

CO MAY TAKE A CALL ON DIVIDEND THIS FISCAL END

‘Indus to Form Unit for EV Infra; Tower Biz to Remain Key Driver’

Subhrojit Mallick

New Delhi: Indus Towers will form a separate unit for building the necessary charging infrastructure for electric vehicles, while its tower business will remain its primary driver, a top company executive said.

Mumbai-listed Indus Towers, among the world's largest telecom tower companies, also said it will take a call by the end of this fiscal year on disbursing dividends to shareholders, amidst strong cash flows following a significant receipt of past overdues from Vodafone Idea.

“We will maintain the difference so that the tower business does not suffer. A separate business unit is going to drive the business,” said Prachur Sah, chief executive, Indus Towers during an earnings call on Friday.

Although at an early stage, Indus expects mid-to-high double-digit re-

turns in the EV business, Sah said.

Indus announced on Thursday that it will leverage its expertise in managing and providing space, power, and operations and maintenance to set up EV charging stations, to supplement its tower business.

Sah added that Indus' selection of contracts and deals that it will make with customers will be prudent in terms of making sure it is close to the business model of its tower business.

“It is something that will be new to the industry as well. So we will be very cautious on that,” Sah said.



id. The company has launched pilot EV charging stations in Gurugram and Bengaluru.

Indus reported a nearly three-fold jump in net profit at ₹4,003 crore in Q3 FY25 on the back of strong tower additions and significant collections of overdues from Vodafone Idea.

The tower company on Friday said it already has a dominant market share in Vodafone Idea's ongoing network expansion, amidst slowing pace of 5G rollout from Bharti Airtel, its other key customer.

“The resumption of the network expansion by a major customer (read Vodafone Idea) bodes well for us. We believe that we are well placed to capture a meaningful share of its tenancy additions in the coming quarters as well,” Sah said.

Indus said the industry has deployed almost 465,000 5G base stations, with over 50,000 base stations deployed in 2024, indicating that the pace of deployment has slowed down.

“5G loading contributes meaningfully to the overall loading revenue. We expect that 5G loading revenues to be gradually supplemented by a demand for new sites once a certain penetration level is achieved to aid the network condition,” the company said.



RETURNS FORECAST

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PRACHUR SAH, CEO, Indus Towers