

Conference Call Transcription

Event: Transcript of Indus Towers Limited Second Quarter Ended September 30, 2021 Earnings Conference Call

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PRESENTATION**Rajyita – Moderator**

Good afternoon, ladies, and gentlemen. I am Rajyita, the moderator for this conference. Welcome to Indus Towers Limited Second Quarter ended September 30, 2021 Earnings Call. For the duration of the presentation, all participants' 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 culminated post an announcement. Present with us on the call today is the senior leadership team of Indus Towers Limited.

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. Bimal Dayal, MD and CEO of Indus Towers. Thank you, and over to you, Mr. Dayal!

Bimal Dayal – Managing Director and Chief Executive Officer– Indus Towers Limited

Thank you very much, Rajyita. A very good afternoon to all of you who have joined the call today. I welcome you all to the earnings call of Indus Towers for the second quarter ended September 30, 2021. Incidentally, this is the fourth quarterly call we are having post the merger. Joining me on the call today are Mr. Vikas Poddar, our CFO, Mr. Kaustav Neogi, Finance Controller and Mr. Dheeraj Agarwal whom we introduced last time, our Head Investor Relations.

As you would probably have read and what I certainly wanted to stress upon this fact, that this has been a very significant quarter in more ways than one. First of all, let me cover the demand aspect wherein once again the data consumption as reported by the operators has grown 41% year-on-year and 100% over the last few years. This is quite commendable as the growth is coming in over a large base and it is quite noteworthy. Since this is a primary driver for growth in towers, I think this is certainly significant to call-out. We continue to benefit from this insatiable demand for data across operators and across geographies.

Another significant update which needs to be called out what happened in this quarter, is the Government's telecom relief package that was announced on the September 15. In my past extent, we had been sharing our optimism and this is a 'we told you so' kind of a moment that has pumped in a huge amount of optimism around the industry. The risk of two plus one operator, that risk will be going down considerably.

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What also needs to be called out here is the way package was structured. Three areas of broad categorization namely the structural reforms, the procedural reforms, and the liquidity reforms gives a very clear intent on part of the Government of India to play a very facilitative role in growing this sector and the 5G era as well.

We as Indus Towers welcome the package and would like to see further clarity and a new shape of our operators under this new relief package. Since the package also talks about the auction window, the next step of rolling out 5G becomes almost clear and certain. Talking of which, if we look at globally what is going on in the 5G arena, commercially there are almost 176 network providers who are already ahead of us and they have rolled out 5G subscriptions which stand at almost 84 million and surpassed the addition of 4G subscribers this quarter, which sits at 71 million in Q1 FY2021. This is as per Ericsson Mobility Report. This would certainly keep us busy in coming quarters and the auction takes place in quarter four. We eagerly look forward to the auctions and the roll out of 5G.

On operational and financial performance, we have had a good quarter. We ended the quarter at 183,000 towers and 330,000 co-locations which represent a healthy year-on-year growth of 7% and 6% respectively. Consequently, our tenancy ratio has improved to 1.81 at the end of this quarter which stands at industry best. There is a change in the methodology of reporting of towers and co-locations as the consolidation of the industry is largely muted which Vikas will explain it to you soon.

With this let me hand it over to Vikas to take you through the financial results, post which I look forward to our interaction. Over to you Vikas and thank you.

Vikas Poddar – Chief Financial Officer – Indus Towers Limited

Thank you Bimal and a very good afternoon to all the participants on this call. I am pleased to share with you the financial results of the second quarter ended September 30, 2021.

Reiterating what Bimal said, we had a good second quarter from both operational and financial common standpoint. As we are coming out of the pandemic situation, we are seeing the business activities return to normalcy. Our field activities have also picked up in Q2 post the lockdown restrictions.

Our total towers and co-locations at the end of the quarter were up by 7% and 6% year-on-year respectively. Reporting of towers and co-locations has been changed from notice basis to actual exit basis with effect from July 2021. So, during the consolidation phase of the telecom industry, Indus had adopted a conservative approach starting December 2018, of reporting the exits basis notices received vis-à-vis the previous method of reporting. Now, with the stabilization in the industry and the reducing trend of exits, Indus has returned to the earlier approach of reporting churn based on actual to represent the actual co-locations and the tenancies built. This has resulted in one-time addition of 3,630 co-locations in the closing base for the second quarter.

Coming to the financial performance for the second quarter, we have witnessed a strong year-on-year growth. Please note that this growth is over the Q2 of last year and reflects the impact of some of the accounting practices that we aligned post the merger.

Our gross revenues were up 8.1% year-on-year and 1.2% quarter-on-quarter to Rs.68.8 billion. Within that our core revenue from rentals also grew and was up 5.9% year-on-year and 1% sequentially quarter-on-quarter to Rs.42.5 billion.

Our EBITDA grew 16.8% year-on-year and 3.2% quarter-on-quarter to Rs.36.4 billion. This was aided by reduction in other expenses on account of reversal of bad debt provisions, post the collection of some aged outstanding. Consequently, EBITDA margin improved by 3.9 percentage points year-on-year and 1 percentage point quarter-on-quarter to 52.9%. Improvement in energy reimbursements and tight control over the network cost has supported the profitability growth. Improvement in energy margin was mainly driven by the sustained efforts of the company towards reconciling differences with our customers.

Our profit after tax was significantly up by 37.8% year-on-year and 10% quarter-on-quarter to Rs.15.6 billion. This includes approximately Rs.400 million of tax benefits on account of long-term capital gain on investments.

Our free cash flow for the quarter was lower than our expectations mainly due to increase in receivables by Rs.10.7 billion. The same was on account of two reasons; firstly, approximately 30% was on account of challenges in the billing system integration and the remaining due to continued delay in payment from our customers as we had indicated in Q1. We expect things to improve with the announcement of the relief package that should address the liquidity concerns of the operators. Furthermore, we are adequately covered by the security package and this gives us the confidence that the situation should start to improve soon.

Both pre-tax return on capital employed and post-tax return on equity on the trailing 12-month basis were up year-on-year and quarter-on-quarter to 23.8% and 30.9% respectively and this was largely driven by the earnings growth.

So, I would like to reiterate that the significant increase in earnings over the last year was also helped by change in accounting practices post-merger. We started recognizing the exit revenue from Q3 of FY2021 on accrual basis due to certainty of receivables backed by the security package. This also led to one time increase in overall revenue for Q3 last year.

As you would be aware the recognition of exit revenue will be completed by Q3 of FY2022 and we will discontinue with recognizing a material part of the exit revenue from Q4 of FY2022; however, after adjusting for these changes, our performance was quite healthy on both year-on-year and quarter-on-quarter basis.

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All in all, I would say it was a good quarter. So, with that I would like to open the floor for question and answers please. Thank you.

Rajyita - Moderator

Thank you very much sir. We will now begin the question-and-answer interactive session for all the participants who are connected to the audio conference service from Airtel. Due to time constraints, we would request if you could limit the number of questions to 2 to enable more participation. Hence management will take only 2 questions per participant to ensure maximum participation. Participants who wish to ask questions may please press star(*) 1 on their touchtone-enabled telephone keypad.

The first question comes from Mr. Vivekananda Subbaraman from Ambit Capital, Mumbai. Mr. Subbaraman, you may ask a question now.

Vivekananda Subbaraman - Ambit Capital - Mumbai

Thank you for the opportunity. I have two questions. First one is on the opportunities that you are seeing beyond the tower sharing i.e., fiberisation, small cells, could you elaborate on that a little bit and was that a meaningful contributor to the revenue more than 5% or something that you want to talk about right now? That is question one. Secondly, the exit charges that you have of Rs.184 Crores that were recognized in the current quarter, would it be possible to provide comparable proforma numbers for the same quarter last year and a guidance on where this number would look like for fiscal 2023? Thank you.

Bimal Dayal – Managing Director and Chief Executive Officer– Indus Towers Limited

Thank you for these two questions. I will take the first one and this is about the overall strategy of Indus and I would have actually touched upon during my opening remarks as well, we have been saying that we will share our Indus strategy in detail in coming quarters and I think we have taken a quarter more than what we should have. We need to realize that overhang of one of the operators is now relatively reduced and further consolidation in our industry is little bit of a remote possibility. We are certain to come back to you with our overall strategy within this quarter itself.

Now your question was more around the opportunity beyond our current line of business. I think we are certainly and clearly excited about the small cells in-building which I think comes as a package with 5G and is becoming a lot more relevant and I think there are lots of internal realignment which is going on specifically on this topic. On the other hand, to make this real, fiberization both underground and above ground fiber are something which is a very clear opportunity, which we are actually aligning ourselves to. I also spoke about the non-telecom kind of opportunities, some kind of trialing which is coming to us through smart cities opportunities which we have four of them. I would like to unravel all this as a package when we release our strategy to you. Needless to say that I think we are more than ready to share this which we will come back to you within this quarter and can throw some more light on each one of these which would be a some kind of a vertical within here and some of these aspects would actually go in explore and trial phase for Indus. On the exit charges maybe Vikas, you can throw some color and light on this one.

Vikas Poddar – Chief Financial Officer – Indus Towers Limited

Thank you Vivekanand. I think on the exit charges, against Rs.184 crores of exit charges that we recognized in Q2 of this year, same figure last year was about Rs.59 crores. Q3 we will still see exit charges coming through although we can expect a small decline and exit charges to be about Rs.160 crores to Rs.170 crores and then the tapering that I was talking about would eventually start becoming visible from Q4.

Vivekananda Subbaraman - Ambit Capital - Mumbai

Thanks. This helps. Bimal, we will wait for your commentary on the opportunities beyond telecom.

Bimal Dayal – Managing Director and Chief Executive Officer– Indus Towers Limited

Thank you everyone and Vivekanand for your patience.

Rajyita - Moderator

Thank you very much, Mr. Subbaraman. The next question comes from Mr. Arun Prasath from Spark Capital, Chennai. Mr. Prasath, you may ask your question now.

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Arun Prasath - Spark Capital - Chennai

Thank you for opportunity. My first question is on the energy model that is energy margins especially that FEM versus pass through that we keep talking. Can you give a brief summary of what currently is the telcos' apprehension regarding shifting to FEM? What would be the ideal timeframe that you are targeting internally? That is my first question Sir.

Bimal Dayal – Managing Director and Chief Executive Officer– Indus Towers Limited

Would you like to ask both the questions Arun and I can take that sequentially.

Arun Prasath - Spark Capital - Chennai

Once you finish that probably and then I will go for the second one.

Bimal Dayal – Managing Director and Chief Executive Officer– Indus Towers Limited

Thank you. Your question is around the energy margin and the timeframe for the FEM. Look I think if you go into the track record, we have been always saying that there has been good engagement which is going on and that has been absolutely true. There is no sort of a resistance; however, there is good amount of alignment between us and telcos. There is an alignment that we need to tread the path of fixed energy model. I think if I want to say that we have been wrong with our timing because we have been saying that we will be able to close it soon; however, one thing I can clearly say it with certainty that we will be dealing with our operators only through FEM. It will take time, I can only say that this quarter we can possibly aim to have at least one of the two operators coming into fixed energy model and then subsequently we will work on the last one as well and I think that is possibly the best I can share with you. The only thing which I would like to say once again is this is such a beautiful model that this makes both operators and us sit on the same side of the table and do the right things which is to reduce the energy and this works well because operators get reduction and we certainly have an opportunity to make some money out of this and I think we are certainly treading this path. Operators did have their own priorities. If you actually look at it, one of them was financially stressed, the second, one can always say was actually exploring the baseline and having done that I think we are reaching to a point where we can see some closures. Just a clear input here that our timing here is difficult to comment but I am very hopeful that in the coming quarter we will be able to share good news of at least one of the two operators signing off on FEM.

Arun Prasath - Spark Capital - Chennai

If I understand you correctly, the baseline at which the tariff is about to be frozen is the key disagreement between the towerco and the telco. Is it right?

Bimal Dayal – Managing Director and Chief Executive Officer– Indus Towers Limited

I do not even say there is a disagreement here because there is a right movement where the operators feel that there is a reasonable grip of what they want, what they want now and what they want in the future and it has to pop out as their priority. I can say that with our discussions and negotiations we are closer than what we were last quarter and hence it gives me courage that we might and should be able to close it this quarter.

Arun Prasath - Spark Capital - Chennai

My second question is on the capex. Given that capex involves lot of commodity materials such as steel and cement and given that the technology, the engineering is also in a matured stage, what exactly is the competitive advantage that Indus has against its peers? Is it just the size and lower cost of capital or is there anything which can be truly attributed to Indus which will result in a go to and of course I am not talking about the right of first refusal, beyond that what is it truly the competitive advantage for Indus when it comes to capex? Can you describe this please Sir?

Bimal Dayal – Managing Director and Chief Executive Officer– Indus Towers Limited

Thank you Arun. Let me understand your question, you are actually pointing towards the innovation which Indus is into both in terms of how we manage the sites and how we build the sites. Am I right in paraphrasing your question?

Arun Prasath - Spark Capital - Chennai

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Sir, I am asking how competitive your tariffs are and what are the reasons for that? Is it just a size and lower cost of capital or is there anything else that you do apart from that which is resulting in a lower total cost of operations?

Bimal Dayal – Managing Director and Chief Executive Officer– Indus Towers Limited

Obviously, I think there are a couple of things, which I can table right now and our merger has also given us a little bit of an edge. From build innovation, I think we had innovation going on one side at Infratel and I think we had some momentum on Indus side, now we are actually sitting with something which we can pick on both sides and replicate and emulate all across and get the least common factors across the circles and I think this is giving us immense amount of replicable knowledge and wealth and I think from here we charter a territory which is our strong point which is execution, this is on one side. The other side, how we manage sites and if you actually look at both the companies - Infratel and Indus, were operating in very different territories and geographies and they were both operating very different models and I think this also is giving us a lot of insights as to what the model of the future could be and get the operational metrics absolutely in order. So rather than giving you a number or an edge over competition, I think we are choosing the best possible number and going for a replication which is giving us a huge amount of I would say, things to work upon going forward.

Arun Prasath - Spark Capital - Chennai

Thank you for your replies.

Rajyita - Moderator

Thank you very much Mr. Prasath. The next question comes from Mr. Sanjesh Jain from ICICI Securities, Mumbai. Mr. Jain you may ask your question now.

Sanjesh Jain – ICICI Securities – Mumbai

First on the receivable side, though in your opening remark you did mention that we expect a speedy recovery post the relief package, what is the receivable days one should work going forward and should we see this impact coming from the very next quarter or it may take a few more quarters for us and what should be a steady state receivable days one should look at from here onwards?

Vikas Poddar – Chief Financial Officer – Indus Towers Limited

Sanjesh, thanks for that. I think the steady state receivable days usually is about between 40 and 50. Currently we are a little over 70, and how do we really see this improving is basically we are expecting an improvement in Q3 which is the current quarter and then probably some of it will also come through in Q4. So certainly, we really see this as a bit of a timing gap that really should unwind in the next two quarters.

Sanjesh Jain – ICICI Securities- Mumbai

Fair enough. Just one related question on that Vikas, we did mention that 30% of this receivable, I do not know whether you were talking about the incremental or the total base. Is there any risk of a write-off in this considering that it has been challenged?

Vikas Poddar – Chief Financial Officer – Indus Towers Limited

No. There is no write-off risk in any of our receivables. We really believe that our receivables are good receivables, but we do have a policy as a result of which we need to provide and make provisions for bad debts when they are overdue beyond a certain number of days and we also do write back or reversal of those provisions as and when we collect some of the old receivables. So, as I was mentioning in my opening remarks, in the other expense which you see is significantly lower year-on-year, a large part of that is also because of Indus managing to collect some of the old receivables, old outstanding so it is basically a policy driven thing. We do not believe that the receivables are bad receivables.

Sanjesh Jain – ICICI Securities- Mumbai

Fair enough, but this 30% number you mentioned, the 30% number is on the total receivables or the receivables which increased in this quarter?

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Vikas Poddar – Chief Financial Officer – Indus Towers Limited

This is on the incremental receivables for the quarter.

Sanjesh Jain – ICICI Securities- Mumbai

This is on the incremental. That is good enough. The second is on the single tower expansion. Now this has been a trend previously where we can understand that there was an operator who was exiting the tenancy but now even post the cancellation it looks like there are towers which are single tenancy towers, so what is the outlook for us? When should we see incremental tenancy sharing ratio to be higher than the underlying tenancy sharing ratio?

Bimal Dayal – Managing Director and Chief Executive Officer– Indus Towers Limited

This is in fact we have to go back in time Sanjesh and in the previous quarters let us say Q3 and Q4 last financial year we did share with you that we made a lot of new towers. All in all, I think the narrative during that time was that we were making single tenancy towers and also there was an overhang of further operator consolidation which would take place. As we got into Q1 of this financial year and the Q2 if you start to see the results, I think our mix between the new towers and co-locations have started to flow in the direction of co-locations or the tenancies and the tenancy ratio fall has been absolutely tapered off. Please remember that this package, which is coming in, it is only the sentiment which has flowed in right now. If we were to actually look at three operator scenario in which three large operators, healthy operators are competing with each other, I think each one will have to chase the other one and obviously there exists gaps between the operator itself and there are plenty of ready-to-use towers for us which actually gives a take-off strip for the newer operators or the operators who are doing the catching up. My take is as we see the operators gaining strength when it comes to the financial one and closing in their packages which they are actually trying to garner and the funds, we will start to see capex infusion and we should start to see the tenancy and the tenancy ratios going up. We have the right portfolio, the largest footprint as well available for this to go up. I think what needs to be watched is how this package translates into healthy operators and the consequent healthy competition.

Sanjesh Jain – ICICI Securities- Mumbai

That is all from my side. Thanks for taking my question and best of luck.

Rajyita - Moderator

Thank you very much Mr. Jain. The next question comes from Mr. Viral Shah from Credit Suisse, Mumbai. Mr. Shah you may ask your question now.

Viral Shah – Credit Suisse - Mumbai

Sorry for this. I had three questions. First one is if you can quantify what was the reversal of the other expenses during this quarter, the provisions that was mentioned initially and how much will come back from next quarter on a BAU basis?

Vikas Poddar – Chief Financial Officer– Indus Towers Limited

I will take that one Viral. So, I think first of all I think it is important to understand the other expenses because obviously it is a mixed bag of several elements and there are particularly two or three elements in that mixed bag which really are not very consistent every quarter. So, one of them is of course the bad debt provisions, which depending on the situation we are either creating or reversing and the second one is also the municipal taxes and the property taxes that we get from the various municipal corporations and government departments and so on. So, I think because of this the other expense is anyway if you look at the history of last four or five quarters it really shows a bit of a fluctuation but pretty much I would say we have reported pretty much half the run rate what we should expect in a very, very normal quarter. So certainly, there are some provision reversals as I mentioned earlier in this quarter because of which the other expenses is almost 67% or 68% lower year-on-year, but like I said I mean that is pretty much half the run rate.

Viral Shah – Credit Suisse - Mumbai

Thank you for this. The second question I had was with regards to the quantification of the exit penalty basically, which will start tapering from the fourth quarter of this year. If you can quantify what would be the exit penalties versus Rs.184 Crores of this quarter in FY2023? Say on a quarterly basis or a roadmap around that?

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Vikas Poddar – Chief Financial Officer– Indus Towers Limited

I think I did indicate that in the first question itself. I think pretty much we would expect somewhere in the range of about 30 Crores or thereabout in Q4, so there would be a substantial tapering that we expect to see.

Viral Shah – Credit Suisse - Mumbai

Okay and this 70 will then continue for FY2023 as well?

Vikas Poddar – Chief Financial Officer– Indus Towers Limited

No. There will be basically because these are part of several contracts so as and when the contracts come to end, we will see further tapering, but the bulk of the tapering will be visible in Q4 and then gradually further down.

Viral Shah – Credit Suisse - Mumbai

The last question is with regards to the renewal negotiations. I know you mentioned that the negotiations are still ongoing if you can quantify the extent of the tenancies that we are talking about in terms of negotiation over the next 12 months and where are the talks progressing because last time around the question was with regards to basically doing a freeze in terms of the base rates for extension of this MSA. What is the premise on which the negotiations are going on if you can give some color around that?

Bimal Dayal – Managing Director and Chief Executive Officer– Indus Towers Limited

Well firstly I did mention around this topic earlier that almost a third of our tenancies are coming in for renewal by end of March 2022 and all I can comment and it would not be right on my part to give any color to these negotiations or even share the drift of those as well. All I can say is there is an engagement which is going on and I think it would not be fair on my part to share any kind of drift at the moment because as you would know these negotiations are quite protected and intense.

Viral Shah – Credit Suisse - Mumbai

Okay fair enough sir and if I just as a follow-up on this, have you seen any operator basically having the negotiations with our competitors especially because now we have these renewals coming around if you can share anything around that?

Bimal Dayal – Managing Director and Chief Executive Officer– Indus Towers Limited

Let me put it this way, I would not comment on what each operator is doing with our competitors. A good way for me to answer this question is where do we fit in all this and I think I would repeat it and I was trying to avoid that repetition. Let me make you believe that we hold very good cards in this negotiation and obviously if you look at the overall picture of the negotiations, and I think you need to, you need to start to build this picture a little bit at a bigger scale. The operators will undergo or they will be participating in the spectrum auction sooner than later and 5G is going to be a very big priority for the operators very, very soon. Now I am not talking about how much Capex will be required. I would actually like to point out that how many fronts an operator would like to open up when it comes to the network quality front. I think that is to do with how, your question of how operators are preparing for this negotiation. I think taking tenancies from one Tower Company to the other is not easy, it is not cheap, it impacts the network quality and so on and so forth. On the other hand, I would like to say that our track record on when it comes to these negotiations has been quite good. We have managed to create this win-win situation and I can go back to 2016 negotiations where we shared with you that we got these extensions and gave away a portion back to the operators in a very transparent manner. So, I will not be too worried about what is going on between operators and competition. I think it is the engagement which we sit with our operators and how it closes for now. Obviously, we are keeping an eye on pretty much all these developments as we go into this negotiation.

Viral Shah – Credit Suisse - Mumbai

That is it from my side. Thank you.

Rajyita - Moderator

Thank you very much Mr. Shah. Participants who wish to ask questions may please press “*” “1”. The next question comes from Mr. Kunal Vora from BNP Paribas, Mumbai. Mr. Vora you may ask your question now.

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Kunal Vora - BNP Paribas - Mumbai

Thanks Sir. A couple of questions; first is on assuming that you move to the fixed energy model, you mentioned one operator might do it in the next quarter itself. What should we expect in terms of margins? You have seen this negative margins persisting for last six quarters now. So would that trajectory change as you move to fixed energy model or it will take some more time?

Bimal Dayal – Managing Director and Chief Executive Officer – Indus Towers Limited

It actually depends on how this thing closes and any model execution I think has its own dynamics so getting into predicting what would be the impact of it I think I would not be able to give you any colour on this. The moment we close it, I think we should be able to give you where we would end up, because it actually constitutes some forward inputs. Obviously where we stand I think it would be a better position wherein we can actually pump in good capex and get energy reduction and our ESG story also starts to take a much bigger shape which is what we are keenly engaged with.

Kunal Vora - BNP Paribas - Mumbai

That is helpful and secondly on the tenancy renewals, one-third is coming up by March 2022. When do you expect to close this negotiation? Would you say that the best case is getting what you are getting or is there a potential to get more?

Bimal Dayal – Managing Director and Chief Executive Officer– Indus Towers Limited

I think this is to do with what happens, let us say in next two months and these two months our endeavor would be to close it well before the expiry, but it cannot come at a cost. So, I think the way we are engaged, I am hopeful that we should be able to close it before the expiry of pretty much all these contracts and share it with you post our board meeting in January.

Kunal Vora - BNP Paribas - Mumbai

I will come back later. It is okay.

Rajyita - Moderator

Thank you very much Mr. Vora. Participants who wish to ask questions now please press “*” “1”. Participants who wish to ask questions may please press “**” “1”. At this moment there are no further questions from participants. I will now hand over the call proceedings to Mr. Bimal Dayal for the final remarks.

Bimal Dayal – Managing Director and Chief Executive Officer– Indus Towers Limited

Thank you all for your interest and participating in this earnings call. Let me rephrase or even summarize what we said. Q2 has been a good quarter for the industry, the telecom relief package has been the highlight. We believe the coming quarter will have a very good bearing from the fine lines and the detailing of this relief package and we are eagerly looking forward to it as well. As on our quarterly performance, it has been robust and stable which is seen in our financial results. We certainly hope to share our strategy in a session with you all as the overhang of any further consolidation is considerably reduced, which actually will focus on how we will actually get into growth in coming quarters and years to come. This is one of the exciting things which we certainly want to share with you sooner than later. With this in mind, all I would like to say is thank you for your patient listening and good luck to us. Thank you.

Rajyita – 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.