen transactions, as long as they are in line with the Company's 'Policy on Related Party Transactions'. Only the Independent Directors who are members of the Audit Committee are allowed to vote on the matters relating to Related Party Transactions. The Audit Committee has full power to call for any information from the management and appoint third party to ensure that transaction are carried out in best interest of the Company.

The Company has not entered into any materially significant related party transaction that has potential conflict or is prejudicial to the interest of the Company and all the transaction with Related Parties were at arm's length and in ordinary course of business.

The Policy is uploaded on the website of the Company at <https://bhartihexacom.in/docs/policies/RPT-Policy.pdf>.

Members may refer to the financial statements for the details of transactions with related parties entered during the FY 2023-24.

### Code of Conduct

The Company's Code of Conduct is a guiding document which reflects our commitment towards conducting business in ethical and transparent manner and ensuring compliance of all laws and regulations, providing safe and harassment free work place, avoiding conflict of interest at all times, fairness and mutual respect in all dealings, ethical conduct of business with zero tolerance towards bribery and corruption in any form and upholding and protecting the Company's reputation etc. The Code is applicable to the Board members, Senior Management and all the employees. As a process, an annual confirmation is sought regarding the compliance with the Code of Conduct. The Company also procures a quarterly confirmation of material financial and commercial transactions entered into by Senior Management Personnel with the Company that may have a potential conflict of interest.

Regular training programmes are conducted across locations to explain and reiterate the importance

of adherence to the Code. The Code of Conduct is uploaded on the website of the Company at <https://bhartihexacom.in/docs/policies/Code.pdf>.

Periodic internal audits are conducted to ensure effectiveness of the compliance with Code of Conduct and a report is presented to the Audit Committee as per the internal audit process and plan.

A declaration signed by the CEO, regarding affirmation of the compliance with the Code of Conduct by Board Members and Senior Management for the Financial Year ended March 31, 2024, is annexed as **Annexure A** to this report.

In addition to above, a group level Code of Conduct For Business Associates ("COC-BA"), which is also applicable and required to be adhered by individuals who supply products, equipments, material or provide services of various types to Company. The COC-BA mandates the Business Associates to maintain the highest standards of honesty, objectivity, and integrity in their personal and business conduct and refrain from any illegal, dishonest, unauthorized or unethical conduct including any kind of bribery or corruption at all time. The COC-BA also requires to monitor and report the ESG practices adopted by the Business Associates in line with COC-BA. The Company has also put in place process to select and evaluate the Business Associates on such parameters and take requisite actions viz. termination or trainings basis the gravity of a particular observation. The COC-BA is available at the website of the Company at [https://www.airtel.in/partnerworld/Business\\_Code\\_of\\_conduct#:~:text=Business%20Associates%20are%20required%20to,providing%20their%20services%20to%20BHARTI](https://www.airtel.in/partnerworld/Business_Code_of_conduct#:~:text=Business%20Associates%20are%20required%20to,providing%20their%20services%20to%20BHARTI).

### Code on Prohibition of Insider Trading

In compliance with the SEBI (Prohibition of Insider Trading) Regulations, 2015 ("PIT Regulations"), the Company has formulated the Code of Conduct for Prevention of Insider Trading ("Code") to regulate and monitor trading by Designated Persons ("DPs") and their immediate relatives. The Code, inter alia, lays down the procedures to be followed by DPs while trading/dealing in Company shares/securities/ derivatives and while sharing Unpublished Price Sensitive Information ("UPSI"). The Code includes the obligations and responsibilities of DPs, to maintain the structured digital database, mechanism for prevention of insider trading and handling of UPSI, process to familiarize with the sensitivity of UPSI, transactions which are prohibited and manner in which permitted transactions in the securities of the Company shall be carried out etc.

Additionally, a Monitoring Committee has been constituted by the Board to review the list of DPs, conduct appropriate inquiries/investigations regarding alleged violations of the Code, decide upon the penal consequences to be imposed for contravention of the code. There are various group level awareness programs conducted for the employees to understand the Code viz. circulation of emails, FAQs and taking live sessions etc.

The Company has also formulated a Code of Practices and Procedures for Fair Disclosure of UPSI as per the requirements of the Insider Trading Regulations.



### Whistle Blower Policy/ Vigil Mechanism

The Company has adopted the Whistle Blower Policy/ Vigil Mechanism and has established the necessary mechanism for Directors and employees to report concerns about unethical behavior. The policy aims to ensure that genuine complainants are able to raise their concerns in full confidence, without any fear of retaliation or victimization and also allows for anonymous reporting of complaints. It contains a reporting mechanism, the manner in which all reported concerns are dealt with, confidentiality of the investigations and processes, protection of the whistle-blower against any retaliation.

The Audit Committee periodically oversees the functioning of the vigil mechanism.

An independent office of Ombudsperson at group level administers the entire formal process from reviewing and investigating concerns raised, undertaking all appropriate actions for resolution thereof and regular monitoring of process. All employees of the Company (full-time or part-time) as well as external stakeholders (e.g. associate, strategic partners, vendors, suppliers, contractors and customers etc.) have full access to the Ombudsperson through secure hotline, email or even meetings in person.

All such instances are investigated while ensuring confidentiality of the identity of such complainant(s). Matters relating to financial misdemeanors, fraud or impropriety are investigated in consultation with the Internal Assurance Group, which undertakes the investigation of the same by itself or at times

in consultation with the ombudsperson office. The external investigation agencies are also involved, in exceptional circumstances, if required. All investigations are endeavored to be completed in 90 days and final investigation reports are submitted to the competent disciplinary authority under the Policy.

During the FY 2023-24, One (1) whistle blower complaint was received and taken up for investigation and stood resolved as on March 31, 2024.

The Whistle Blower Policy/ Vigil Mechanism is uploaded on the Company's website at the web link: <https://bhartihexacom.in/docs/policies/BHL-WHISTLEBLOWER-POLICY.pdf>.

### Policy on Materiality

The Company has robust policy for Determining Materiality of Event/ Information in line with the requirements of Regulation 30 of the Listing Regulations. The Policy inter-alia provides for the quantitative and qualitative criteria for determining of material event/ information including deemed material information, and timelines within which the information should be disclosed to exchange.

The policy is also available on the website of the Company <https://bhartihexacom.in/docs/policies/Materiality-Policy.pdf>.

In order to ensure compliance in spirit, the Company has also put in place a framework to create awareness on dealing with material events/ information for Senior Management and others.

The Complete list of corporate policies as per the requirements of the Act and Listing Regulations is provided below:

Sr. No	Policy Name	Short Description	Web Link
1	Code of Conduct	Provides for guiding principles and values one should follow to conduct business in ethical and transparent manner.	<a href="#">Click Here</a>
2	Policy on materiality of and dealing with Related Party Transactions	Provides process of governance, identification, approvals around transactions with Related Parties.	<a href="#">Click Here</a>
3	Whistle Blower Policy / Vigil Mechanism Policy	Provides for process to be followed for raising any concern under Code of Conduct, without fear of being victimized.	<a href="#">Click Here</a>
4	CSR Policy	Provides for boundaries within which CSR activities should be undertaken along with governance for approvals, monitoring and reporting of CSR activities.	<a href="#">Click Here</a>
5	Policy for Determination of Materiality for Disclosure of Information	Provides for process to be followed for identification and reporting of all material events/ information in line with Listing Regulations.	<a href="#">Click Here</a>
6	Dividend Distribution Policy	Provides guidance on the factors considered while deciding payment of dividend, scenarios where dividend will not be paid etc.	<a href="#">Click Here</a>
7	Nomination, Remuneration and Board Diversity Policy	Provides for governance process around selection and remuneration of Directors, Key Managerial Personnel and the Senior Management Personnel.	<a href="#">Click Here</a>
8	Policy on Preservation and Archival of Statutory Documents & Records	Provides for the process to be followed for maintenance, preservation of documents/records, archival and disposal of documents.	<a href="#">Click Here</a>
9	Enterprise Risk Management Framework	Provides for process around identification, categorization, prioritization, mitigation, monitoring and reporting of key Risks along with roles and responsibilities of the Board and Committees.	<a href="#">Click Here</a>
10	Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information	Provides for principles of fair disclosure of any UPSI information on uniform basis to be followed by the Company.	<a href="#">Click Here</a>

## F. GENERAL SHAREHOLDER INFORMATION

### 29<sup>th</sup> Annual General Meeting

#### Date & Time

Friday, August 30, 2024  
at 3:30 PM onwards



**Venue/Mode:**  
Video Conferencing/  
Audio Visual Means



**Weblink:**  
<https://emeetings.kfintech.com>



**E-voting details:**  
August 26, 2024 to  
August 29, 2024

#### Financial Year

The Company has adopted the Financial Year of 12 months ending on March 31 every year.

#### Financial Calendar

Financial Year	Proposed Quarterly Schedule	Trading Window Closure
Results for the Quarter ending (Tentative)		
June 30, 2024	August 05, 2024	July 01, 2024 to August 07, 2024
September 30, 2024	October 28, 2024	October 01, 2024 to October 30, 2024
December 31, 2024	February 6, 2025	January 01, 2025 to February 08, 2025
March 31, 2025	May 13, 2025	April 01, 2025 to May 15, 2025
Date of Book Closure	N.A.	
Date of Dividend payment	Dividend if declared by the Shareholders in the ensuing AGM scheduled on August 30, 2024 shall be paid within 30 days from the date of declaration.	

#### Dividend and Dividend Pay-out Date

The Board has considered and recommended a dividend of ₹ 4/- (80%) per fully paid-up equity share of face value of ₹ 5/- each for the FY 2023-24, subject to approval of the members at the ensuing AGM.

#### Record date

The Dividend shall be paid within 30 days of approval at the ensuing AGM to the members whose name appears in the Register of Members as on Friday, August 16, 2024.

#### Listing Details

Type of Securities	Name and address of the Stock Exchange	Scrip code/ Symbol
Non-Convertible Debentures	<b>National Stock Exchange of India Limited ("NSE")</b> Exchange Plaza, C-1 Block G, Bandra Kurla Complex, Bandra, Mumbai – 400001, India	Not Applicable
Equity Shares (w.e.f. April 12, 2024)	<b>National Stock Exchange of India Limited ("NSE")</b> Exchange Plaza, C-1 Block G, Bandra Kurla Complex, Bandra, Mumbai – 400001, India <b>BSE Limited ('BSE')</b> Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai – 400001, India	BHARTIHEXA 544162

The annual listing fees and custodian fees for FY 2024-25 have been paid to Stock Exchanges and Depositories, respectively.

#### General Body Meetings

The details of last three Annual General Meetings (AGMs) are as follows:

Financial Year	Location/ Mode	Date & Time	Special Resolution passed
2022-23	Video Conferencing	Friday, September 29, 2023 at 11:30 A.M (IST)	<ul style="list-style-type: none"> <li>Approval of remuneration payable to Mr. Jagdish Saksena Deepak (DIN: 02194470), Non-Executive Director of the Company and Chairman.</li> </ul>
2021-22	Video Conferencing	Friday, September 30, 2022 at 11:30 A.M. (IST)	<ul style="list-style-type: none"> <li>Appointment of Mr. Ashok Tyagi as an Independent Director.</li> <li>Approval of remuneration payable to Mr. Jagdish Saksena Deepak (DIN: 02194470), Non-Executive Director of the Company and Chairman.</li> <li>Re-appointment of Mr. Rajiv Kumar Chaudhri as an Independent Director.</li> </ul>
2020-21	Video Conferencing	Thursday, September 23, 2021 at 11:30 A.M. (IST)	No special resolution was passed.



### Extra Ordinary General Meeting

During FY 2023-24, following special resolutions were passed at the Extra Ordinary General Meetings of the Company:

Date & Time	Location/ Mode	Special Resolutions
Thursday, June 15, 2023 at 5:00 P.M. (IST)	Video Conferencing	<ul style="list-style-type: none"> <li>Appointment of Mr. Arvind Kohli as an Independent Director.</li> </ul>
Friday, December, 29, 2023 at 12:00 P.M. (IST)	Video Conferencing	<ul style="list-style-type: none"> <li>Appointment of Mr. Arun Gupta as an Independent Director.</li> <li>Appointment of Mr. Kapal Kumar Vohra as an Independent Director.</li> <li>Appointment of Ms. Nalina Suresh as an Independent Director.</li> <li>Amendment of Memorandum of Association of the Company.</li> <li>Amendment of Articles of Association of the Company.</li> </ul>
Friday, January 19, 2024 at 6:00 P.M. (IST)	Physical at the registered office of the Company	<ul style="list-style-type: none"> <li>Amendment of Articles of Association of the Company.</li> <li>Increase in investment limits for Non-Resident Indian and Overseas Citizen of India.</li> </ul>

### Postal Ballot

The Company did not pass any resolution through postal ballot during the financial year 2023-2024.

### Means Of Communication

Quarterly Financial Results	<p>Following the highest standards of Corporate Governance, the Company has been announcing its audited financial results on a quarterly basis/ half yearly/ annual basis ("the results"). The results were published in prominent daily newspaper, viz. Financial Express (English daily- All editions).</p> <p>The results were also shared separately with Debenture Trustee and were disseminated on the website of NSE. The results are also available on the Company's website at <a href="http://www.bhartihexacom.in">www.bhartihexacom.in</a>.</p> <p>Since, the Company has listed its equity shares on BSE Limited and National Stock Exchange of India Limited (collectively referred to as "Stock Exchanges") w.e.f. April 12, 2024, the annual/half-yearly/quarterly results will be sent to both the stock exchanges and will be published in English-Daily and Hindi- Daily newspapers.</p>
Newspapers wherein results normally published	During the financial year 2023-24, the results were published in Financial Express (English daily) a prominent daily newspaper.
Website of the Company	The financial results, official news releases and other corporate announcements are also simultaneously uploaded on the Company's website at <a href="http://www.bhartihexacom.in">www.bhartihexacom.in</a> .
Whether it also displays official news releases	Yes, wherever applicable.
The Presentations made to institutional investors or to the analysts	<p>Since the equity shares of the Company are listed w.e.f. April 12, 2024, the press release as and when issued will be disseminated to the Stock Exchanges, where the shares of the Company are listed and will be displayed on the Company's website at <a href="http://www.bhartihexacom.in">www.bhartihexacom.in</a>.</p> <p>Not applicable.</p> <p>Since the equity shares of the Company got listed w.e.f. April 12, 2024, the Company will disseminate the details of analysts and investors met whenever scheduled, presentation and transcripts on the website of Stock Exchanges within the prescribed timeline and will also be displayed on the Company's website at <a href="http://www.bhartihexacom.in">www.bhartihexacom.in</a>.</p>

### Outstanding GDRs / ADRs / Warrants or any Convertible instruments, conversion date and likely impact on equity

The Company does not have any outstanding GDRs / ADRs / Warrants or any Convertible instruments as on date.

### Stock Market Data for the period April 1, 2023 to March 31, 2024

The equity shares of the Company were not listed on the Stock Exchanges during the period from April 1, 2023 to March 31, 2024.

### Performance in comparison to broad based indices

Since the equity shares of the Company were not listed on the Stock Exchanges during the period from April 1, 2023 to March 31, 2024, no comparative data for stock price performance is available.

### Share Transfer System

The equity shares of the Company are listed on stock exchanges w.e.f. April 12, 2024. The entire equity share capital of the Company is held in dematerialised form.

Further, Non Convertible Debentures issued by the Company are in Demat form and accordingly, no physical debenture certificates were required to be delivered during the year under review.

For the Financial Year 2023-24, the Company obtained an annual certificate from M/s. CL & Associates, Company Secretaries in Practice, as per the requirement of regulation 61(4) read with regulation 40(9) of the SEBI Listing Regulations and the same was filed with BSE and NSE on April 30, 2024, and is also available on the website of the Company at <https://www.bhartihexacom.in>.

### Distribution of shareholding

By number of equity shares held as on March 31, 2024

S.No	Category (by no. of shares)	No. of shareholders	Amount of share Capital (in ₹)	% of shares
1	1-5000	5	50	0
2	5001-10000	0	0	0
3	10001-20000	0	0	0
4	20001-30000	0	0	0
5	30001-40000	0	0	0
6	40001-50000	0	0	0
7	50001-100000	0	0	0
8	100001 and above	2	4,499,999,950	100
	<b>Total</b>	<b>7</b>	<b>5,000,000,000</b>	<b>100</b>

By Category of equity shareholders as on March 31, 2024

S.No	Category	Number of Shares	%
<b>I.</b>	<b>Promoter &amp; Promoter Group</b>		
	(i) Indian	350,000,000	70
	(ii) Foreign	0	0
	<b>Total - Promoter &amp; Promoter Group</b>	<b>350,000,000</b>	<b>70</b>
<b>II.</b>	<b>Public Shareholding</b>		
	Institutions		
	(i) Mutual Funds	0	0
	(ii) Alternative Investment Fund	0	0
	(iii) Foreign Portfolio Investors	0	0
	(iv) Financial Institutions/Banks	0	0
	(v) Insurance Companies	0	0
	(vi) Qualified Institutional Buyer	0	0
	<b>Total - Institutions</b>	<b>0</b>	<b>0</b>
	(i) Individual shareholders holding nominal share capital up to ₹ 2 lakhs	0	0
	(ii) Individual shareholders holding nominal share capital in excess of ₹ 2 Lakhs	0	0
	(iii) NBFCs Registered with RBI	0	0
	(iv) Trust	0	0
	(v) Non Resident Indians	0	0
	(vi) Clearing Members	0	0
	(vii) Non Resident Indian Non Repatriable (NRN)	0	0



S.No	Category	Number of Shares	%
	(viii) Bodies Corporate	150,000,000	30
	(ix) IEPF	0	0
	<b>Total-Non-Institutions</b>	<b>0</b>	<b>0</b>
	<b>Total-Public Shareholding</b>	<b>150,000,000</b>	<b>30</b>
III.	<b>Non Promoter-Non Public – Shares</b>	0	0
	<b>Total</b>	<b>50,00,00,000</b>	<b>100</b>

### Commodity price risk or foreign exchange risk and hedging activities

The Company hedges its foreign currency exposure in respect of its imports and borrowings as per its laid down policies. The Company uses a mix of various derivative instruments like forward covers, currency swaps, interest rate swaps or a mix of all. The Company does not have any exposure to commodity price risks. The detailed financial and capital risk are mentioned at Note 33 of the Financial Statements provided in this Annual Report.

### Plant Locations

Being a service provider company, the Company does not have any plant locations. The Company's Circle Office addresses forms part of this Annual Report.

### Address for Correspondence

Nature of Communication	Contact details
Registrar and Share Transfer Agent	<b>KFin Technologies Limited</b> Karvy Selenium Tower B, Plot number 31 & 32, Gachibowli, Financial District, Nanakramguda, Serilingampally Mandal, Hyderabad – 500032, India Telephone no. 040-67162222 Fax No. 040-23001153 Email: <a href="mailto:einward.ris@kfintech.com">einward.ris@kfintech.com</a> Website: <a href="http://www.kfintech.com">www.kfintech.com</a>
Debenture Trustee details	<b>Axis Trustee Services Limited</b> The Ruby, 2 <sup>nd</sup> Floor, SW, 29 Senapati Bapat Marg, Dadar West, Mumbai – 400028 Tel: +91-22-62300451 Fax: 022-43253000 Email: <a href="mailto:debenturetrustee@axistrustee.in">debenturetrustee@axistrustee.in</a> ; <a href="mailto:compliance@axistrustee.in">compliance@axistrustee.in</a>
For Corporate Governance, Investor Grievance and other Secretarial related matters.	<b>Company Secretary and Compliance Officer</b> Richa Gupta Rohatgi Bharti Crescent, 1, Nelson Mandela Road, Vasant Kunj, Phase - II, New Delhi 110070, India Tel No.: +91-11-4666 6100 Fax: +91-11-4666 6137 Email id: <a href="mailto:bhartihexacom@bharti.in">bhartihexacom@bharti.in</a>
For queries relating to Financial Statements	Head – Investor Relations <b>Mr. Naval Seth</b> Airtel Center, Plot No. 16, Udyog Vihar, Phase-IV, Gurugram – 122015, India Telephone no. +91-124-4222222, Fax no. +91-124-4248063 Email id: <a href="mailto:ir_bhl@bharti.in">ir_bhl@bharti.in</a>

### Credit Rating

During the year, there was no change in the the credit rating of the Company. The credit rating has remained the same i.e. "AA+/Stable" by CRISIL for the Debentures issued by the Company. The instruments with this rating are considered to have high degree of safety regarding timely servicing of financial obligation. Such instruments carry very low credit risk. Further, CRISIL & India Rating and Research Private Limited have maintained a rating of "A1+" for the Commercial Papers issued by the Company.

### Green Initiative

As a responsible Company, the Company supports 'Green Initiative' undertaken by the Ministry of Corporate Affairs, Government of India, enabling electronic delivery of documents and continues to send all correspondence/ communication through email to those shareholders who have registered their email id with their Depository participants (DPs)/ Company's Registrar and Share Transfer Agent (RTAs).



### Details of Non-compliance with regard to Capital Markets for the last three years

There were no instances of non-compliance by the Company for which any penalties or strictures were imposed on the Company by Stock Exchanges and SEBI, or any statutory authority on any matter related to capital markets during the last three years.

The Company had received notices from NSE dated January 12, 2022 and September 14, 2022 in relation to non-compliances of Regulation 60(2) and Regulation 50(1) of the Listing Regulations, with respect to notice of the record date for purposes of payment of interest on NCDs and prior intimation of meeting, respectively. On our representation, NSE by way of its letter dated June 19, 2023 has waived the levy of fine(s).

### Compliance with discretionary requirements

#### i. The Board

The Chairperson of the Company is a Non-Executive Director.

#### ii. Shareholders' Rights

The quarterly results of the Company are published in English newspaper (Financial Express), having wide circulation in Delhi besides uploading the same on the website of the Company and can be accessed on <https://www.bhartihexacom.in/results-quarterly-results.html>. In view of the foregoing, the quarterly results of the Company are not sent to the Shareholders individually. The complete copy of the Annual Report is sent to the shareholders/debenture holders of the Company.

#### iii. Modified/Un-Modified Opinion(s) in Audit Report

The Company believes in maintaining its accounts in a transparent manner and aims at receiving unqualified report of auditors on the financial statements of the Company. Auditors have issued their reports on the Standalone Financial statements/ results for financial year ended March 31, 2024, with un-modified opinion.

#### iv. Separate persons hold the positions of Chairman, and Managing Director & CEO

Separate individuals hold the positions of Chairman of the Board and CEO.

#### v. Reporting of Internal Auditor

The Internal Auditor of the Company reports directly to the Audit Committee of the Company.

### Subsidiary Company and Material Subsidiary

The Company has no subsidiary company. Since the Company does not have a Subsidiary Company, the requirement of determining a material subsidiary is not applicable.

### Auditors' Certificate on Corporate Governance

The Company has complied with all the mandatory requirements of the Code of Corporate Governance as specified in Regulations 17 to 27 w.r.t. high value debt listed entity and regulation 62 of the Listing Regulations. In this regard, a certificate has been received from Deloitte Haskins & Sells LLP affirming compliance of Corporate Governance during FY 2023-24 on comply or explain basis and the same is attached to as Annexure A to the Board's Report.

### CEO and CFO Certification

The certificate required under Regulation 17(8) of the Listing Regulations, duly signed by the CEO and CFO was placed before the Board. The same is annexed as **Annexure B** to this report.

### Certificate from the Company Secretary in practice pursuant to Schedule V of the Listing Regulations

Pursuant to Schedule V Para C clause (10)(i) of the Listing Regulations, the Company has obtained certificate from CL & Associates, Company Secretaries confirming that none of the directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as directors of companies by the Board/ Ministry of Corporate Affairs or any such statutory authority is annexed to this report as **Annexure C**.

### Prevention of Sexual Harassment

Company's commitment towards creating a respectful workplace that is free from any form of harassment and discrimination is exemplified by its 'zero-tolerance' approach towards any act of sexual harassment. The Company has a comprehensive policy which is in compliance with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. A group level Internal Complaints Committee ("ICC") has been constituted as per procedure prescribed in the law. All such investigations are conducted as per the tenets of the law and the Company's policy. The list of ICC members has been prominently displayed across all offices in publicly accessible areas. Further, awareness and training sessions with respect to the prevention of sexual harassment at workplace are conducted for all employees, including our associates. Following are the details of sexual harassment cases for financial year 2023-24:

1.	Number of complaints filed during the financial year	1(One)
2.	Number of complaints disposed off during the financial year	1(One)
3.	Number of complaints pending as at the end of the financial year	Nil



**Details of utilization of funds raised through preferential allotment or qualified institutions placement as specified under Regulation 32 (7A)**

Not Applicable.

**Disclosure of Loans and advances in the nature of loans to firms/companies in which directors are interested**

During the financial year ended March 31, 2024, no loans or advances were provided by the Company to firms/companies in which directors were interested.

**Compliance with the Mandatory Requirements as Specified in Regulations 17 to 27 of the Listing Regulations**

The Company is committed towards good corporate governance and has taken necessary steps to ensure its adherence in true spirit.

The Company being a high value debt listed as on March 31, 2024 was required to comply with Corporate Governance provisions under Listing Regulations on a comply or explain basis. The Company complied with the provision of Listing Regulations except stated below:

**1. Related Party Transaction**

The equity shares of the Company got listed on April 12, 2024. During FY 2023-24, the Company was categorised as High Value Debt Listed Entity as per the provisions of Regulation 15 of SEBI Listing Regulations and accordingly, Regulations 16 to 27 of SEBI Listing Regulations were applicable on the Company on comply or explain basis. Prior to the listing of equity shares, the Company had only two shareholders i.e. Bharti Airtel Limited (holding 70% stake) and TCIL (holding 30% stake) and both were categorised as 'Related Party'. As per Regulation 23(4) of the SEBI Listing Regulations, Related Party is not allowed to vote to approve the Material Related Party Transactions. In light of the above, Bharti Airtel Limited and TCIL (the only shareholders of the Company), being Related Parties, were restricted to participate and vote to approve on the proposal related to the Material RPTs with Airtel and Indus Towers. In view of the aforesaid restriction and deadlock, all such Material RPTs with Airtel and Indus Towers were approved unanimously by the Audit Committee and the Board of Directors of the Company. It may be noted that both Bharti Airtel Limited and TCIL had representation on the Audit Committee and the Board. These transactions were at arm's length and in the ordinary course of business.

The Company has not entered into any materially significant related party transaction that has potential conflict or is prejudicial to the interest of the Company and all the transaction with Related Parties were at arm's length and in ordinary course of business.

**2. Composition of the Board and the Audit Committee**

As per Regulation 17 of the Listing Regulations, the Company was required to have on Board at least 1/3 of its Directors as Independent Directors. Further, as per Regulation 18 of the Listing Regulations at least 2/3 of the members of audit committee were required to be Independent Directors.

After considering the rigorous selection criteria and process followed by the Nomination and Remuneration Committee, and in line with the Nomination, Remuneration and Board Diversity, the compositions of the Board and the Audit Committee were aligned to requirements of Regulations 17 and 18 of the Listing Regulations w.e.f. December 22, 2023

**3. Attendance of Audit Committee Chairperson at the Annual General Meeting of the Company**

As per Regulation 18(1)(d) of the Listing Regulations, the chairperson of the audit committee is required to attend the Annual General Meeting of the Company. Mr. Ashok Tyagi, Chairperson of the Audit Committee could not attend the Annual General Meeting of the Company held on September 29, 2023 unavoidable circumstances. He authorized Mr. Ravinder Arora, Independent Director and then member of Audit Committee, to attend the meeting and respond to questions asked at Annual General Meeting on behalf of his behalf.

**Disclosure of the number of agreements that subsist as on the date of notification of clause 5A to para A of part A of schedule III**

As on March 31, 2024, there existed, shareholders' agreement dated August 30, 2004 ("Shareholders' Agreement"), read together with the addendum dated October 7, 2004 ("Addendum", and together with the Shareholders' Agreement, the "SHA") entered into amongst Telecommunications Consultants India Limited ("TCIL") and Bharti Airtel Limited ("Airtel", and together with TCIL, the "Parties"), as amended by the amendment agreement dated January 19, 2024 ("Amendment Agreement") executed by and amongst the parties stated in the SHA.

The SHA defined their inter-se rights and obligations as shareholders of the Company and to provide for certain reserved matters in connection with the ongoing management and operation of the Company.

However, upon listing of equity shares of the Company, the SHA has been automatically terminated.

**Equity Shares in the Suspense Account**

No shares of the Company are lying under the Suspense Demat account as on March 31, 2024.

# Annexure A

## Declaration of compliance with Code of Conduct

I hereby confirm that the Company has received from all members of the Board and Senior Management, for the financial year ended March 31, 2024, a confirmation that they are in compliance with the Company's Code of Conduct.

### For Bharti Hexacom Limited

**Marut Dilawari**  
Chief Executive Officer

Date: May 14, 2024  
Place: Gurugram



## Annexure B

### **Chief Executive Officer (CEO)/Chief Financial Officer (CFO) Certification**

We, Marut Dilawari, CEO and Akhil Garg, Chief Financial Officer of Bharti Hexacom Limited, to the best of our knowledge and belief hereby certify that:

- (a) We have reviewed financial statements and the cash flow statement for the year ended March 31, 2024 and that to the best of our knowledge and belief:
  - (i) These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading; and
  - (ii) These statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and Regulations.
- (b) There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's code of conduct.
- (c) We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and we have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- (d) We have indicated to the Auditors and the Audit Committee:
  - (i) Significant changes in internal control over financial reporting during the year;
  - (ii) Significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
  - (iii) Instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

Date: May 14, 2024  
Place: Gurugram

**Marut Dilawari**  
CEO

**Akhil Garg**  
Chief Financial Officer

# Annexure C

## Certificate of Non-Disqualification of Directors

[Pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]

To,  
The Members  
**Bharti Hexacom Limited**  
Bharti Crescent,  
1, Nelson Mandela Road,  
Vasant Kunj, Phase-II, South Delhi,  
New Delhi-110070

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of Bharti Hexacom Limited bearing CIN L74899DL1995PLC067527 and having registered office at Bharti Crescent, 1, Nelson Mandela Road, Vasant Kunj, Phase - II, South Delhi, New Delhi- 110070 (hereinafter to be referred as 'the Company'), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal [www.mca.gov.in](http://www.mca.gov.in)) as considered necessary and explanations furnished to us by the Company & its officers and based on declarations received from respective Directors, We hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ended on March 31, 2024, have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such other Statutory Authority:

Sl. No.	Name of Director	DIN	Original date of appointment in Company
1.	Mr. Ashok Tyagi	00784563	February 14, 2022
2.	Mr. Arun Gupta	00002157	December 22, 2023
3.	Mr. Arvind Kohli	00001920	March 22, 2023
4.	Mr. Devendra	01996768	August 10, 2013
5.	Mr. Jagdish Saksena Deepak	02194470	May 20, 2022
6.	Mr. Kapal Kumar Vohra	07384162	December 22, 2023
7.	Mr. Sanjeev Kumar*	07566882	February 01, 2021
8.	Mr. Soumen Ray	09484511	February 14, 2022
9.	Mr. Surajit Mandol*	10098016	April 15, 2023
10.	Ms. Nalina Suresh	10429755	December 22, 2023

\* resigned from the Board w.e.f. April 12, 2024.

Ensuring the eligibility for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

### For CL & Associates

Company Secretaries

#### Harish Chawla

(Partner)

Membership No. F9002

CP No. 15492

PR No. 4741/2023

UDIN: F009002F000361068

Date: May 13, 2024

Place: New Delhi