November 02, 2026

BSE Limited
Phiroze Jeejeebhoy Towers,
Dalal Street, Mumbai - 400001

National Stock Exchange of India Limited
Exchange Plaza, C-1, Block – G, Bandra Kurla
Complex, Bandra (E), Mumbai - 400051

Ref.: Indus Towers Limited (534816/ INDUSTOWER)

Sub.: Transcripts of the Earnings Call on the Company's performance for the second quarter (Q2) and half year ended September 30, 2026

Dear Sir/Ma'am,

Please find attached the transcripts of Earnings Call conducted on October 28, 2026 on the Company's performance for the second quarter (Q2) and half year ended September 30, 2026.

Kindly take the same on record.

Thanking you,

Yours faithfully,

For **Indus Towers Limited**

SAMRIDHI RODHE
Digitally signed by SAMRIDHI RODHE
Date: 2026.11.02 13:59:55 +05'30'

Samridhi Rodhe
Company Secretary & Compliance Officer

Encl.: As above

“Indus Towers Limited

Second Quarter Ended September 30, 2026 Earnings Call”

October 28, 2026

MANAGEMENT: **MR. PRACHUR SAH – MANAGING DIRECTOR AND CHIEF EXECUTIVE OFFICER – INDUS TOWERS LIMITED**
MR. ABHISHEK MAHESHWARI – CHIEF FINANCIAL OFFICER – INDUS TOWERS LIMITED
MR. DHEERAJ AGARWAL – HEAD, INVESTOR RELATIONS – INDUS TOWERS LIMITED

Moderator: Good afternoon, ladies and gentlemen. I'm Michelle, the moderator for this conference. Welcome to Indus Towers Limited Second Quarter Ended September 30, 2026 Earnings Call. For the duration of the presentation, all participant lines will be in the listen-only mode.

After the presentation, the question-and-answer session will be conducted for all participants on this call. In case of a natural disaster, the conference call will be terminated post an announcement. Present with us on the call today is the senior leadership team of Indus Towers.

Before I hand over the call, I must remind you that the overview and discussions today may include certain forward-looking statements that must be viewed in conjunction with the risks that we face.

I now hand the conference over to Mr. Prachur Sah. Thank you, and over to you, sir.

Prachur Sah: Thank you, Michelle, and a very warm welcome to everyone joining us today. I have Abhishek Maheshwari, our Chief Financial Officer; and Dheeraj Agarwal, our Head of Investor Relations, on the call. Today, I will take you through our operational and financial performance for the quarter ended September 30, 2026.

We are happy to share that we recorded a strong growth in co-location additions in Q2. This has translated into an improvement in our tenancy ratio from 1.62 to 1.63, following a period of stability. Growth during the quarter was driven by continued network expansion from our customers, alongside a pickup in rollouts by a major customer.

With healthy order book visibility and accelerating rollout activity, we expect the growth momentum to continue. Importantly, we continue to be the preferred infrastructure partner for our key customers, capturing a substantial share of their incremental rollouts. Our extensive footprint, superior network management capabilities, stringent SLA commitments and collaborative approach continue to reinforce customer trust and position us well to capture the next phase of industry growth.

Our consistent performance and strong customer trust are underpinned by a deep sense of ownership of our frontline teams. During the quarter, our teams across Northeast, Bihar & Jharkhand and UP East, once again demonstrated exceptional resilience in the face of severe floods that disrupted network operations, restricted site access and caused prolonged power outages. Despite these challenges, our team responded with agility, proactive planning and close local coordination to accelerate restoration efforts and ensure service continuity across most of the affected networks. Their dedication in such challenging circumstances reflects the strength of our execution culture and our commitment to delivering reliable services to customers.

The favorable regulatory environment has been supporting the seamless deployment of telecom infrastructure. Government support for smart meter deployment on telecom towers has further reinforced telecom infrastructure as a priority consumer category. Over the last three years, we have deployed smart meters on approximately 140,000 sites. This development provides improved visibility of consumption patterns and creates opportunities for energy optimization, operational efficiency and data-driven decision making.

Coming to the 5G networks. According to the recent TRAI data, India's 5G subscriber base grew by 36 million in the first quarter, exceeding 463 million subscribers. This secular demand curve is driving sustained operator investment in coverage and capacity. With the industry adding approximately 30,000 5G BTSs during the second quarter, taking the total installed base to around 593,000. As these networks mature, deployment focus is shifting towards network densification to support higher traffic loads and emerging digital use cases. Given our comprehensive portfolio and strength of customer relationships, we are structurally well positioned to support this steady infrastructure expansion.

Infrastructure expansion and sustained 5G adoption trends are validated by robust consumption trends. In Q1, total data volume increased by 30% year-on-year, supported by an 18% rise in average monthly usage per subscriber. Notably, 5G networks are accelerating this trend, with 5G usage alone growing 79% year-on-year, representing 44% of total data consumption, up from 32% in the prior year. This ongoing shift highlights the necessity for sustained investments in network capacity, which supports long-term utilization rates and tenancy growth on our passive shared infrastructure.

Our operational performance witnessed strong order bookings led by sustained customer rollouts and increased network expansion by a major customer. We added approximately 2,900 macro towers and robust co-locations of 7,900, marking year-on-year growth of 5.6% in towers and 5.9% in co-locations. Our total macro tower and co-location base reached approximately 270,500 and 440,200, respectively. Our industry-leading tenancy ratio has also improved from 1.62 to 1.63, driven by substantial rollout through sharing of our existing towers. Including leaner sites, we concluded the quarter with approximately 454,200 co-locations, reinforcing our market-leading operational scale.

We remain committed to supporting our customers' network expansion through our shared portfolio. We are actively collaborating with one of our major customers to facilitate its planned network rollouts, which is reflected in our consistent performance. Given our ready-to-deploy asset base, optimized geographical footprints and competitive value proposition, we remain confident in our ability to serve as a key long-term infrastructure partner for their network deployment plans.

Our strategy of operating a low-cost shared infrastructure model provides the best solution to customers and Indus by way of improving asset productivity. With a large portfolio of towers designed to support multiple tenants, Indus remains the preferred partner for operators seeking rapid network expansion at an efficient cost. The company is equally well positioned to support existing customers in strategically important locations, where finding alternative infrastructure options may be difficult or less economical, particularly for a second and a third tenant. As a result, we remain confident to expand and retain co-locations at Indus from all the major customers.

In addition, we remain committed to serving our customers with best-in-class service delivery and uptime, lower operating costs through tenancy profile and lower unit energy cost compared to other providers, which is critical for our customers' operations.

Indus continues to create bespoke solutions that provide customers with options to offer connectivity in public infrastructure such as airports, metros, tunnels, etcetera. During the quarter, Indus provided solutions for India Mobile Congress and enabled connectivity at Vizag Airport, and it is actively participating in similar projects. Supported by a specialized team focused on design and execution, the company has led incremental market share gains in new IBS deployments for two consecutive years and remains focused on expanding its presence in this segment while enhancing the end user connectivity experience.

I would like to highlight that our determination to deliver superior service delivery resulted in sequential improvement in our network uptime from 99.955% to 99.97% despite challenging seasonal weather. Continuous technology deployments have enhanced our real-time network visibility, driving superior diagnostic and preventive capabilities that keep our customers seamlessly connected.

Let me now provide an update on our energy management measures and the progress we have made. Our energy margin performance was driven by an 11% year-on-year reduction in diesel consumption. Our efforts for enabling digital energy management at our sites through remote connectivity, system-driven diesel planning, installation of fuel sensors and smart meters have started yielding positive results, while we believe there is still a long way to go. We optimized energy costs by deploying solar solutions across approximately 3,000 sites during Q2, increasing the solar site portfolio to 49,000 sites. Our planned transition from diesel to lithium-ion battery storage is progressing well and we are on track to meaningfully reduce dependence on diesel.

Our ongoing digital transformation remains a key enabler for network reliability and operating efficiency. Deployment of AI-native digital solutions is enhancing field productivity and analytics. Implementation of AI-led image analytics is strengthening governance, vendor accountability and maintenance quality. Furthermore, office digitalization through a combination of automated energy billing, digital twin capabilities and real-time dashboards is streamlining decision-making and reducing manual effort. These strategic initiatives are successfully transitioning Indus Towers towards a predictive data-driven operating model, continuously improving organizational efficiency and customer experience.

Our commitment to sustainable growth continues to drive meaningful ESG and value chain outcomes. In environmental stewardship, we accelerated our decarbonization journey, expanding our renewable energy footprint to an installed solar capacity of 297 megawatts in Q2 from 259 megawatts in Q1.

Safety remains a core priority. During the quarter, we launched Safety Shield Awards to recognize exemplary safety performance across our teams and partners, further strengthening our culture of safety and accountability.

Through our flagship CSR initiatives, Saksham and Pragati, we positively impacted over 11 million lives this quarter, while actively supporting communities affected by natural disasters and humanitarian challenges in Assam, Arunachal Pradesh and UP.

Our ESG assessments and capability building initiatives continue to strengthen a more resilient value chain. During the quarter, ESG maturity assessments across 70 partners resulted in an 8% improvement in average ESG maturity scores. We are pleased to report that our CRISIL ESG rating improved from 57 to 63, complemented by recognition at Mahatma Awards and Business World Sustainable World Awards. Together, these milestones underscore our focus on creating long-term value through responsible and resilient operations.

Coming to Africa. Our Africa foray is gaining strong traction, proving the competitiveness and the cost leadership of Indus' operating model. By achieving considerable capex savings per tower compared to competitors, we are delivering lower cost solutions for our anchor customer. Rollouts have successfully commenced with initial tower deployments as planned and are scheduled to ramp up in H2. We have also initiated engagements beyond our anchor customer to leverage our tenancy-led business model. Africa expansion is a long-term strategy, and we strongly believe we have a right to win.

I would now request Abhishek to take you through our financial performance, and I look forward to your questions. Thank you, and over to you, Abhishek.

Abhishek Maheshwari: Thank you, Prachur. Good afternoon, everyone. I'm pleased to present our financial results for the quarter ended September 30, 2026.

We witnessed a strong addition of co-locations during the quarter on the back of continued network expansion by our customers. The operational momentum has supported steady revenue growth and robust cash generation, reinforcing the strength of our infrastructure sharing model.

Talking about financial performance for Q2. Revenue for the company grew at 1% quarter-on-quarter and the revenue absolute value stands at INR85.2 billion. Core revenue for the rental is up by 1.3% quarter-on-quarter, stands at INR54.5 billion, driven by steady co-location addition and asset loading. This was further supported by acceleration of network rollout by major customers during the quarter. On year-on-year performance, our reported revenue and core revenue grew by 4% and 3.9%, respectively.

Moving on to profitability. Reported EBITDA increased by 2.5% quarter-on-quarter and stands at INR46.3 billion for the quarter. Our EBITDA margin also improved by 80 basis points quarter-on-quarter and stands at 54.4% for the quarter. Please note that Q2 of last fiscal year included write-backs of approximately INR2 billion, relating to collection of overdue receivables from a major customer. Adjusting this one-off, our EBITDA grew at 5.2% year-on-year.

Our energy margin was negative 3.6% in Q2 compared to negative of 4.6% in Q1 and negative 4.8% in the corresponding quarter of last year, reflecting a significant improvement during the reported quarter. Our structured energy efficiency measures are yielding positive results, and diesel consumption is further reduced by 11% year-on-year. Our continued focus on technology-led energy management, including diesel optimization, enhanced visibility into electricity consumption and adoption of advanced battery solutions is lowering energy cost while strengthening our competitive position and energy performance.

Profit after tax was up by 2.7% quarter-on-quarter and stands at INR17.9 billion, driven by significant growth in EBITDA. Adjusting for the earlier mentioned write-back, PAT for the company grew at 6.4% year-on-year.

Our capital productivity remains very efficient. From the trailing 12 months, we delivered a pretax return on capital employed of 25.3% and post-tax return on equity of 19.2%. The capital efficiency is reflected in our cash generation, with the free cash flow remaining robust at INR14 billion for the quarter. The liquidity profile provides us with financial flexibility to support sustainable, value-accretive capital expenditure.

Turning to Africa. We have successfully deployed towers in Zambia and Uganda in Q2 and also started generating revenue. In line with our phased rollout plan, we are set to begin deployment in Nigeria during the current quarter and our early capex performance per tower remains within the plan, validating our cost model during the initial phases. As the portfolio reaches to a more representative scale, we intend to share more detail on operational and financial metrics in subsequent quarters. By leveraging our disciplined and cost-efficient shared infrastructure model and robust network management, we are confident in our ability to become credible player and actively support Africa long-term digital infrastructure demand.

To conclude, our Q2 performance underscored the resilience of our business model, underpinned by healthy order book and sustained customer rollout. Looking ahead, our focus on operating efficiency, structure energy cost optimization and technology integration will continue to support profitability. Further, our expansion into Africa progresses on schedule, representing a measured extension of our core competencies. We remain committed to executing profitable growth opportunities and driving sustainable long-term value for shareholders.

With that, now I hand it back to Michelle to open the floor for questions.

Moderator: Thank you very much, sir. Ladies and gentlemen, we will now begin with the question-and-answer session. The first question is from the line of Sachin Salgaonkar from Bank of America.

Sachin Salgaonkar: I have a first question. Question number 1, I wanted to understand the mix of a tenancy growth. Now Prachur, in your opening remarks, you did mention that there is a good amount of 5G tenancy, which is coming. And there's also a mention about one customer who has incrementally started to roll out. So we are trying to understand the mix going ahead. How should we think about 5G growth versus growth coming from this customer, which may not necessarily be all 5G tenancies?

Prachur Sah: Yes. So Sachin, I'll just clarify. So 5G was a reference only for 5G network in India. So whenever we talk about towers and tenancies, I'm not referring to 5G or 4G. It is actually a tower and tenancy for us. It may be a 4G or 5G. So 5G is actually loading on the same tower. So I think the question that you're trying to ask is the mix of tower and tenancy. Actually, this quarter, we added 2,900 towers and 7,900 tenancies, which is basically a second tenant on an existing site when we talk about a tenancy.

So I think the mix will depend on the order book, as we said. And as I said, the major customer -- the second customer on our site is rolling out, is doing its network expansion. So I believe the

ratio of tenancy would continue to be considerably meaningful. And what will be the ratio between towers and tenancies that is to be seen on a quarter-to-quarter basis. But I believe that ratio will remain quite healthy given the nature of expansion, given the fact that we have a large 1T tower base that is available for a second tenant to come.

Sachin Salgaonkar: Got it. Second question, I just wanted to understand one of your towers agreement has expired. Did we hear back in terms of any incremental update? And one of your other customers, as is public info, is looking to raise some money, particularly debt from banks. It looks like we don't have any incremental update on that. So I'm trying to understand the kind of the business what you will get. So irrespective of whether this entity raises debt or not, how should one think about the incremental business coming to you guys?

Prachur Sah: So Sachin, I think I would not speculate on behalf of the customer. But what I can tell you, as I mentioned in my commentary as well, I think we do have a visibility of a strong order book. And I think we will keep executing based on that order book. So you'll continue to see our delivery in the line with what the orders we have. So I think that's where I would say our visibility is. So I think Q3 and for the next coming quarters, we do see that we have a strong order book from the major customers that we have.

As far as the tenancy renewal is concerned, I think we have discussed this earlier as well. As of now, we continue to operate the tenancy portfolio with all our customers. And our objective remains to provide them the leading services so that we continue to provide them as the third tenant as well. So I think from a cost efficiency and service delivery point of view, we remain very competitive and comparatively at much lower operating costs than a single tenant would be. However, that is something that is in discussions, and I don't have any incremental updates to share on that aspect.

Sachin Salgaonkar: Got it. And last question, I wanted to have an update on Africa. Any numbers you could share in terms of number of towers deployed? What is the target? And what kind of capex should we expect, let's say, by the end of this fiscal year?

Prachur Sah: So Sachin, Africa, as Abhishek mentioned in his commentary, I think late part of Q2 is when we have started seeing the towers being rolled out and come in service. So in the subsequent quarters, you will see us putting out the meaningful metrics out there for you to see. But as of now, it is not at scale. So we will just wait for the subsequent quarters to start giving you more flavor on the exact numbers that have been rolled out.

Sachin Salgaonkar: Got it. And is it fair to say that Airtel is currently the only anchor customer? I understand you are in touch with some of the other customers, but have you signed any agreements with any of the other telcos in that market?

Prachur Sah: No, I think Airtel remains our primary anchor customer in Africa.

Moderator: The next question is from the line of Kunal Vora from BNP Paribas.

Kunal Vora: So the first one is the rental revenue growth has been around 4%, 5% in recent quarters, and that's despite VIL additions, loading, rental escalation, etcetera. Do you see this accelerating? And what will drive this? This is for India only, not Africa.

Prachur Sah: I think the revenue growth is always driven by our tower and tenancy growth. And of course, we have certain aspects of loading and the other escalations, which are muted by the renewal impact. So I think the growth will remain, as I mentioned earlier to Sachin as well, there is a strong order book. So I think as we keep deploying towers and tenancies according to the order book, the growth will be commensurate to that. I mean, unless you would add something else, Abhishek?

Abhishek Maheshwari: Yes. I think, Kunal, I think only incremental point to add, which is worth noting that last year Q2 in the same fiscal year, we had reported one-off benefit of around 0.8% on the overall revenue. That is also impacting the YoY performance for this quarter.

Kunal Vora: Understood. But even with strong -- let's say, strong co-lo additions, this is the revenue growth which we are looking at. Are you seeing an acceleration in the coming quarters? Any triggers for that? Or this is where it will remain?

Prachur Sah: Kunal, I think -- see, sometimes -- I mean, I will not draw exact correlation, but what I can tell you is sometimes the co-location additions for a quarter don't see the full quarter of revenue. So I think the full quarter revenue comes in the subsequent quarter. So I think there is always a timing mismatch. And if there is a one-off impact in the previous quarter, it also has an impact.

So I would say I don't think it's fair to comment that whether it's going to be at the same rate or higher rate. I think it depends on a couple of factors. And as you see the full quarter impact of the revenue, I think we will see the real meaningful impact. There is always an overflow of the revenue for which the tenancies were deployed in this quarter.

Kunal Vora: Understood. Second one, your power and fuel expenses have increased by only 3% year-on-year, which is lower versus tower growth of 6%, implying that energy cost per tower is down at a time when there is high energy inflation. I heard that diesel consumption has reduced by 11%.

Can you help us understand the energy usage mix? What is driving this deflation? And if it is structural due to renewable energy investment? Also if there is any change in thought process regarding energy margins?

Prachur Sah: Yes. So I think, Kunal, the 11% diesel reduction and the cost reduction, I think it is primarily driven by the operational initiatives that we have taken. I think there has been a substantial work on the solar. As you saw in my commentary, we have already deployed by end of September, close to 49,000 solar sites.

Secondly, there's a lot of work that is currently ongoing in terms of how we manage our operations through infusion of digital and AI in our planning of fuel operations. Thirdly, I think over the last few years, as we have started to transition from traditional lead acid batteries to lithium-ion batteries, it is also starting to contribute because now it has reached a scale, where it can start making a meaningful impact on the cost reduction.

So I would say these are structural cost initiatives that have been taken that are making an impact. Of course, at the scale, we have more room to go. So I think I will focus more on the cost initiatives and less discussion about the margin because there are certain other factors that impact the margin.

But from a cost perspective, we remain very confident that these initiatives that we are taking are there long term and sustainable to make a meaningful impact on a cost per unit that we take for energy from our customers.

Kunal Vora: But the cost does not have any implications on margin, does it?

Prachur Sah: I think there is. Of course, there is. I think revenue and cost both have an impact on the margin, but it also depends on seasonality. It depends on what kind of efficiency we are operating at. What I'm saying is the initiative that we are trying to take is to make sure that the cost and the efficiency improves, and that will eventually show up in the margin. We saw some impact on the margin already this quarter.

There is a meaningful impact, about close to 1% compared to last year Q2 because that is the right comparison to make. But as I said, there is still more to be done, and there are certain other elements that can further make the margin better or worse.

Kunal Vora: Understood. Just one last question. Can you talk about how inflation and currency depreciation are impacting your opex and capex? And is there a way you can pass on the additional burden to the customers if the high inflation persists? Also I wanted to understand that in the past, we've not really seen the 2.5% annual rental escalation coming through. So how inflation and currency depreciation will impact?

Prachur Sah: See, I think there are two parts to that question. I think first is the escalation that we have that takes care of the inflation impact when it comes to opex. As far as capex is concerned, based on our MSA, whichever rates are to be revised on capex, wherever we have that flexibility, that is accordingly adjusted for the customers. But by the way, the escalation is also on the standard rate of the tower. So the escalation does cover majority of the inflation that is coming through.

Kunal Vora: My point was that like right now, we are seeing very high inflation, but like escalation still remains where it is. I mean you don't have any additional pass on additional burden that you could take.

Prachur Sah: No, but I think, Kunal, we have to look at a little bit longer term. I think no customer will just give you the inflation at the time of increase and not at the time off. So I think we have to look at a little bit of a longer horizon on how that escalation revenue helps us manage the inflation over a longer period.

Moderator: The next question is from the line of Bineet Banka from Nomura.

Bineet Banka: I have a question on the capex. So if you look at growth capex, it increased on a QoQ basis, whereas your new tower additions declined. And if I just divide the growth capex by the number

of towers added in this quarter, the number comes out INR67 lakhs and the guidance for new tower capex is around INR20 lakhs, INR25 lakhs. So what is causing this sharp difference?

Abhishek Maheshwari: Yes. Let me take this question. Bineet, thank you for the question. I think if you -- the answer lies in the CWIP. If you follow our balance sheet, there is an increase of around INR250-odd crores on the CWIP value quarter-on-quarter, which is a reflection of what Prachur was alluding on the very healthy order book what we have.

We continue to roll out tower in the subsequent quarter. Further to this, I think if you look at the profile of growth and operational capex, it's not very different in Q2 versus what we had in Q1. It's broadly in the same ratio.

Bineet Banka: Even if you address...

Prachur Sah: In addition, whenever we do the additional tenancies as well, they also come -- whenever we do a tenancy or upgrade of a 5G or install solar, so all these are also the components of capex that impact growth, but it is not reflected by the growth from the tower count per se. So I think the division of the overall growth capex just by tower count may not be the way to look at the cost per tower situation.

Bineet Banka: Sir, the same number is going up every quarter. So just trying to understand if the gross addition of tower was much higher than the net addition that we see in the reported numbers.

Prachur Sah: Sure. Maybe, again, I think it's not just -- as I said, it is not just a function of tower. It is always a function of what kind of towers as well are being put, right? Whether if it's a rural tower, urban tower, how many 5G upgrades have been done, how many loading have been done, how many sharing sites. When we add a tenancy as well, it comes at an upgrade cost. It's not a zero-capex solution. So, I think the growth capex is not just one component, right. There are multiple components that make up the growth capex.

Bineet Banka: Sir, any number you can share of upgrading the same tower. So maybe adding more BTS from the same tower, what is the incremental capex per tower? Any number you can share?

Prachur Sah: It depends on that. It's a site-specific discussion because some sites will require a larger amount of upgrade in terms of whether you install more mounts or batteries or whatever will be the case. It depends on each site. So we have a bespoke solution.

Whenever a request comes, we go site by site and it can range anywhere. I mean, I don't even want to give a range because it can be with minimal capex or it can be a significant amount of capex. So it depends on what that site is currently at and what kind of site it is currently being looked at. So it's a site-by-site decision.

Bineet Banka: Okay. And on the new tower additions, I think this quarter, around 2,900, last quarter was around 3,000. So is this the run rate that we are working at for the future? Or you can see some upside from there?

Prachur Sah: I think as I said, I mean, I don't want to give a forward-looking number, but I said that we have a strong healthy order book for both towers and tenancies. So I think the growth will remain robust, but it's something that you have seen for the last couple of quarters. I think that inference you will have to draw. But I think the order book remains very strong, both on tower and tenancies.

Bineet Banka: Okay. Sir, lastly, one more question on Africa. So can you give any number on capex per tower for Africa?

Prachur Sah: I think, as I said, we have just started to deploy the towers. I think the later part of Q2 is when we saw the first deployments coming through. So as Abhishek mentioned, probably in the subsequent quarters, you will start getting some meaningful direction on the KPIs and the count. So I would just hang on for a quarter or so when we can start showing some numbers around that.

Moderator: The next question is from the line of Ritvik Agrawal from 3P Investment Managers.

Ritvik Agrawal: Sorry, my questions got answered. I'll go back in the queue.

Moderator: I'm sorry to interrupt you. Your audio is low, sir. Can you please increase the volume a little bit?

Ritvik Agrawal: My question got answered in the last question. So I'll go back in the queue.

Moderator: The next question is from the line of Satinder Singh Bedi from Eon Infotech Limited.

Satinder Singh Bedi: First and foremost, congratulations on a very healthy co-location count. I think that's excellent news. Related to that, Prachur, you said that you see good visibility in terms of co-locations, which is very understandable. In terms of towers, so while we've done good in terms of co-location and there's no discomfort on that side, Towers, we've done about 2,800. This is the lowest in last 4 years for the Q2, okay? So do we consider this a healthy count in terms of towers, going forward, okay? So is that our definition of healthy? Should we model that kind of count in our models?

Prachur Sah: So I would not comment on the model that you want to build in. I think the whole point is, I think FY24 was the peak of the rollout when you would see a much larger number. But as a country, if you are deploying these many towers, I think it's a robust count. When I say healthy order book, healthy order book is what happened this quarter and what happens in subsequent quarters.

So I would not comment whether the next quarter will be higher or lower than this. But I think the numbers are driven by what the customers are doing for the network expansion. I think -- so 3,000 towers, whether it's high or low, I'm not going to comment on that one, but it's still higher than the rate that a lot of deployments are happening. So I think that's where the comment remains that it's a strong order book.

Satinder Singh Bedi: And some flavor on the leaner towers. So what we've seen is that March'25, we added about 2,400 leaner towers. And thereafter, the counts dropped to double-digit counts. So we've added

13. So just wanted to understand what is the challenge around leaner towers? Is it that there are smaller, less organized players who are able to probably offer a more cost-efficient solution? Or just wanted to understand why has the count dropped to almost negligible?

Prachur Sah: I think the deployment of leaner towers is less dependent on whether we are deploying it not. It's dependent on how the customer is planning their networks, right? I think in general, what we have seen a few years ago, there was a large network expansion plan, which was based on the leaner towers. However, it is more and more moving towards the macro or bigger towers. So I don't think it's a function of what we are able to deploy. It's more a function of how the customers are planning their networks.

Satinder Singh Bedi: Third, finally, just a suggestion, okay, for your consideration. So the suggestion is, I think finally, the primary goal of the management is to maximize shareholder wealth, which, in our case, translates into optimization of the stock price, okay, which has not been moving even though you have a good franchise, you're executing well.

And a possible reason for that could be that we need to have probably a more optimal capital structure. We are an annuity kind of business, typically should fall into a structure of an InvIT, okay, and should take on leverage. So we are sitting on a net cash position, okay?

And when we juxtapose this with the fact that we don't have much of visibility. So in terms of are there large capex plans, which are holding us back from optimizing the capital structure as also the corporate structure. So some visibility on that would help. So a 3-year roadmap, okay?

So what is our stretch target for, let's say, FY29 or '30 in terms of where we want to get, I think that will add to a lot of clarity for investors and will help build greater confidence because currently, we are kind of living quarter-by-quarter in terms of what has happened historically, but there's no view as to where we are getting in terms of what are the goals, okay?

So that's the suggestion. In terms of corporate structure, do we look at moving into an InvIT okay, over a period of time in terms of capital structure, should we not be taking optimal gearing okay, rather than being in a net cash position, can't we use this excess cash that we are sitting on to do a buyback and hence, maximize shareholder wealth. So these are some situations for the management, kind of, for your consideration, please.

Moderator: We'll take the next question from the line of Kunal Vora from BNP Paribas.

Kunal Vora: A couple of follow-ups. So in Africa, how is your capex per tower lower versus the other tower companies in Africa? What are you doing differently as you are like still at an early stage and you will have a scale disadvantage?

Prachur Sah: I think capex per tower, to be honest, in our industry doesn't depend on scale advantage. It depends on what kind of engineering setup you have, what kind of experience you have, what kind of vendor ecosystem you have. So I think based on our footprint in India, we have learned over the last few years how to look at every single line item in the BOQ and see how we can optimize the cost and the leadership of our team in terms of understanding how to look at every cost.

So I think that's where the -- and the engineering capabilities. So I think that is the leverage that we are using because if you look at the industry in general, across the world, Indus is one of the companies that has been rolling out the maximum over the last few years. So keeping that expertise in mind and engineering skill set that we have and the vendor ecosystem that we have, we are trying to look at how we can optimize the cost. So that is our differentiation we want to create when we are deploying towers in Africa.

Kunal Vora: Understood. And what's the level of difference right now? Any sense which you can throw in?

Prachur Sah: As I said, I think let us build some materiality in the deployment and then we'll start giving you some flavor around that.

Kunal Vora: Understood. Last question now. Average residual service contract period and minimum lease rental receivables is down quarter-on-quarter despite a fairly strong co-lo additions. Is the duration of the new contracts which you signed similar about 10 years or these are lower duration contracts?

Prachur Sah: No, I don't think there is any contract that we are signing, which is just against the standard term of the contract. I think the annuity remains 10 years, it's not lower than that. Maybe you can...

Abhishek Maheshwari: Yes. All new onboarding of a customer or the renewal is minimum for the 10 years, and we continue to onboard new customer at a minimum tenure of 10 years, Kunal.

Kunal Vora: Okay. That is clear. Thank you. That is it from me.

Moderator: We'll take the next question from the line of Bineet Banka from Nomura.

Bineet Banka: One more question I had. Any number you can share on the revenue from IBS, maybe as a percentage of total revenue will work?

Abhishek Maheshwari: Bineet, we generally don't share revenue for IBS separately. The count and the tenancy are broadly in line with what we have for the overall portfolio. We have not declared the IBS revenue, but it's a very small part of the overall rental revenue we have in the business.

Moderator: Ladies and gentlemen, that was the last question for today. I now hand the conference back to Mr. Prachur Sah for closing comments. Thank you, and over to you, sir.

Prachur Sah: Thanks, Michelle. The planned expansion by major customers represents structured growth opportunities for Indus Towers. We remain fully engaged with the customers to support their rollout plans. Our focus on turning Indus Towers into a technology-enabled enterprise is progressing well, and it will enhance our competitive position, customer delivery and capital efficiency. We are seeing positive results in Africa through our cost disciplined approach and are well placed to build a strong geographical presence for long-term growth. I thank you again all for joining this call, and have a good day.

Moderator: Thank you, sir. Thank you, members of the management. On behalf of Indus Towers, that concludes this conference. We thank you for joining us, and you may now disconnect your lines. Thank you.