November 01, 2023

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

The 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.: Transcript of the Earnings Call on the Company's performance for the second quarter (Q2) ended September 30, 2023

Dear Sir/ Madam,

Please find attached the transcripts of Earnings Call conducted on October 26, 2023 on the Company's performance for the second quarter (Q2) ended September 30, 2023.

Kindly take the same on records.

Thanking you,

Yours faithfully,

For **Indus Towers Limited**

SAMRIDHI RODHE

Digitally signed by SAMRIDHI RODHE
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Samridhi Rodhe
Company Secretary & Compliance Officer

Encl.: As above

Earnings Conference Call Transcript

Event: Indus Towers Limited Second Quarter Ended September 30, 2023, Earnings Call

Event Date/Time: October 26, 2023/1430 Hrs IST

Transcript of Indus Towers Limited Second Quarter ended September 30, 2023 Earnings Conference Call

CORPORATE PARTICIPANTS

Mr. Prachur Sah
MD & CEO- Indus Towers Limited

Mr. Vikas Poddar
CFO- Indus Towers Limited

Mr. Tejinder Kalra
COO- Indus Towers Limited

Mr. Dheeraj Agarwal
Head Investor Relations – Indus Towers Limited

CONFERENCE CALL PARTICIPANTS

Mr. Vivekanand Subbaraman
Ambit Pvt Ltd/Mumbai

Mr. Sanjesh Jain
ICICI Securities/Mumbai

Mr. Sanket Baheti
GeeCee Holdings/Mumbai

PRESENTATION

Sunita - Moderator

Good afternoon ladies and gentlemen, I am Sunita, the moderator for this conference. Welcome to the Indus Tower Limited Second Quarter Ended September 30, 2023, 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 the 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 over the call to our first speaker of the day, Mr. Prachur Sah, MD & CEO. Thank you and over to you Mr. Sah!

Mr. Prachur Sah - MD & CEO- Indus Towers Limited

Thank you and a very warm welcome to all participants. Joining me today are my colleagues, Mr. Vikas Poddar, CFO; Mr. Tejinder Kalra, COO and Mr. Dheeraj Agarwal, Head Investor Relations on the call. I am pleased to present our business performance for the quarter ended September 30, 2023.

To begin with, we are pleased to have further built upon our strong operational performance in the previous quarters. Driven by robust demand from one of our major customers, particularly in rural areas, our tower additions during Q2 were the highest ever. On the collection front from one of our major customers, it continued in Q2 as well.

Before going into detail about the key aspects of our business, I would like to express gratitude to our teams on the ground for their commitment and dedication towards helping Indus Towers drive digital inclusivity for all. During the quarter our team of bravehearts installed solar-powered towers in the Siachen base camp, which at an altitude of 17,000 feet above sea level, is one of the most remote and isolated regions in the country. The team is also actively facilitating the rapid tower additions in the underpenetrated areas of rural India by one of our major customers, thereby enabling connectivity for all. The Government is also doing its bit to enhance connectivity in remote areas by working towards improving the backhaul infrastructure in these areas.

The Government remains steadfast in its commitment to facilitate the swift rollout of telecom infrastructure across the nation, while keeping sustainability in view. To this end, the Ministry of Power has notified the Green Open Access Policy and a few states have already adopted the same with minor amendments. The Government is also engaged in discussions with multiple stakeholders for faster implementation of Green Open Access at the ground level. These steps aimed at incentivizing the use of cleaner sources of energy, reiterate the Government's focus on infrastructure expansion in a sustainable way.

With regards to 5G, rollouts by the top two operators continue to progress at swift pace with these operators now catering to over 50 million 5G customers each. The total number of 5G base transceiver stations or BTS deployed stands at almost 340,000 with more than 7,000 BTS being deployed per week in August. Our loading revenues have continued to increase in lieu of this accelerated deployment of 5G on our sites. As the network matures, we expect the demand for new sites to increase in order to aid the network decongestion, that bodes well for us given our leadership position in the passive infrastructure space.

Statistics mentioned in the Ericsson Mobility Report reaffirm the growth potential of 5G. As per the report, global 5G subscription grew by 175 million in the June quarter, compared to the 125 million additions in the March quarter and have reached almost 1.3 billion. The 5 billion mark is expected to be reached by the end of 2028 with 5G subscriptions in India also expected to reach 700 million by the same time. Also, the emergence of use cases of 5G such as launch of fixed wireless access or FWA by major operators will also drive the data consumption, which will need infrastructure.

The data consumption story in the country continues to play out well, underpinned by continued migration of users from 2G to 4G and the swift adoption of 5G. The total data consumption across the top three operators grew by 24% year-on-year in the June quarter, and the average data consumed per user per month grew by 15% year-on-year to 22.4 GB in the same period. We firmly believe that the burgeoning data consumption in conjunction with the rapid uptake of 5G will provide a boost to the demand for passive infrastructure. Being the largest passive infrastructure player in the country, we remain well placed to address the demand.

Moving on to the operational performance for Q2, as highlighted earlier we have surpassed our record tower addition reported in Q1. We have managed to achieve this despite the harsh weather conditions usually witnessed during this time of the year. Driven by continued strong demand from one of our customers, we added 5,928 macro towers and 5,583 corresponding co-locations. Total macro towers and co-locations at the end of Q2 stood at 204,212 and 353,462 respectively, which represented a significant milestone for Indus when we crossed 200,000 macro towers, with each growing by 8.7% and 4.5% on a year-on-year basis. Our industry-leading tenancy ratio stands at 1.73.

Addition of co-locations on leaner tower remained healthy at 789 in Q2 and the overall base increased to 8,643 co-locations. Including leaner towers our net co-location additions were at 6,372 in Q2 as against 5,984 in Q1.

Next, I would like to bring you up to speed on the progress we have made on our four key strategic points namely market share, cost efficiency, network uptime, and sustainability.

Firstly, on market share, we are pleased to see that the digital interventions undertaken across our value chain coupled with organizational changes to ensure a faster time to market of our sites continue to bear fruit for us. We have further strengthened our partner ecosystem and simplified our internal processes to smoothen the workflow. The run rate of our quarterly tenancy additions has nearly doubled on a year-on-year basis thereby helping us increase our share in the business of our major customer. We expect the rural expansion of our major customer to continue in the near term, which augurs well for us as we possess the capabilities to match our customer stride for stride in its rollouts.

Secondly, on cost efficiency, we continue to take steps towards optimizing both operating and capital expenses. We have been consistently reducing our diesel consumption and recorded an 8% year-on-year reduction in Q2. Please note that such a significant reduction was achieved despite an increase in overall energy load from the addition of new sites and 5G equipment. During the quarter, we were especially pleased to have signed an agreement with IOC Phinergy to deploy clean energy systems. We have agreed to deploy 300 zero emission energy systems based on aluminum-air technology to optimize diesel consumption at our telecom tower sites. We have also added more than 2,200 solar sites during the quarter and continued to convert tower sites from indoor to outdoor, which aided the overall energy cost optimization.

Our sharp focus on reducing the rental cost per tower through negotiations, site selection and product selection to minimize footprint has also yielded positive results.

On capex, our initiatives are directed towards driving cost efficiencies across processes including designing, procurement, and erection through use of automation and digital interventions. This has helped us build towers that are cost competitive.

Thirdly, on network uptime, which reflects robustness and resilience of our system and also a key requirement of our customers, we are maintaining a high level of uptime of 99.96% despite increase in weather disruptions. Due to the changing climatic conditions, the number of instances of significant weather events in Q2 of this year was more than 1.5 times those in the same period last year. Amid the heavy rain, thunderstorms, and lightning in areas of Uttar Pradesh and West Bengal, our field forces persevered to deliver such a high network uptime.

On the roadmap for digital transformation, we established the connectivity solution in four circles during the quarter. We will use the learning from these circles to complete the implementation of real-time telemetry data system in the remaining circles.

Shifting focus to ESG, a vital aspect of the business that we continue to make steady progress in.

On the Environment front, we continue to make strides in our journey towards reducing our GHG emissions. As highlighted earlier, our tie-up with IOC Phinergy and initiatives towards adoption of renewable energy solutions would help us reduce our consumption of diesel and grid electricity. Out of more than 2,200 solar sites added in Q2, 27 sites in Rajasthan run entirely on solar power. This is a testimony to the Company's commitment to build ecofriendly telecom tower sites by investing in clean energy solutions. The Company is also committed to reducing emissions from its value chain and is working towards tying up with Electric Vehicle cab aggregators for its employees' travel.

With regards to the Social dimension, the improvement in our gender diversity during the quarter was quite satisfying for us. Driven by our focused hiring programs, policy interventions, and top-down approach, our gender diversity has reached close to 10% over the quarter. Ensuring the safety of our field force is of paramount importance to us. We have been conducting trainings and awareness programs to inculcate a behavioral change with our field force to address certain aspects such as safe driving, appropriate use of safety gear, hazard reporting, etc.

We continue to evaluate our top value chain partners on various ESG parameters during onboarding and collaborate with them to improve their sustainability practices and disclosures.

I would now request Vikas to take you through the financial performance for the quarter ended September 30, 2023 and I look forward to your questions. Over to you Vikas! Thank you.

Mr. Vikas Poddar - CFO- Indus Towers Limited

Thank you, Prachur and good afternoon, everyone. I am pleased to share with you all the financial results for the quarter ended September 30, 2023.

Before I apprise you of our financial performance, I would briefly touch upon our robust operational performance. In Q2 we managed to improve upon the record tower additions in Q1, adding a total of 6,372 co-locations including those on leaner towers. We expect the rural expansion of one of our major customers to continue in the near term. This coupled with the measures we are taking to improve our share of the customers rollout should help us continue the momentum.

Now moving on to our financial performance for Q2 FY2024, our reported gross revenues declined by 10.5% year-on-year to Rs. 71.3 billion whereas the core revenues from rental declined by 9.3% year-on-year to Rs. 43.4 billion. Please note that Q2 of last year included the benefit of deferred recognition of revenues arising from the settlement of old dues with our customers, which amounted to Rs.11 billion in gross revenues and Rs.5.5 billion in core revenues. After adjusting for the deferred recognition of revenue, our gross revenues and core revenues were up 3.5% and 1.2% respectively on a year-on-year basis. The Q2 FY2024 revenues were impacted by the non-recognition of revenue equalization assets for one of our major customers.

On a quarter-on-quarter basis, our reported gross revenue and core revenue from rentals were up by 0.8% and 0.1% respectively.

Our reported EBITDA increased by 22.9% year-on-year and declined by 1.6% quarter-on-quarter to Rs.34.6 billion. EBITDA margins were up 13.2 percentage points year-on-year and down 1.2 percentage point quarter-on-quarter to 48.5%. Please note that the EBITDA figures of Q2 FY2023 included an impact of provision for doubtful debts of Rs.17.7 billion. Adjusted for the impact of the provision for doubtful debts and deferred recognition, EBITDA increased by 1.4% year-on-year and was flat quarter-on-quarter. Energy margins stood at -2.1% in Q2 FY2024. We believe that the initiatives we are taking to reduce our diesel consumption will help us improve our energy margins.

Our reported profit after tax grew by 48% year-on-year and declined by 4% quarter-on-quarter to Rs.12.9 billion. The adjusted profit after tax was down by 1.5% year-on-year and 1% quarter-on-quarter. A meaningful increase in depreciation due to rapid rollouts and the change in accounting treatment of asset life had a dampening effect on the net profit.

Our reported pre-tax return on capital employed and post-tax return on equity for the rolling 12 months stood at 14% and 15.1% respectively.

Free cash flow for the quarter was at negative Rs.10.3 billion, which was impacted by a combination of an increase in receivables and the elevated capex of Rs.23 billion. As we had intimated in the previous quarters, the increase in capex is on account of strong tenancy additions we are seeing from the swift rollouts by one of our major customers. The Company's prompt response by investing in this opportunity will yield long-term benefits for shareholders.

Our receivables increased by Rs.8.8 billion during the quarter due to delay in payment from one of our customers. I would like to highlight that this amount has already been cleared in the current month.

Additionally, we remain in active discussions with the customers for clearance of its past dues and are keeping a keen eye on the customers fundraise plans.

In summary, our continued robust operational performance is satisfying and is a testament to the capabilities we possess as one of the leading passive infrastructure players. We firmly believe that the progress we are making in each of our strategic priorities will drive growth and generate value for our shareholders over the period. Improvement in collections this year has helped our financial performance while the accelerated 5G rollouts and rural expansion by one of our major customers would serve as significant levers of our growth.

I would now request the moderator open the floor for questions and answers.

Sunita - Moderator

Thank you very much Sir. We will now begin the Question & Answer interactive session for all the participants who are connected to the audio conference service from Airtel. Due to time constraint, we would request if you could limit the number of questions to two to enable more participation. Hence, the management will take only two questions per participant to ensure maximum participation. Participants who wish to ask questions may please press "*" "1" on their touchtone enabled telephone keypad. On pressing "*" "1" participants will get a chance to present their questions on a first-in-line basis. To ask a question participants may please press "*" "1" now. First question comes from Mr. Vivekanand Subbaraman from Mumbai. Mr. Subbaraman, you may ask a question now.

Mr. Vivekanand Subbaraman - Ambit Pvt Ltd/Mumbai

Hi, thank you for the opportunity. Just two questions. So as far as the customer from whom the receivables increased during the current quarter, Vikas I noted that you mentioned that this receivable has been cleared. What about the past dues, some of which have been written off, where are your discussions going on in that regard and secondly related to this same customer, how do you see the ability of this customer to sustain payments for the remainder of fiscal 2024 and hence your ability to pay dividends for fiscal 2024? Thank you.

Mr. Prachur Sah - MD & CEO- Indus Towers Limited

So maybe Vikas you can add, I will just summarize this payment situation so while the customer had some challenges during the quarter, but we have received the monthly payments till October from them. Our expectation is that the monthly payment would continue and we will continue to charge as per the MSA to the same customer and we are currently working with them on creating a robust time bound plan to unwind the past dues but just want to correct that there is nothing being written off.

Mr. Vikas Poddar - CFO- Indus Towers Limited

So just to elaborate, I think first of all Vivekanand we have provided as we had explained in the previous quarters as well to derisk our balance sheet, we have not written off any receivable, we are in a very active engagement, so as Prachur was saying we have received the payment subsequently, and those delays have been cleared now and we do expect the 100% or the near 100% payment to continue going forward. There are basically some positive developments as we all know there was a hump of some financial commitments that they had in the previous quarter, but that hump is pretty much over so we do expect the near 100% payment to sort of continue and as far as the past dues are concerned once again while we all know that there is a bit of dependency on the fundraising plan, etc., but we are again monitoring that very closely. We are in touch with the customers and trying to work on that settlement as well and when we have more clarity we will certainly keep updating you.

Mr. Vivekanand Subbaraman - Ambit Pvt Ltd/Mumbai

Thank you. This is helpful. Just one followup, so the receivables, Rs.13 billion that increased in 1H are you confirming that in October this amount also has been cleared by the customer and related point is the provision or the receivables provision that was made, provision for doubtful debtors in first half, Rs.2.2 billion what was this regarding?

Mr. Vikas Poddar - CFO- Indus Towers Limited

So first of all, let me clarify the Rs.13 billion it is a mixed bag there are various things, but the amount pertaining to this particular customer has been cleared subsequently. The provision basically relates to the fact that there are always some timing issues, some ongoing reconciliation issues and also the fact that we are collecting some interest, etc., so in terms of the accounting we follow a very stringent ECL sort of computation and as a result we have provided for doubtful debts in this quarter to the extent of about Rs.1.3 billion, but that is as per our current accounting treatment, but I can confirm that we have subsequently received the amount that was delayed.

Mr. Vivekanand Subbaraman - Ambit Pvt Ltd/Mumbai

Thanks. I think you did not answer my question on the dividend or the likelihood of investors getting a dividend in fiscal 2024 in light of the reality as far as the payments are concerned.

Mr. Vikas Poddar - CFO- Indus Towers Limited

So, Vivekanand I think as far as the dividend is concerned, as we have always explained, our dividend policy is linked to our free cash flow generation, so our dividend policy requires us to distribute 100% of our free cash flow. Currently, as you know from our results, our capex is elevated as we are investing in growth to generate those long-term returns. We are also ensuring that the collection against our monthly billing is managed well, and our working capital situation is managed well. We are working with the customer to also create a robust payment or settlement plan for the past dues as Prachur was mentioning, so based on the free cash flow situation at the end of the year, which we keep assessing every quarter as well, management along with the Board will certainly take a decision and we will basically see where we stand at the end of the year.

Mr. Vivekanand Subbaraman - Ambit Pvt Ltd/Mumbai

Thank you for the elaborate explanation. All the best.

Sunita - Moderator

Thank you, Mr. Subbaraman. Next question comes from Mr. Sanjesh Jain from ICICI Securities, Mumbai. Mr. Jain, you may ask your question now.

Mr. Sanjesh Jain - ICICI Securities/Mumbai

Yes, good afternoon. Thanks for taking my question. I got few of them. First on the rental per month that has declined sequentially while we are adding a lot more single tenancy which has a much higher rental than the base one as well as we are adding a lot more 5G loading particularly for the Airtel, the combined effect should have been a steady increase in the rental, can you help us understand why has it dropped sequentially this time around?

Mr. Vikas Poddar – CFO - Indus Towers Limited

So, thanks for the question Sanjesh. So first of all, I think your observation is right, we have basically seen a slight drop in our average revenue per tenancy or the ARPT, so while the underlying business growth continues as a result of the extra loading and tower rollouts and so on, we have had some transactions related to customers where we deferred the recognition of revenue in this quarter. There is no cash flow impact of the same and as a result we have seen some decline in this quarter but on an underlying basis the quarter-on-quarter sequential growth pretty much continues to be the same in line with what we have seen in the previous quarter.

Mr. Sanjesh Jain - ICICI Securities/Mumbai

Is it fair to assume that revenue will get recognized next quarter and we will have some one-off kind of a gain which will offset decline in this quarter?

Mr. Vikas Poddar - CFO- Indus Towers Limited

So, this is basically a matter under discussion, we are still evaluating our position and hopefully we will be able to close and conclude this in the current quarter, but at this point in time till we have concluded it is very difficult to comment.

Mr. Sanjesh Jain - ICICI Securities/Mumbai

Fair enough, but generally revenue recognition we have very stable MSA, now why has this situation arisen?

Mr. Vikas Poddar - CFO- Indus Towers Limited

Well, you are right, it is a stable MSA, but we do keep having evolutions in terms of products and in terms of some terms and conditions and so on, so while the core MSA is stable you are right, but as and when we have these evolutions there are some changes and we are sort of having some transaction on which we are still concluding the treatment.

Mr. Sanjesh Jain - ICICI Securities/Mumbai

Fair enough. My second question is on the tower addition, first half has seen a very strong uptake, how does the order book look like for the second half, will it be same because Airtel has said in their call that by November-December it appears that their rural expansion will largely be behind us, that means starting next calendar year there could be a deceleration in the way Airtel is rolling out the rural expansion, does it appear in your order book?

Mr. Prachur Sah - MD & CEO - Indus Towers Limited

So Sanjesh in the near term our order books look quite healthy. I am expecting similar sorts of rollouts probably slightly higher than this current quarter in the next couple of quarters, so in the near term I do not see the order book reducing. If there is any change, we will let you know but as of now the order book remains quite strong in the near term.

Mr. Sanjesh Jain - ICICI Securities/Mumbai

Got it. The next question is on the lean tower, now that uptake looks much lower than probably what you have anticipated, is that the telcos are more focused today on the macro expansion and our lean tower expansion will play role more when they are looking at expanding the capacity or infill sites?

Mr. Prachur Sah - MD & CEO- Indus Towers Limited

Yes, Sanjesh I need to be honest I think yes there has been a mixed change compared to last year, but as you said I think the situation would keep evolving as we go, so I think this quarter was much stronger on macro compared to lean, but the things may evolve as we go forward, but that is a fair observation.

Mr. Sanjesh Jain - ICICI Securities/Mumbai

But any more insight on why the lean has not been because this has been one of the asks by the operators in terms of the infill site, macro site, but the uptake looks much below expectation?

Mr. Tejinder Kalra - COO- Indus Towers Limited

Typically the lean sites the customers are using as infill or wherever there are any coverage gaps in the urban areas and so on and depending upon how the operator wants to either go for rural geographic coverage or capacity build in some of the urban areas this mix continues to change and evolve, so we are obviously currently building up as the customer demands us to build sites and wherever they want to focus first, so this mix will keep on shifting to that order, but we do not see from an order book perspective a big scale down in the demand of either kind of sites, it is just that the rollouts keep getting shifted depending upon where the operator wants to focus in a particular quarter.

Mr. Sanjesh Jain - ICICI Securities/Mumbai

So, Vikas we have mentioned that there has been some change in the useful life of an asset which has increased the depreciation and amortization number, which are the assets where we have done a change in useful life, is it more to do with the battery, DG set?

Mr. Vikas Poddar - CFO- Indus Towers Limited

Yes, got it. So basically this is again annual review process that we have to assess the useful life and as part of the process we have assessed the useful life of all the power equipments so that includes the battery, the rectifier modules and all the other power equipments and that basically has resulted in a change from 10 to 8 years so that has created some one-time impact in depreciation so that is the change that has happened. I want to highlight that it is noncash because it is basically a change in the useful life, so it is noncash impacting item.

Mr. Sanjesh Jain - ICICI Securities/Mumbai

No but my thing was that now that the EB availability in India has improved but should have actually positive impact because the DG Set or battery life is more of the cycle they run, and the cycle would have come down and so the useful life would have gone up, but reduction is quite contradictory.

Mr. Vikas Poddar - CFO- Indus Towers Limited

That is a fair point. The thing is when we do this reassessment, we look at the data points and we have certainly considered the data for the last 12 months in terms of what is the replacement cycle, etc. There is a fair obsolescence that we have noticed despite the EB situation improving, I think eight years is not really out of norm, it is pretty much the norm if you look at other industries as well when it comes to DGs or other power equipments, so I think the 10 years was probably a bit different from the reality, so we have sort of readjusted now.

Mr. Sanjesh Jain - ICICI Securities/Mumbai

Got it. Thanks for that answer and best of luck for the coming quarters.

Sunita - Moderator

Thank you, Mr. Jain. The next question comes from Mr. Arun Prasath from Avendus Spark Chennai. Mr. Prasad, you may ask your question now.

Mr. Arun Prasath – Avendus Spark/Chennai

Thanks, my questions are answered. Thank you very much.

Sunita - Moderator

The next question comes from Mr. Sanket Baheti from GeeCee Holdings, Mumbai. Mr. Baheti, you may ask a question now.

Mr. Sanket Baheti - GeeCee Holdings/Mumbai

Thank you for the opportunity, Sir. I have couple of questions. Sir, what is the capex that we are building in for the full year and what is the capex requirement for lean tower versus a macro tower and what are the return ratios we are targeting for a macro tower versus a lean tower?

Mr. Vikas Poddar – CFO - Indus Towers Limited

Thank you for the question Sanket. As far as the capex for the full year is concerned, I think Prachur did mention that the order book is quite healthy, and we do expect the rollout momentum to continue. So, I think from that perspective the capex will remain elevated for some time. As far as the capex requirement for a lean and a macro tower is concerned, I think first of all I just want to sort of make you aware that the towers are not really homogeneous there are different varieties of towers and depending on the type of macro tower or the type of lean tower that we are building the capex profile and the return profile could be very different, but I will try to give a very generic answer, so a lean tower could be anywhere between let us say Rs.3.5 to 5 lakh and a macro tower could be anywhere between Rs.15 to 25 lakh sort of, so it is a very wide range because depending on the type of towers that we are building and typically in terms of return with lean towers our return profile is slightly better I would say probably somewhere around mid double digit and with macro it is usually depending on the tenancy, it would start with maybe a single digit and if the tenancy improves then we even see double digit returns there.

Mr. Sanket Baheti - GeeCee Holdings/Mumbai

Thank you so much.

Sunita - Moderator

Thank you, Mr. Baheti. At this moment, I would like to hand over the call proceedings to Mr. Prachur Sah for the final remarks.

Mr. Prachur Sah - MD & CEO- Indus Towers Limited

Thank you. To sum up, we are pleased to have maintained the strong tower addition momentum in Q2 as well. We expect the accelerated rural expansion of one of our major customers to continue in the near term, which coupled with the 5G rollouts augur well for us given our leadership position in the passive infrastructure space. We endeavor to ride this growth journey in a sustainable way and create value for all our stakeholders including shareholders, customers and partners. I wish to thank you all for joining this call. Have a good day.

Sunita - Moderator

Ladies and gentlemen, this concludes the conference call. You may now disconnect your lines. Thank you for connecting to audio conference service from Airtel and have a pleasant evening.