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June 08, 2026

The Manager,
Listing Department,
BSE Limited
P J Towers, 1st Floor,
Dalal Street, Mumbai- 400001

The Manager,
Listing Department,
National Stock Exchange of India Limited
Bandra Kurla Complex, C-1, Block G,
Bandra (East), Mumbai - 400051

Scrip Code: 537259

Symbol: SUYOG

Dear Sir/Madam,

Sub: Transcript of Post Earnings Conference Call for Quarter and Financial Year Ended March 31, 2026 under SEBI (Listing Obligations and Disclosure Requirements), Regulations 2015 ("SEBI Listing Regulations")

Pursuant to Regulation 30 read with Schedule III of the SEBI Listing Regulations, we are enclosing herewith transcript of post earnings conference call held on Tuesday, June 02, 2026 at 12:00 p.m. (IST) to discuss the Audited Financial Results (Standalone and Consolidated) for the quarter and financial year ended March 31, 2026.

The aforesaid transcript is also being made available on the website of the Company at www.suyogtelematics.co.in.

Request you to take the same on record.

Yours faithfully,
For **Suyog Telematics Limited**

Aarti Shukla
Company Secretary & Compliance Officer
M No.: A63670

Encl.: A/a



SUYOG TELEMATICS LIMITED

Q4 & FY26

POST EARNINGS CONFERENCE CALL

June 02, 2026 12:00 PM IST

Management Team

Mr. Shivshankar Lature - Managing Director

Ms. Subhashita Lature - Whole-Time Director

Mr. Tushar Shah - Business Head (India)

Mr. Ajay Sharma - Chief Financial Officer

Mr. Suyash Lature - Business Development Manager

Call Coordinator



Strategy & Investor Relations Consulting

Disclaimer: E&OE- This Transcript is edited for factual errors. In case of discrepancy, the audio recordings uploaded on the exchange on June 02, 2026 will prevail.

Presentation

Moderator: Ladies and gentlemen, on behalf of Kaptify Consulting Investor Relations team, I welcome you to the Q4 and FY26 Post Earnings Conference Call of Suyog Telematics Limited. Today on the call from the management team, we have with us Mr. Shivshankar Lature, Managing Director; Ms. Subhashita Lature, Whole Time Director; Mr. Ajay Sharma, Chief Financial Officer; Mr. Tushar Shah, Business Head India; and Mr. Suyash Lature, Business Development Manager.

As a disclaimer, I would like to inform all of you that this call may contain forward-looking statements which may involve risks and uncertainties. Also, this is a reminder that this call is being recorded.

I would now request the management to detail us about the business performance highlights for the period ended March 2026, the growth perspective, and the vision for the coming years, post which we will open the floor for Q&A. Over to the management team.

Tushar Shah: Good morning, everyone. I am Tushar from Suyog Telematics Limited. Entire presentation has been uploaded on both the Exchanges. We right now will discuss, only critical sites which includes financials and the way forward. I am not running through entire presentation unless someone wants it. If there are any new investors on the call. Others will only go through the critical side. So, we have more time for Q&A.

So, currently, we work with all the four mobile operators. My 48% of revenue came from Bharti Airtel Limited, 22.8% came from Jio, VI was 26.7% and 2.5% of revenue came from BSNL. As you know, we work on all the 26 states and UT. We have 6,008 towers in our network, which are occupied by 7,318 tenancies. Out of 7,318 tenancies, we have 4,000 plus small cells, which also includes 1,000 plus government sites. Around 6,300 kilometers of aerial fiber network we have across ADR. And there are 189 sites which are ready for integration and needs to be occupied by various operators.

So, way forward, we all know Vodafone has got a big relief in terms of spectrum charges from the government. They have already declared 45,000 towers in next 3 years, which has again been revised to 50,000 to 70,000 towers in the next 18 months. We are expecting a huge business from Vodafone in the coming financial year, which is FY27. Already, we have spoken with BSNL, they are declaring some 10,000 sites, OpEx sites in the current year and 20,000 CapEx sites, but which we can confirm only once we get the BSNL order in hand. So, around

INR17,000 crore budget has been marked by the government in FY27 for the telecom sector.

As you know, we have urban sites, we have rural sites, we are also doing FTTH wherever required by the operator. We are having a very huge presence of fiber. We are only one of the few IP companies who also use fiber around each tower. And we have last year acquired Lotus Tele Infra and we are working on a new acquisition, if any possibility comes our way.

So, I want to brief you in detail about Vodafone, because we have been banking a lot on Vodafone in the current financial year. So, Vodafone has already got AGR relief and their liability has been restricted to INR64,000 crores. They have got a huge moratorium period, which will improve their cash profits, and which will be used for CapEx. Vodafone is already working with major, there is some SBI consortium is working to lend them INR25,000 crores, and there is another INR45,000 crore investment expected soon, due to which Vodafone management has -- and you all know that Mr. Birla is now again back on Vodafone board because of all this development. Vodafone has already declared deployment of 60,000 to 70,000 new towers in next 12 to 18 months. We are expecting around 5,000 towers from Vodafone in current financial year to be deployed. And a big bulk order is on way and should reach us by June end, most likely, we will be able to get a big chunk of business from Vodafone by June end.

As I said, BSNL is also working on rolling out around 30,000 sites in current financial year, but we are not very sure when we'll get a final order from BSNL. There are some issues with the Tejas network in BSNL. BSNL networks are not getting stable. There are some SIM related issues where second type of SIM is not able to be latched on to the network. And there are also some micro connectivity issues where their backhauling is not getting stable. So, unless their Tejas network gets stable, we don't expect any new orders from BSNL right now. But as soon as their network-related issues with Tejas are resolved, we can expect good orders from BSNL. As you know, we have locked up MSA with BSNL which has 15 years lock-in period.

Our growth drivers will again be macro sites across India, which includes most probably 40-meter GBT towers and the RTP sites for metro cities like Mumbai, Delhi, Pune. Fiber is one of our biggest USP, where we are the only one of the few IP players who provides the aerial fiber connectivity, which is the backbone of any 5G network or 6G

network going on. So, fiber is one of our biggest USP and we are going good on fiber network rollout across India.

I am sure you must have seen our results by now. So, we have locked the revenue from operations to INR221 crore with EBITDA of INR1,642 million, which is another -- and again, we have sustained EBITDA margin or we have improved on EBITDA margin with 74% EBITDA. Our PAT was INR833 million and our net profit is INR631 million. Profit before tax was INR833 million with PAT of 631 million. Again, we have a strong PAT margin of approximately 30%, which we are sustaining year on year.

Our revenue from tower has improved in last financial year, which had gone down more than 29,000 because of massive rollout of BSNL in last financial year. So FY26 has shown good growth in revenue per tower, which has reached INR31,000 and we are sure we will sustain INR31,000, INR32,000 revenue per tower even in the coming financial year.

I am sure you must have gone through all these financials. So, I will not waste time on saying all the numbers. So that's it from my side. Kamlesh, we can open it for Q&A now.

Question-and-Answer:

Moderator: Sure, sir. [Operator Instructions]. So we'll take the first question from the line of Darshil Pandya. Darshil, you can unmute and go ahead, please.

Darshil Pandya: Hello, Hi. Am I audible?

Moderator: Yes.

Darshil Pandya: Hi, Tushar ji. Good afternoon. Yes, sir. Sir, my question is since we are expecting tower orders from Vodafone as well as from BSNL now, how are we gearing up for this in terms of taking this capacity? Because I remember that in last call, you said around 2,500-3,000 towers that we will not have an issue. But then after that, we will need some debt also and then, just wanted your views on that.

Tushar Shah: So, Darshil right now, we are still awaiting final numbers from Vodafone. So, as I said, even if they give us 5,000 in order, we don't need to roll out 5,000 in one month. We'll have to roll out that 5,000 sites throughout the year, as per the material availability. So as of now,

we have not finalized any concrete plan. So, as soon as we get a final order, a bulk order from Vodafone, we'll finalize the fundraising plan or whether we want to do it from internal accruals. And as and when the right time comes, we'll come back to you with the final plans of the fund raise.

Darshil Pandya: Understood. And sir, what were we planning for Q4 tower additions last quarter? I guess we've added around 106 or 108 towers in this quarter.

Tushar Shah: Correct. 106 towers, right.

Darshil Pandya: And this year, what are the plans Sir?

Tushar Shah: So, as I said, we are expecting around 5,000 in order from Vodafone. So, if we get that order in the month of June or maybe July, we'll deploy all the 5,000 sites in current financial year.

Darshil Pandya: Okay. And from BSNL or Airtel, are we expecting anything?

Tushar Shah: Airtel and Jio have not declared any roll out right now. So, they are working on their roll out numbers and they have already invested a huge amount in 5G. I don't see any major – and Jio is coming up with an IPO as all of you know. So, unless we get some clarity on Airtel and Jio, there's no point declaring the number of Airtel and Jio. As far as BSNL goes, we have heard, that they are coming up with a 30,000 sites roll out plan. But again, they are facing major issue with the Tejas equipment. So, once it gets resolved, then only we'll declare BSNL numbers to you.

Darshil Pandya: Understood. And Q1 will be somewhat similar to what Q4 run-rate is right?

Tushar Shah: Q1 we will sustain the Q4 number. There will be no major growth because even if I get orders by end of June, everything will be deployed in Q2.

Darshil Pandya: Understood.

Tushar Shah: So, Q1 will be similar to Q4 of last year.

Darshil Pandya: Understood. I'll fall back in the queue. I've few more questions I'll ask later. Thank you.

- Moderator:** Thank you, Darshil. We'll take the next question from the line of Mahek Talati. Mahek, you can unmute and go ahead, please.
- Mahek Talati:** Yeah. Hi, sir. Sir, am I audible?
- Tushar Shah:** Yeah, Mahek, you are audible.
- Mahek Talati:** Sir, just wanted to understand, you mentioned that there is a delay in the BSNL order because of the issue with the Tejas equipment. So, can you give some specific timeline by when can this problem be solved and we can get the order, any rough timeline?
- Tushar Shah:** So, Mahek, we are nowhere involved in the entire transaction of Tejas to BSNL. So, we can't commit any timeline because we are ourselves not aware. See, we don't speak with Tejas. Tejas are direct partners of BSNL. We are nowhere connected. So, we are also waiting to hear from BSNL management. And as of now, we have not got any confirmation from BSNL management about this.
- Mahek Talati:** Okay. And sir, we have been mentioning that we have done some massive rollout from BSNL in the last one and a half year. But in terms of revenue, it's just 2.5% of the revenue from BSNL. So, can you please explain why is there such a difference in terms of revenue?
- Tushar Shah:** So, Mahek, even Government of India has given their INR27,000 odd crore to rollout sites. They are very keen to roll out sites majorly in Mumbai, Delhi and other parts of India. But they really don't want to go ahead with the rollout unless the equipment issues are resolved. So as soon as equipment issues of Tejas are resolved, they will come up with a massive rollout. But as you know, it's an indigenous network. BSNL is using Tejas which is an indigenous network. So, it's taking time for resolution of the equipments.
- Mahek Talati:** No sir, I was asking about the past. So, you have mentioned that we have done good rollouts for BSNL in the last two years. But in terms of revenue, it's just 2.5%.
- Tushar Shah:** Mahek, so we have done almost 1,800 sites for BSNL in last two years, out of which 189 sites billing is still pending. But if you see BSNL rentals are very low. Like if I pay a rent of around INR15,000, INR20,000, INR25,000 for private operator, I pay highest rent for BSNL of INR7,000. That's why you don't see that same similar hike in top line, when I do rollout for BSNL. That's why you must have seen a dip in per site tower revenue. It went to INR29,000 when I did BSNL

rollout. But there was rental capping. So, whenever I rollout site rental, which is a pass-through amount, is much lower for BSNL compared to private operator. While my PAT percentage remains same, but my top line gets down because of the lower rentals.

Mahek Talati: Okay. So, this can go up to 4%, 5% of the revenue going forward, or this will stay in the same?

Tushar Shah: In current financial year, which is FY27, as of now we are very sure of Vodafone rollout. So, Vodafone rollout will improve our top line and PAT, everything. So, if we do BSNL number, to see how much number we are doing for BSNL, but obviously it will not have any impact on PAT or EBITDA. Top line revenue per tower can decrease slightly if we do BSNL rollout, which can go down by INR1,000, INR2,000.

Mahek Talati: Okay. And last thing in terms of the VI order, which we are expecting of 5,000 towers, have we bid for the same? Are we L1?

Tushar Shah: We don't need to. For Vodafone, there is no bidding or tender process. We have master service agreement pan-India with Vodafone. So, as and when they finalize, we had a few meetings with the top guys of Vodafone planning head and the management of Vodafone. They have, as of now, verbally assured us of a big rollout and they will directly allocate us the sites as per -- if there are some sharing available in our existing site, then we will 100% go for it, or else they will allocate us the anchor sites. So, there is no bidding process required for VI.

Mahek Talati: Understood. So, in all likelihood, VI is more or less confirmed. It's just the quantum and the timeline is pending.

Tushar Shah: Even Vodafone wants to go with only top 2 or 3 rollout. Top 2 or 3 IP companies, one is Indus, which will have a major chunk of business followed by most likely followed by Suyog, and then there will be 2-3 more IPs.

Mahek Talati: Okay. Okay. Understood. Thank you. Thank you.

Moderator: Thank you, Mahek. We'll take the next question from Varun Ghia. Varun, you can unmute and go ahead, please.

Varun Ghia: Hello. Hi, sir. So, my first question is regarding Vodafone only. Is there a timeline or something because we were expecting orders in February, March. So now it's already delayed to June.

- Tushar Shah:** So, Varun, as you are aware that Vodafone news just came last month about the spectrum relief. No lender was ready to fund them unless there was a clarity on spectrum charges, which they have got in the last month. So now Vodafone is very sure, that they will be able to raise funds by June end and they will release all the orders by June. So that's why Mr. Birla is again on board. They've already declared rollout. But they say like what you hear from news channels, we hear directly from Vodafone. So, we are dependent on Vodafone. More or less as of now, communication is that by June end, we'll get the rollout will start in full pace. So that's what...
- Varun Ghia:** Our numbers will -- you'll do CapEx and our number will come in Q3 onwards, right?
- Tushar Shah:** If we get by June, our number will start coming from Q2 onwards. But yes, Q2 will not be very high because it will also, rainy season will also impact us in Q2. So major numbers will come in Q3, Q4.
- Varun Ghia:** Okay. And secondly, our revenue in last four quarters has been flattish despite we doing some 100, 150, 200 tower additions. There has been no jump in revenues or anything.
- Tushar Shah:** No, I don't think so. In the last quarter, compared to last time, we have seen almost 18% growth in our revenue. And with the small rollout like 100 per quarter, 18% is good enough because we're also able to do some upgrade business with Bharti Airtel. That's why Airtel is sustaining on 48% revenue. So, we've done almost 18% growth because there was no major rollout for any IP company across the industry.
- Varun Ghia:** Okay. And BSNL, so we are not factoring any orders from BSNL this year?
- Tushar Shah:** Yeah, we are aware that it will come through, but there is no point declaring unless we have some -- like from Vodafone, we have a communication that by June-end they want to release the order. As of now, we have not got any confirmed deadlines from BSNL. So as of now, we are not factoring anything from BSNL.
- Varun Ghia:** And your full year target, you mentioned last year that you will achieve around 12,000 tenancies. So, is it, will that be achievable this year or again there will be some delay?
- Tushar Shah:** Right now, we are working on 5,000 tenancies which Vodafone is discussing with us. So as and when BSNL gives us some confirmed

deadline, we will reach our targets whenever we have Q1 conference, we can have a final target for FY27. By Q1, we should have a clarity of Vodafone and BSNL.

- Varun Ghia:** Understood. One book-keeping question, this loan and current assets, it's jumped from INR7 crores to INR34 crores. Is it some advances or what is that, if you could explain? Is it given to some subsidiary or...?
- Tushar Shah:** It's not that, see, we have not taken any new loans, it's because of loans and advances to the other entities.
- Varun Ghia:** Pardon?
- Tushar Shah:** It's because of loans and advances.
- Varun Ghia:** Yeah, but what is it, given to subsidiary or who?
- Tushar Shah:** Subsidiary.
- Varun Ghia:** Subsidiary for this CapEx related to towers?
- Tushar Shah:** Yes.
- Varun Ghia:** Okay. Thank you.
- Moderator:** Thank you, Varun. We'll take the next question from the line of Rohan Chokshi. Rohan, you can unmute and go ahead please.
- Rohan Chokshi:** Yes, sir. Thank you for the opportunity. Sir, just wanted to understand, is it 5,000 towers or 5,000 tenancies from Vodafone?
- Tushar Shah:** 5,000 tenancies. Now, we can, -- maximum would be anchor sites. So, we are not expecting major sharing sites. So, you can say around 4,000 towers with 5,000 tenancies. That's what is an ideal combination. But finally, we'll come to know exact numbers only when they load up the sites by June.
- Rohan Chokshi:** Got it, sir. And sir, can you also throw some light on what -- how is the process like with Vodafone? Because you said by June, they will -- is it by a tendering or do we get the order straight away? And what kind of towers are these that we'll be placing and the CapEx for it?
- Tushar Shah:** So, Rohan, we get the order directly since we have master service agreement with Vodafone. They don't do any tender. They directly

allocate tower to all the IPs who have master service agreements with them. In terms of type of tower, maximum tower what we are expecting would be ground based 40 meters, which would require CapEx of INR12 lakhs to INR15 lakhs CapEx per tower. Metro cities will have RTT of 12 meter, 18 meters RTT, but all rural sites will be almost 40-meter GBT sites.

Rohan Chokshi: Okay, sir. Got it. And what is the timeline for us to place on these towers by?

Tushar Shah: See, the entire rollout of 70,000, 50,000 to 70,000 sites are planned for this financial year. So, whatever order comes --

Rohan Chokshi: 5,000 towers, not 50, 5,000.

Tushar Shah: 5,000 towers, which will come to us, we'll have to deploy in FY27 only. We'll have to complete all the rollout by FY27.

Rohan Chokshi: Got it, sir. So, FY27 seems like another flattish year compared to FY26. Would that be right to say?

Tushar Shah: If we do rollout a 5,000 tower, yes, entire year benefit will get in FY28, but at least we will have a base ready, where from Q1 of FY28, we get the full benefit of the rollout site of FY27.

Rohan Chokshi: Got it, sir. Just last one question, sir. Can you like help us understand, how is BSNL being held up by Tejas network? So, what exactly is the bottleneck here that is stopping us from doing more towers for them? Because if the government is so aggressive, then why is Tejas not?

Tushar Shah: Again, we are not connected with Tejas. We also hear something from BSNL employees. We don't have any details of it, but whatever information we have is that BSNL is using Tejas network, which is indigenous network. It is not a Nokia or Ericsson, which have been imported. And they are currently facing challenges in backhauling of these sites, along with SIMs H1 on the network. So, they have some two types of SIM cards, one type of SIM card they are able to latch on the network, second type of SIM card is still not able to latch on any 4G network of BSNL. So, they are working on the same to resolve it. Other than that, we also don't have any details about it.

Rohan Chokshi: Yes. Okay, sir. Thank you so much.

Moderator: Thank you, Rohan. We'll take the next question from Ashrita Shetty. Ashrita, you can unmute and go ahead, please. Hello, Ashrita.

Ashrita Shetty: Hello. Yeah. Good morning. I wanted to ask a question about Indus Towers has been increasingly using renewable energy, solar solutions and green energy open access arrangements to reduce dependence on diesel generators and grid power. So, is Suyog evaluating similar initiatives? Because the company is scaling its tower portfolio significantly over the next few years. So, what potential impact could this have on operating costs in INR and margins over the next few years?

Tushar Shah: So, we are ahead of Indus. We don't have any, we have only 2 DG sites in our network. All my sites are EB connected on grid. So, first thing, we don't get any major sense because we don't use diesel. We use only mobile DGs during monsoon season, where there is a major power outage. Otherwise, we don't have any dedicated DG. As far as solar energy goes, we don't have -- we are not using, we are not going ahead with solar plans right now because ROI is very high for solar. See, we only need 5 kilowatt per hour or maximum 10 kilowatt per hour per site. And so, we have tried multiple times deploying solar, but we are not getting ROI.

Since all my sites are major in metros and with a very high EB availability. Third point is battery bank. We are using, we have moved from VRLA to lithium battery a year back. So, now we are not using VRLA battery, we are using lithium battery. But in terms of renewable energy, we don't need it. We don't have any DG site. All my sites are connected on power grid.

Ashrita Shetty: Okay. Another question was that management previously indicated that revenue per tower improved partly due to billing commencement on previously unbilled BSNL sites and Airtel upgrades. Could you quantify how much of this quarter's revenue growth came from activation of old BSNL sites, Airtel upgrades and genuinely new tower or tenancy additions respectively?

Tushar Shah: Major revenue came from the upgrades of Airtel. We were able to do around 120-odd sites for BSNL billing which we added in current quarter. So, in terms of percentage, if you see around 45% would be because of BSNL billing which started for around 120-125 sites. Balance all came majorly from Airtel upgrades and Vodafone new rollout.

- Ashrita Shetty:** Okay. Just this last question. In the last con-call, you guided for around 1,000 Vodafone towers per quarter starting from quarter 1 FY27. Could you help us understand how much of that rollout has actually materialized till date and whether the original Vodafone rollout plan remains intact or has been revised?
- Tushar Shah:** As of now, Vodafone rollout remains intact. Only difference would be that instead of Q1, major number will start flowing from Q2. Actually, even Q2 being rainy season, we don't expect very high rollout in Q2. But yes, Q3, Q4 would be bumper for Vodafone rollout. Overall, on an annualized basis, Vodafone rollout remains intact of 5,000 sites. Only thing there can be some shift from Q1 to Q2, Q3, Q4.
- Ashrita Shetty:** Okay, thank you.
- Moderator:** Thank you. We'll take the next question from the line of Darshil Pandya. Darshan, you can unmute and go ahead please.
- Darshil Pandya:** Hi, thank you. Thank you again. Tushar Sir, just to know what has been our average realization per tower this year or this quarter?
- Tushar Shah:** INR31,000. I have just shown in one of my slides. It's INR31,080. We have reached the end of the financial FY26. We were able to improve our revenue per tower from INR29,000 to INR31,000.
- Darshil Pandya:** Okay. And this year we are expecting a similar number or any increase in this INR31,000 number?
- Tushar Shah:** Similar numbers. The revenue per tower would remain between INR31,000 to INR32,000.
- Darshil Pandya:** Okay. And sir, any something on borrowings? What are we planning this year? What borrowings are we planning to have?
- Tushar Shah:** Can you repeat? I just missed it.
- Darshil Pandya:** What debt are we planning to keep on the books this year?
- Tushar Shah:** As of now, we have not done any financial planning because we are awaiting final numbers from Vodafone and we have enough funds to roll out, 300 sites on our-- 3,000 sites on our internal accrual plus available debt limit. And then when we get final Vodafone number, we will have a de-briefing of the financials plan of fund raising or debt raising. And then we will come back to you by end of Q1 or whenever

we have quarterly call, next quarterly call, we can declare that point of time.

Darshil Pandya: Okay, understood. See you, sir. Thank you and all the best to your team.

Moderator: Thank you, Darshil. We'll take the next question from Guneet Singh. Guneet, you can unmute and go ahead, please.

Guneet Singh: Sir, we are planning to add 5,000 towers in FY27, right? So, what would be the CapEx per tower and can you give a breakdown as in which quarter, how many towers can we expect?

Tushar Shah: So, see, as of now CapEx per tower, right now it seems it will be around INR12 lakhs per tower because more or less we will have a 40-meter GBT. So, CapEx per tower will be INR12 lakhs. And in terms of rollout, we are seeing major rollout, Q2 should be around, maximum rollout will come on Q3 and Q4. It will start from Q2 and major rollout will happen in Q3 and Q4. Exact numbers we are awaiting Vodafone for details. My entire rollout plan depends on Vodafone orders plan. So, once we get the Vodafone requirement, we'll share exact plans with you in next quarter.

Guneet Singh: Got it. So, it's total CapEx of INR600 cr., right?

Tushar Shah: Yes.

Guneet Singh: So, you're saying that we would be doing most of it from -- I mean, how much of it would be from debt and internal accruals?

Tushar Shah: Around 50% we'll be able to do from internal accruals plus existing debt limit and everything. For balance, 50% will work out. As and when we get the final numbers from Vodafone, we freeze our actual CapEx amount, that time we'll work out the other balance and we'll let you know.

Guneet Singh: Got it. And what is the depreciation per year for a tower? I mean, how much, is it straight line depreciation?

Tushar Shah: It's 18% itself. It's 18% - 18 years depreciation – straight line.

Guneet Singh: Got it. So, I want to understand that what are the realizations for a 5G tower versus a 4G, 3G tower?

- Tushar Shah:** For me, it does not matter much because for me, it's a tower. 2G, 3G, 4G are all related to operators. But where we benefit is from the upgrades. So, we almost get around INR3,000, INR3,500 per upgrade. So, any additional technology gives us additional revenue of INR3,000 to INR4,000.
- Guneet Singh:** Got it. So, for FY27, I mean, in FY26, we added just 300 towers, right?
- Tushar Shah:** Yeah, close to 300 towers.
- Guneet Singh:** So, FY27 revenues and top and bottom line, I mean, what can we expect realistically?
- Tushar Shah:** See, because most of my rollout will come from FY27 in Q3 and Q4. So, most likely, growth will remain same as current year growth should be 15%, 20%. But entire year benefit will get in FY28.
- Guneet Singh:** Got it. And by when do we expect to draw down this debt Q3, Q4 onward itself?
- Tushar Shah:** Yes. So, anything can be financed or finalized only when we get the Vodafone. Suppose Vodafone wants to complete everything by Q3, then our plan will change again. So, it depends on Vodafone numbers. So, you have to give us one quarter time. So, in next quarter call, we will have a detailed plan for the finances.
- Guneet Singh:** Got it. But this 5,000, that has been confirmed by Vodafone, but it's just about...
- Tushar Shah:** As of now, yes. As of now, they have confirmed that there will be a minimum of 5,000 sites from Suyog. That's what we are -- actually, they want to do more, but we are demanding 5,000 based on our financials available. So, let's wait up to June end, where we get the confirmed official orders from Vodafone.
- Guneet Singh:** Got it. Got it. And, okay. So, they have confirmed basically that they will take this 5,000 towers/ tenancies.
- Tushar Shah:** They have already officially declared 50,000 to 70,000 roll-out in FY27. You have a look in all the social media and net or you can see any newspapers. You will find they have already officially declared 50,000 to 70,000 rollout there.
- Guneet Singh:** Okay. Got it. Got it. Thank you very much. That's all from my side.

- Moderator:** Thank you, Guneet. We'll take the next question from the line of Tanya Kalra. Tanya, you can unmute and go ahead, please.
- Tanya Kalra:** Good afternoon, sir. Thank you for the opportunity. Sir, my first question is that interest costs have risen significantly despite strong operating cash generation. So, why are these costs growing faster than operating earnings and what is the management's target debt level over the next two years?
- Ajay Sharma:** This has two parts. One is our Ind AS 116 part and one is the interest costs borne on our actual loans. The interest borne on our loans is more or less around 9%. The liabilities increased because of ROU due to Ind AS 116, on that basis, the ROU interest costs are also included under this. So that's why this has significantly increased.
- Tanya Kalra:** Okay, sir. So, you had acquired Lotus Tele Infra. So, what is the status of growth in that business and in the northern region, what are the developments?
- Ajay Sharma:** So, our growth in Lotus Infra is also very good. But due to the Ind AS 116 accounting system, due to that the growth is not visible. The reason is that all the rental agreements in Lotus are for more than 10 years. So, because of more than 10 years, the depreciation costs and interest costs are high. In Lotus, we haven't even taken a loan of 1% yet. We haven't taken a loan at all. But still, interest costs are high and the depreciation is high. So, the profit is not visible yet. After two years, you will see a good profit will be visible. The bottom line is around 30% and the top line is around INR30 cr.
- Tanya Kalra:** Okay. And sir, one more question. Q4 EBITDA margins have expanded dramatically despite kind of a flattish growth in the revenue. So, could you explain?
- Ajay Sharma:** Yes, sir. The answer to your question is this. It is due to Ind AS 116. In Q4, Monorail's contract has been renewed for the next 10 years. Due to the renewal of the contract, the government's rent used to go to COGS. So, it has shifted from there to under depreciation and interest costs. Because of that, the cost has reduced from there and has increased the interest and depreciation costs. Because of this, you can see the EBITDA grown as a percentage.
- Tanya Kalra:** Okay, sir. Thank you. That's it from my side. All the best Sir.

Moderator: Thank you, Tanya. We'll take a follow-up question from Ashrita Shetty. Ashrita, you can unmute and go ahead, please.

Ashrita Shetty: Hello. Yeah. I wanted to ask that, as you said earlier, you are looking for acquisition. So, I just wanted to understand what approximately would be the size of it and how do you plan to fund it?

Tushar Shah: In terms of size, it will vary from company to company. As of now, we have not finalized anything. So, it depends on the number of towers that company has. So, we can't tell you the exact size right now till we finalize something. Funding, as of now, see if it comes immediately, then it would be through internal accruals because we don't go for a very big company. We normally go for smaller IP companies for which we don't need to raise any funding. More likely, we'll do all acquisitions from internal accruals.

Ashrita Shetty: Okay. Thank you.

Moderator: Thank you, Ashrita. We'll take the next question from Ajay Rana. Ajay, you can unmute and go ahead, please.

Ajay Rana: Hello. Previously, the management had indicated that the data centre business would emerge as a new growth avenue expected to be materialized by quarter 4. So, could you please provide an update on the progress made in this segment?

Tushar Shah: So, as of now, there is not much progress in the data centre business because we are working with multiple telecom operators. Right now, everyone is focused. See, Jio has stopped entire CapEx investment until the IPO. Airtel is not doing any major CapEx. Vodafone is surely that they want to just roll out towers right now. So, as of now, no movement on data centre business. But yes, we are very hopeful it will come down in future coming few years. And we are ready. Whenever it comes forth, we'll grab the opportunity.

Ajay Rana: Yes, okay. Got it. And one more thing I wanted to ask is that in the auditor's report, they have emphasized on strengthening the internal controls framework of the company. So, could you please elaborate what specific measures the management would have undertaken to comply with the same?

Tushar Shah: Ajay, so see, when we say 'strengthening the framework' we are planning to almost double our site count. Right now, we have around 7,000 sites where we are trying to add another 5,000 sites. So, based on

the volume, auditor has committed that we need to improve our internal controls so that whatever rent payment is happening or billing, the automation of billing, automation of warehouses. So, we are deploying many softwares for billing purpose, for rental payment, for warehouse maintenance management. So, that all we are doing, whatever auditor is suggesting, we are going ahead with the same and we are ensuring that we fulfil all the auditor's requirement in terms of strengthening internal control. Not leave any stone unturned over there. As a company, we are very clear, we want to have the best internal controls in the company.

- Ajay Rana:** Okay, understood. Got it. Thank you.
- Moderator:** Thank you, Ajay. We'll take the next question from the line of Guneet Singh. You can unmute and go ahead.
- Guneet Singh:** Thank you for the opportunity again. So, what should be the exit tenancies in FY27?
- Tushar Shah:** So, as of now, we feel it should be somewhere around 12,000 to 13,000. 7000 tenancies and 5000, but probably everything is subject to Vodafone rollout. So, if we get Vodafone rollout of 5,000, you can add 5,000 in the tenancies. So, we can clarify at the Q1 end.
- Guneet Singh:** Got it. So, in the last con-call, you mentioned that FY27 exit tenancies would be around 17,000. And total tower count would be around 13,000, 14,000. So, I mean, within one quarter, what went wrong?
- Tushar Shah:** So, nothing has went wrong. Right now, what I'm calculating is only based on the Vodafone feedback to us. And we are still awaiting BSNL confirmation. If BSNL confirms that their issues have been resolved and they want to roll out sites, then again, target remains the same. But until, we get the final confirmation from BSNL, we are not considering any BSNL roll out right now.
- Guneet Singh:** Got it. So, basically, I mean, what kind of communication did you have with BSNL? And I mean, what is stopping them from the rollout? And in case they go ahead, do we have the capabilities to add those towers also on top of the Vodafone?
- Tushar Shah:** As you know, we have always planned at 10,000, 12,000 new tower roll-out in a year. And in terms of execution capacity, we are capable of executing any numbers on ground. What communication we have got from BSNL is that they want to roll out around 30,000 sites in current

financial year. But they'll start rollout only after Tejas issues have been resolved. And as of now, we don't have any clarity on timelines by when they will start. And in terms of finances, as I said, as and when we get the orders, we'll keep making our financial plans and we'll ensure that we don't have any shortage of funds either way, whether it's debt, whether it's internal accruals, whether it's fund raising.

But if we get the business, we'll grab it from both the hands and we'll recover all the towers.

Guneet Singh: Got it. And what about the other segments, like you mentioned CCTV, fiber project. So how are they going about?

Tushar Shah: So, fiber goes along with the tower rollout. As and when we roll out tower, for operator means fiber for network connectivity, which grows along with the tower growth. CCTV was one kind of an acquisition tactic where we try to acquire sites which are non-movable, which will continue as and when, as per the requirement.

Guneet Singh: Got it. So, I mean, currently what I understand is fiber is we are procuring -- I mean, we are not the ones who are procuring fiber and billing the customer. So, I mean, fiber is basically a sort of a backward integration, you're saying?

Tushar Shah: Yeah, right. So, fiber will be deployed along with the tower. It's a last-mile connectivity.

Guneet Singh: Got it. So currently we are procuring it from outside, but what you're saying is that going forward, we will -- I mean, can you help me understand what is the model here? And is the customer billed for the fiber?

Tushar Shah: Again, can you repeat? I was not able to hear you properly.

Guneet Singh: So basically, we are the ones who put up the towers and we get paid the monthly rental. In this, we have to incur the entire cost of setting up the tower and also the fiber and the wire material used. Is that a fair understanding?

Tushar Shah: It's the same model for fiber also. We purchase fiber from the manufacturer. It's our asset. We lay it and we sub-lease it to the operator. Model is the same. Whether it's tower or fiber, we only do IP-1 business, which is our recurring model.

- Guneet Singh:** Got it. So currently, I mean, in our projects, is the fiber directly procured by our clients?
- Tushar Shah:** No, no. We procure fiber. Clients don't procure any fiber. We procure fiber. We lay it and we sub-lease it to them.
- Guneet Singh:** Okay. So, we bill it to the client and it is on top of the INR12 lakh. I mean, so how does this model work? I mean, how does this model work? I want to understand. You mentioned about this fiber driven project. So, in the past also, we were doing the same, right? So, what's new and why is this something -- why is it a different segment? It's clubbed in...
- Tushar Shah:** **No. No.** When we say we have 3-4 growth engines, right? One is our mobile tower rollout, which we do very aggressively. Second, along with tower, we also deploy new fiber. Billing happens separately for fiber. So, there is an element of billing in the name of fiber in our billing. So that is the last mile connectivity for operator in terms of fiber. Third, we also go for many other fiber where it's not our site, it's some other IP's site. But operator wants that, so we connect that site also on fiber which is again on a recurring model basis where they pay me monthly.
- Guneet Singh:** Got it. So, you're saying that, I mean, previously our clients get this fiber work done from some other party, but we are trying to take this work as well.
- Tushar Shah:** No, not the other party. They used to roll out their own fiber. Now they're not very keen on laying on their own fiber. So, they're outsourcing it like a tower to IP companies.
- Guneet Singh:** Got it. So, what kind of an opportunity is this? And I mean, what kind of revenues can we expect from this in FY27? What are the margins?
- Tushar Shah:** Now FY27 will be very minute. As and when we roll out site, it will not be even a 2%, 3% of my revenue. But once their rollout is complete and they focus on quality of network, fiber rollout will come in a big way. That's the time, where we'll be able to grab the opportunity for fiber revenue. So, fiber revenue actually will get materialized in say FY28, FY29, where operators are looking for quality of network and not the massive rollout.
- Guneet Singh:** Got it. And generally, how long does it take to erect say one tower? And what are the complexities involved? How are the conversations with the landlord?

- Tushar Shah:** So, in terms of timeline, we need around 45, 60 days to roll out one ground-based tower. And for RTT tower, we need around 21 to 30 days for one rollout. In terms of landlord, we have a long-term agreement with them for 10 years. We normally go for 10 years agreement with the landlord so that there is a continuity in the tower.
- Guneet Singh:** Got it. So, for example, if we're charging INR32,000 per month, how much on average is the rent per tower that we pay?
- Tushar Shah:** Almost if you see, metro city we have, where there are more or less RTT sites, we have a rental of around INR20,000 per month to landlord. And for ground-based towers in rural area, it will be INR7,000 to INR10,000 per month. And entire thing is reimbursed by the operator. We don't pay any rent. We get reimbursement from operator.
- Guneet Singh:** Okay, got it. So that is not our cost, basically.
- Tushar Shah:** No, that's not our cost.
- Guneet Singh:** And the conversation to put up the tower, is that something we do or is that already done by the operator?
- Tushar Shah:** What?
- Guneet Singh:** The conversation with the landlord to get the site.
- Tushar Shah:** We do. We sign the agreement. It's not done by the customer. We sign the agreement in the name of Suyog Telematics.
- Guneet Singh:** Got it. So basically, you have to sign an agreement with 5,000 landlords to erect 5,000 towers.
- Tushar Shah:** Yes. And then its Suyog's scope right from site acquisition up to site RFI for all the passive instruments, its Suyog's scope.
- Guneet Singh:** Got it. Got it. And what are the gross margins per tower?
- Tushar Shah:** 85%.
- Guneet Singh:** 85%. All right. Got it. Thank you very much. I'll go back to the queue.

Moderator: [Operator Instructions]. So, I think that was the last question for the day. Would the management like to give any closing comment before we end this conference call?

Shivshankar Lature: So closing comment is only one that I have. We want to add in this quarter that for billing, we want to add in the top line because there is a request and compliance of account. We have to take the EB in the top line. So, we will add in this quarter and accordingly, we will finalize our account. That's one issue.

Second issue, we want to tell you we are very confident about our rollout by BSNL and by Vodafone. And we have already acquired, we are focusing on 10 states to complete our rollout with strong manner because our already sites are in Maharashtra, Uttar Pradesh is a major rollout and we want to start another in Bihar also. This is the best opportunity for Suyog to work out. I thank you very much for their valuable input to us and being connected with us. Thank you very much.

Moderator: Thank you. Thank you to the management team for giving us the time. Thank you to all the participants for joining us on this call today. This brings us to the end of today's conference call. You may all disconnect now. Thank you.

Tushar Shah: Thank you everyone.