



GMR Airports Infrastructure Limited
(formerly known as GMR Infrastructure Ltd)

**Q1 FY2024 Investor / Analyst
Conference Call Transcript
August 14, 2023**

Moderator: Ladies and gentlemen, good day and welcome to the GMR Airports Infrastructure Limited Conference Call to discuss Q1 FY2024 Results.

As a reminder, all participant lines will be in the listen-only mode and there will be an opportunity for you to ask questions after the presentation concludes. Should you need assistance during the conference call, please signal an operator by pressing '*' and then '0' on your touchtone phone. Please note that this conference is being recorded.

We have with us today Mr. Saurabh Chawla – Executive Director - Finance and Strategy.

Before we begin, I would like to state that some of the statements made in today's discussion maybe forward looking in nature and may involve risk and uncertainties. Also recording or transcribing of this call without prior permission of the management is strictly prohibited.

I now hand the conference over to Mr. Saurabh Chawla for the opening remarks. Thank you and over to you, Sir.

Saurabh Chawla: Good evening, everyone. I'm delighted to welcome our shareholders, analysts, and all other stakeholders to our Q1 Fiscal Year 24 earnings call. I really appreciate you joining at this late hour. Before we delve into our company's quarterly figures and achievements, I think it is essential to situate our performance within the overarching narrative of India's infrastructure, particularly the aviation sector and broader economic context. Post-pandemic, our economy has shown signs of resilient recovery.

India's economic trajectory is promising, characterized by steady growth rates, enhanced food manufacturing and a favorable investment climate. Notably, infrastructure remains central to this growth story, acting as both a driver and beneficiary. India's thrust towards infrastructure development isn't just a policy choice, it's a strategic move to catalyse holistic development. The programmes like 'Atmanirbhar Bharat' and the 'National Infrastructure Pipeline', the nation has showcased its ambition, ushering in investments and innovations.

Our airport projects have been pivotal. Beyond mere transport hubs, we see them as India's gateways to global commerce and culture. Our commitment to redefine the traveler experience remains undeterred. Technology integrations, sustainability initiatives and passenger first approach have not just elevated user experience but also set new industry standards. Amidst this macro backdrop, our journey over the past quarter has been both strategic and transformative.

We've leveraged technology, sealed key partnerships, initiative to simplify the corporate structure through the merger process, and continue to enhance operation efficiency across all projects. Like every growth journey, ours hasn't been devoid of challenges. From industry disruptions to regulatory changes, we have navigated a diverse set of obstacles. Yet every challenge has unveiled an opportunity, be it in terms of innovation, new partnerships and process optimizations. We are excited and fully equipped to harness these prospects, amplifying our growth and contributions.

With this note now, I would like to briefly run you through our Q1 fiscal year 24 performance. We began the new fiscal year first quarter with a healthy growth on operational and financial parameters. GMR Airports Infrastructure Limited's gross revenue increased by 40% year-on-year to INR2,018 crores in Q1 fiscal year 24, driven by strong growth in traffic at our operational airports. EBITDA increased by 77% to INR753 crores with EBITDA margins at 51% up 10% year-on-year, reflecting a strong growth in the business and underpinned growth drivers.

Net profit after tax from continuing operations of about 16 crores in Q1 fiscal year 24. On the operational front, we are seeing strong momentum in traffic and expect this upward trend to continue further. In Q1 fiscal year 24, overall tax traffic increased by 26% y-on-y to 27 million passenger traffic and this has surpassed the pre-COVID levels. That is, Delhi and Hyderabad airports have crossed 14% and 12% more in Q1 fiscal year 20, respectively.

During the quarter, in addition to healthy growth of domestic traffic, international traffic has also increased substantially. Delhi and Hyderabad airport international traffic increased by 35% and 33% respectively. In its continued growth trajectory, Hyderabad Airport handled highest quarterly passenger traffic in Q1 fiscal year 24 and crossed the 6 million passenger mark.

Now I would like to highlight the key developments of the quarter.

Saurabh Chawla:

We are steadily progressing on the merger of GMR Airports with GMR Airports Infrastructure Limited, which will ultimately enhance the shareholder value. In this context, varied steps have been achieved, paving the way further for the entire merger completion within the expected timeline of fiscal year 2024. We've already received the CCI approval during the quarter four of 23, and recently we received a no objection to the merger from the RBI and both the stock exchanges. Now the merger application is expected to be filed shortly with NCLT.

Significant progress has been achieved with respect to capacity expansion in our Delhi, Hyderabad and Crete airports. As of July 31st, 2023, Hyderabad and Delhi airports achieved 92% and 93% of capex progress. Delhi and Hyderabad airports are targeted for completion in Q3 fiscal year 24 and

Q2 fiscal year 24. A brief glimpse of the same is available in our investor presentation for the quarter. We expect the new tariff regime at Delhi to be in force by April 2024.

We achieved historic milestone in Delhi Airport. We inaugurated the fourth runway and the eastern cross-taxiway on July 14, 2023. Delhi Airport becomes the only Indian airport with four operational runways and elevated cross taxiway, which will aid in Delhi becoming an attractive hub along with our sustainability journey to becoming a net zero carbon emission airport by 2030, reinforcing its preeminent position in the Indian aviation sector..

Mopa or Goa airport is also fully operational. Domestic flights had already commenced from January 5th with Indigo, Akasa, SpiceJet and Vistara operational and expanding their footprint. International operations also started on July 21st with Air India operating international flight from Mopa, Goa to London, Gatwick three times weekly. Cumulative traffic at Mopa Airport has already crossed 1.9 million mark as on July 31st. In the month of July, Goa Airport welcomed 2,000 international passengers. We're also expecting the new tariff regime at Mopa to be in force in Q3 FY24.

On the regulatory front, Telecom Dispute Settlement and Appellate Tribunal, TDSAT, has pronounced its order on July 21st with respect to our appeal preferred by Delhi Airport against the orders passed by Airport Economic Regulatory Authority, AERA, towards tariff determination for Delhi Airport for the second and third control period. TDSAT in its order has allowed certain claims of Delhi Airport and has disallowed certain other claims. The matter is still to achieve its finality.

Hyderabad airport on June 6th announced the divestment of about 8,18,000 square feet warehouse facility at Hyderabad airport to ILP Core Ventures I PTE Limited, a step-down subsidiary of Indo Space Core PTE Limited. The said transaction reinforces the GMR Group's capabilities in developing world-class institutional grade real estate project assets and generating value through successful exit.

GMR Hyderabad Aviation SEZ Ltd., a 100% subsidiary of GHIAL, has recently signed a land lease agreement with Safran Aircraft Engine Services India Pvt. Ltd., a subsidiary of Safran, a global leader in aircraft propulsion and equipment space and defense markets. As per the agreement, GHASL will lease land to Safran to operate engine MRO facility for LEAP turbofan engines. Spread over 23.5 acres of land parcel within the SEZ area of GMR Aerospace and Industrial Park, this facility will occupy around 36,500 square meters of built-up space. The construction of the facility will commence in September and is expected to be handed over in December 2024, with operations set to commence in 2025. The facility in Hyderabad will be the largest MRO center in Safran aircraft engines network.

On airport land development, in Delhi airport ,we have initiated self-development of commercial building of about 6 lakh square feet in the gateway district of Aero City. In Hyderabad airport, it has initiated development works for GMR interchange, which is a retail project. In Mopa, Goa airport, land monetization processes for two hotels were successfully completed with letters of intent to award issued to the two highest bidders.

In Bhogapuram airport, foundation stone of the airport was laid by the state chief minister on May 3, 2023. EPC bid evaluation is currently under process. R&R processes have been fully completed. Grant of right of way over airport land from the authorities is under process. Financial closure is expected. It is an advanced stage and expected soon. The sanction of our lead bank is already in place.

Nagpur Airport, the review petition was filed by Ministry of Civil Aviation and Supreme Court challenging the earlier Supreme Court order. However, the petition was dismissed by the Supreme Court and its order dated May 11, 2023. We expect execution of concession agreement at the earliest.

On Medan Airport, on a year-on-year basis, traffic is up 62% to 1.8 million passengers in Q1 fiscal '24. Currently, 18 domestic and 6 international destinations are connected in Medan, and they're working steadily towards adding new destinations.

We have continued our rigor on the ESG front at each of our airports. GMR in its strategic vision of nation building through future ready sustainable airports ensures that the principle of sustainable development is fully imbibed in unique and innovative infrastructure development or day-to-day operational activity which we undertake.

In this direction, Delhi Airport added another milestone in its sustainability journey of becoming a net zero carbon emission airport by 2030 by inaugurating the fourth runway and the Eastern Cross Taxiway. While the 4.4 kilometer long runway will enhance the operational efficiency at Delhi Airport, the Eastern Cross Taxiway will help lessen aircraft emissions and additionally reap in several other benefits inter area, reducing about 55,000 tons of carbon dioxide emission, which is equivalent to planting about 15 lakh trees.

Hyderabad Airport too continued its sustainability journey and transitioned to 100% sustainable green energy for its energy consumption at the airport and across its ecosystem, which will reduce its carbon footprint by about 9,300 tons of carbon dioxide annually.

Delhi and Hyderabad airports have maintained an ASQ score of 5 during this quarter.

In conclusion, as we move ahead in 2023, we are not only just geared to navigate the challenges, but also to seize the myriad opportunities that the evolving Indian and global aviation landscape presents. I express my deepest gratitude to our investors, partners, and team members for their continued trust and support. Together, we are forging a path that is exemplary in the annals of Indian aviation journey.

Now, I would like to open the floor to Q&A. Thank you so much.

Moderator:

Thank you very much. We will now begin the question-and-answer session. The first question is from the line of Mohit Kumar from ICICI Securities. Please go ahead.

- Mohit Kumar:** My first question is on the TDSAT order, which was very very favorable to our Delhi airport. My question is, that what is the status and way forward, and what could be possible financial implications? Any color would be helpful.
- Saurabh Chawla:** GRK Babu, would you like to answer this?
- GRK Babu:** Yes, sir. I think TDSAT order has been received. I think as we explained that it has to reach the finality. In the meantime, since the DIAL is going to file the application for the fourth control period, and which is expected to file in the third quarter of this financial year. We'll incorporate the TDSAT order, if there is any -- no stay from the Supreme Court in the meantime, then we incorporate and then file the application. The quantum's are being worked out, and it will be very difficult to state the currently what will be the quantum of the increase that we are expecting.
- Mohit Kumar:** Has the DIAL, has have AERA filed the petition with Supreme Court against the order?
- GRK Babu:** No, DIAL because there are certain favorable orders that some are not favorable. We are examining the issues not favorable whether we should go for appeal or not. The legal is examining that. What I'm trying to explain is that there are so many stakeholders who are available who can go to the Supreme Court because the next appeal lies with the Supreme Court. Either airlines can go or any other person who is getting affected because of the tariffs, they can go to the Supreme Court. All stakeholders are permitted to appeal.
- Mohit Kumar:** Understood, sir. My second question is, sir, you raised money of 12 billion to a city at Delhi airport, and 20 billion at Goa airport, if I'm not wrong. Was both the paper was for refinancing or one was for the expansion and the other was for refinancing of the existing debt?
- GRK Babu:** 12 billion what Delhi airport has raised in the month of June is for as part of the Phase III expansion which is happening now with that term for the entire project cost till today approved by the board is about INR11,550 crores has been fully tied up.
- As far as that is -- as far as the DIAL is concerned. Goa right now we are in the process of thinking of going for refinancing. Otherwise, we have not raised any money as far as the Goa is concerned in the last quarter.
- Mohit Kumar:** Understood. So my last question is, how are the traffic in the last 45 days? Are you seeing the same momentum continuing?
- GRK Babu:** The traffic you are talking about Goa or as a whole?
- Mohit Kumar:** No, no, traffic at Delhi and Hyderabad.
- Saurabh Chawla:** Let me take this question. Traffic is as per our forecast, internal forecast. Obviously, there is seasonality in traffic because the second quarter usually is a little bit subdued. But I would say that the delta over the previous year continues to be maintained.

- Moderator:** The next question is from the line of Sai Siddhardha Pasupuleti from Kotak Securities.
- Sai Siddhardha P.:** So my first question would be your retail and non-aero revenue for PAX for Hyderabad Airport have been a bit volatile over the past few quarters. So if you could explain us any seasonality effects as in how to think about a stable level of spending for this one?
- Saurabh Chawla:** GRK Garu do you want to take this?
- GRK Babu:** Yes, I can take it. As far as Hyderabad is concerned, actually the non-aeronautical revenue is doing very well. There was some fluctuation between the fourth quarter and first quarter because in the fourth quarter, some of the revenues, especially duty free, was getting at a higher revenue share, about 35%. In the first quarter, we moved down to 23%. Because in case of Hyderabad duty free, the revenue share is depending upon the turnover they achieve. If they achieve more than INR65 crores, then only they come into 35%. That's why in the last quarter of the Hyderabad, they got higher revenue, Hyderabad Airport. The second point is that some of the rent yielding assets have been transferred to some other company and the money has been raised by Hyderabad Airport.
- As a result, there was some lesser revenue coming from the rentals in case by Hyderabad Airport. That is where there is a slight volatility on our difference between fourth quarter to first quarter. Otherwise, Hyderabad Airport is doing very well and the spend per passenger is also good. Only in case of the duty free, a slightly fallen, but it is now picking up much better. We will see a good momentum going forward.
- Sai Siddhardha P.:** Yes, thanks. So just a second question on following up. Your other expenses have also been quite volatile with first quarter spend lower than the third quarter. So if you could share some reasons on the same and also why the associated profit is growing at the base as it is growing at the moment?
- GRK Babu:** In case of Hyderabad, yes, you want to take it Saurabh or can I explain?
- Saurabh Chawla:** Why don't you go ahead?
- GRK Babu:** Yes, in case of Hyderabad in the fourth quarter, there were some exceptional expenditure that has been incurred. There were, of the write-off of the amount, bank, about INR63 crores. And also, we did the refinancing of the bond, where we have made the hedging has been canceled, and the notional has been booked, and some legal expenses have also been booked. As a result, in the fourth quarter, the Hyderabad expenditure was very high, whereas whatever we have incurred in the now first quarter is now the standard expenditure that we have incurred.
- That is the reason why in the first quarter versus third quarter, there was a fall in the expenditure in case of Hyderabad airport. And going forward, we are expecting that we will be maintaining more or less the first quarter expenditure. We are now very conscious about booking every expenditure properly over a period of time. So we will not see the such type of differences going forward.
- Sai Siddhardha P.:** So this is according to all the assets, sir or only the Hyderabad airport?

- GRK Babu:** All our exceptional expenses incurred during the fourth quarter.
- Sai Siddhardha P.:** Okay.
- Saurabh Chawla:** May be we can quantify those. If you want, we can highlight that aspect. So, Ashok, do you want to do that?
- Ashok Ramrakhiani:** So, these are some of the one-offs, which we have recorded in the previous quarter, which is some provision we have made for the receivable to the extent of INR65 crores, and some loss on settlement of derivative instruments we have recorded, and some loss on discarded assets we have recorded, about INR20 crores, and some forex loss on the FCCBs, which around INR27 crores, we have recorded, and there was some closing provision we have made for some of the expenses related to the arbitration, which is approximately INR100 crores plus in the financial statement of March 2023. So these were not there in the June quarter.
- Saurabh Chawla:** So, just as a guidance, we are basically back to our normalized levels and you should expect similar levels to continue.
- Sai Siddhardha P.:** All right. Thanks, sir.
- Moderator:** Thank you. The next question is from the line of Bharat Jain from ICICI Securities. Please go ahead.
- Bharat Jain:** Thank you for the opportunity. Yes, sir, can you tell us the numbers for daily duty free, the top line and the profit in the quarter?
- Saurabh Chawla:** Yes, just one second. Rajesh, you want to take this?
- Rajesh Arora:** Saurabh, I don't have the number readily with me.
- Saurabh Chawla:** Okay, just a second, we will give the numbers.
- Ashok Ramrakhiani:** The top line is INR448 crores for June quarter and it was INR421 crores in the March quarter.
- Bharat Jain:** Okay, sir. And the profit?
- Ashok Ramrakhiani:** And the profit and loss before tax, it is coming INR86 crores in the current quarter, and previous quarter it was INR84 crores. And at PAT level, it is INR64 crores and INR98 crores in the previous quarter. So previous quarter we have recorded one exceptional item, which is on account of the GST refund, yes.
- Bharat Jain:** GST refund, got it. Sir, can you give us some color on how you're planning to increase the rate of SPP spend in duty free?
- Saurabh Chawla:** Rajesh, this is yours.

- Rajesh Arora:** Sure, Saurabh. So Bharat, in terms of our plan to expand, increase SPP, there are various factors and we discussed in the previous calls also. Primarily one is, you bring in the right kind of offerings, considering the mix of traffic that you have. Secondly, like what we have done, we think in Hyderabad, and where we have seen almost 20% jump in the SPP, where we have expanded the duty-free area. So these are the two key factors which contribute and naturally the other one is linked to the inflationary and the price linked factors which increase the SPP. So these are the three time factors for which undergoes for increase in SPP.
- Bharat Jain:** Okay, sir, I understand. So, sir, if I can just one clarification, the cosmetics tend to earn more margins on cosmetics?
- Rajesh Arora:** Generally on perfumes and cosmetics, when you compare with the liquor, the margins are slightly lower. Slightly lower, I won't say very significantly lower, but especially when you compare with the liquor. Yes, those are slightly lower.
- Rajesh Arora:** Okay, sir. Understood. Thank you very much, Sir. That's all from my side.
- Moderator:** Thank you. The next question comes from the line of Sai Siddhardha Pasupuleti from Kotak Securities. Please go ahead.
- Sai Siddhardha P.:** Yes, thanks for the follow-up. So I just had one final question. So the associate profits have been growing quite year-on-year as well as quarter-on-quarter. I wanted to know the reasons associated with it and also the interest costs have come down on a Q-o-Q basis for Delhi and Hyderabad airports. So what is driving this decline would also be helpful?
- Ashok Ramrakhiani:** Yes, actually in previous quarter there was a loss, we have recorded for the Bajoli Holi. So during the quarter the performance of the Bajoli Holi has been improved. So it's mainly because of this the profit has been improved and other associates and JVs are also performing better in the current quarter.
- GRK Babu:** Interest there is no reduction as such.
- Sai Siddhardha P.:** Okay. That's only from my side. Thanks.
- Moderator:** Thank you. The next question is from the line of Sriram R, an individual investor. Please go ahead.
- Sriram R:** Thank you for the opportunity. I just have one question. So this is regarding the Noida airport, which is coming up in FY '25- 26. What sort of impact that would have on the Delhi site?
- Saurabh Chawla:** So honestly speaking, given the growth that we see in the aviation sector, over a period of time, we would need more airports in the country. Noida will be a welcome change. It will take a lot of burden off the Delhi airport. In our strategy, we have always seen Noida taking our Tier 2 traffic away and some part of the cargo traffic away.

But, Noida going live is still two years to three years down the road, by which time we would be hitting our capacity levels and it would be a good time for us to concentrate on more high yielding traffic rather than low-yielding traffic. So honestly speaking, we'll not have too much of an impact as long as India keeps growing at around 6% to 7% on a secular basis.

Sriram R: Thank you. That answers my question.

Moderator: Thank you. The next question is from the line of Aditya Mongia from Kotak Securities. Please go ahead.

Aditya Mongia: Hello everyone, My question is linked more to the EBITDA reported in the current quarter. Which is about INR7.5 billion. Now, this is meaningfully higher than the run rate seen in the 9M-FY'23 kind of time period on a quarterly basis. Potentially almost double up the quantum seen last year in the first nine-months on a quarterly basis. I wanted to kind of confirm or clarify, is there any one-off inside the -- in the first quarter print of EBITDA, or should this be a sustainable number going forward?

Saurabh Chawla: GRK Garu, you want to take this, or should I take it?

GRK Babu: Yes, I think as far as the financials, this quarter are concerned, there are no one-off as such. It is an actual real performance. The revenues have substantially gone up and the increase in the profitability and turnover is mainly because in case of Hyderabad airport, in addition to the traffic going up, the tariffs have also gone up, compared to the previous year. This year, the tariffs are almost at 1.6x. As a result, you've got a better turnover, and that will continue for the next two years until they go back into the new. Otherwise, there are no one-off anything this time and they're all very clean and we're expecting the same type of performance going forward. And you may add anything else, Saurabh?

Saurabh Chawla: Yes, so in addition to what GRK Garu, just said on the Hyderabad, there's also increase in the CPD revenues of DIAL on account of new contracts with Bharti Realty. Yes, on account of taking over the new land parcels in the Aerocity. So basically that's the booking that has happened, which has increased the EBITDA levels.

Aditya Mongia: Understood. Again, on the aspect that you have said, the first one, which is Hyderabad airport's aero tariffs going up, is it fully reflected on the impact of, in fact, both the factors that you said, which is Bharti reality and Hyderabad airport's aero tariffs going up, are they kind of fully reflected in the quarter gone by or would we see a further impact on the positive side incrementally?

GRK Babu: No, as far as the increase in the tariffs are fully reflected in case of Hyderabad airport. Bharti, the second phase of the 2.13 million square foot which they have taken over and the current quarter revenues have already been booked and they will continue to be there. So there is no change as such.

Aditya Mongia: Understood. And in case of Hyderabad, aero tariff posted two year period that you are suggesting. Do we envisage tariffs coming down in a base case scenario? How do we see through the numbers of...

GRK Babu: Basing on the current tariff structure which is approved by the TDSAT which is now under implementation '23-'24, '24,-'25 and '25-'26. So this tariffs will remain almost the same. And '26 again direct the GHIAL has to file another application for fourth control period. And basing on that point of time and the capex involved in everything, again tariff determination will happen. It will be very difficult to guess what will be the tariff with the fourth control period. Otherwise, next two to three years, the run rate will continue to be the same.

Aditya Mongia: Understood. And since there are several aspects because of which Hyderabad's EBITDA is actually going up as you suggested through the call, is there a sense of any kind of dividends that will be distributed away from that airport?

GRK Babu: Basing on the current covenants under the bond covenant. Right now this financial year appears to be difficult, but next financial year onwards then Hyderabad airport will be in a position to secure the dividend.

Saurabh Chawla: So Aditya, we are on path, like I highlighted earlier also, that as we continue on our path of generating free cash, it will be for dividend flows by the airport asset companies to the platform. And of course, the merger of GAL into GMR Airport Infrastructure Limited, GAIL, would be very helpful to upstream those dividends. First off the block will be Hyderabad. Whether it happens during this current year or next year, I think let's just wait it out. We prefer not to give any guidance to the markets on that. Performance itself will demonstrate it.

Aditya Mongia: Maybe the final question, my side, if I may, again relates to Hyderabad Airport because interesting things are happening. A, is there a case of you taking out the stake-of the government entity over here? And B, as we have seen in case of Delhi, is there a case of the CGF issue turning out to be in our favor and from a regulatory perspective, we benefiting?

GRK Babu: What is the first question, sorry?

Aditya Mongia: So I think 26% stake is still held by the government entity over here, right?

GRK Babu: Yes.

Aditya Mongia: Yes, is there a case of that?

Saurabh Chawla: Aditya, there is no proposal of the government to sell its stake. There's nothing which is formally there. So we really can't react to any speculative thought process. If there is a proposal in place, obviously, we will look at the merits of it and ensure that we participate in it.

Having said that, our overall philosophy, Aditya, is to be capital light. So unless and until there's a good arbitrage in the value Why would we participate in it? We would prefer to partner with some other financial majors, who may come and participate to buy out that stake, but there is no current proposal by any government authority to sell their stake, whether in Delhi or Hyderabad or any other airport across the country.

- Aditya Mongia:** And any option value from any regulatory positives that come in from Hyderabad specific to CGF issue, timelines and probability, if you could share?
- GRK Babu:** That the appeals are pending before the TDSAT. Now the Hyderabad, Delhi airport hearings have been completed, we got the order. TDSAT is now hearing the MIAL case is going on. So most probably they will take it up in the queue in Hyderabad. So CGF is being fought before them and we are at so. And we continue to agitate before the TDSAT for a favorable order.
- Aditya Mongia:** And those were my questions. Thanks a lot for the time that you gave me. Thank you.
- Moderator:** Thank you. The next question is from the line of Paras Vasa from OM Investments. Please go ahead.
- Paras Vasa:** Yes, once the capitalization of the current expansion is done, how much interest cost and depreciation will go up for the Hyderabad airport as well as the Delhi airport?
- GRK Babu:** In case of the Delhi, the depreciation, which is currently about INR500 crores, can go up to almost INR1,000 crores. And interest can be, once we complete the entire capitalization, the interest amount could be in the range of about INR1,400 crores.
- Paras Vasa:** And the same for Hyderabad?
- GRK Babu:** In case of Hyderabad, the current depletion about INR230to INR300 crores, will go up by almost double because of the INR6,700 crores capitalization. Interest cost will be around INR800 crores.
- Paras Vasa:** I see. Thank you.
- Moderator:** Thank you Ladies and gentlemen. We have no further questions. I would now like to hand the floor over to the management for closing comments. Over to you, sir.
- Saurabh Chawla:** Thank you. Thank you, everybody, for joining on our Q1 call at this late hour. I appreciate your questions. The team, of course, is available offline to answer any other specific queries you may have on the data that we have published so far and any strategy questions that you may have as we go forward. Thank you so much. Have a good night.
- Moderator:** Thank you. On behalf of GMR Airports Infrastructure Limited, that concludes this conference. Thank you for joining us. You may now disconnect your lines.

Note: Transcript has been edited to improve readability.