Tower Infrastructure Trust

1st Annual Report

Financial Year 2020-21

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CORPORATE INFORMATION

TOWER INFRASTRUCTURE TRUST (TRUST)

SEBI Registration Number: IN/InvIT/18-19/0009

Principal Place of Business

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Tel: +91 22 3555 5000
Fax: +91 22 3355 5560
E-mail: secretarial@summitdigitel.com
Website: www.towerinfratrust.com

Compliance Officer & contact person of the Trust

Mr. Inder Mehta
Address: Unit 2, 9th Floor, Tower 4,
Equinox Business Park, LBS Marg, Kurla (W),
Mumbai - 400 070.
Maharashtra, India
Tel: +91 22 3555 5000
Fax: +91 22 3355 5560
E-mail: secretarial@summitdigitel.com

Auditors

M/s. Deloitte Haskins & Sells LLP,
Chartered Accountants
Firm Registration Number: 117366W/W-100018

Valuer

Mr. Sunil Kumar Saini,
Registered Valuer
IBBI Registration Number IBBI/RV/06/2018/10385

Securities Information

BSE Limited: 543225
ISIN: INE0BWS23018

REGISTRAR & TRANSFER AGENT OF THE TRUST

KFin Technologies Private Limited

(Unit: Tower Infrastructure Trust)
Selenium Tower B, Plot 31-32,
Financial District, Nankramguda, Serilingampally,
Hyderabad, Rangareddi, Telangana - 500 032
Tel: +91 40 6716 2222
Fax: +91 40 2343 1551
E-mail: indiainfrainvit.pp@kfintech.com

INVESTMENT MANAGER OF THE TRUST

Infinite India Investment Management Limited (IIIML)

(Until October 12, 2020)
CIN: U74140MH2006PLC163489
Registered Office: 7th Floor, Cnergy,
Appasaheb Marathe Marg,
Prabhadevi Mumbai - 400 025,
Maharashtra, India

Board of Directors of IIIML as on October 12, 2020

Mr. Shailesh Vaidya, Independent Director
Mr. Vishal Kampani, Non-Executive Chairman
Mr. Rajendra Hingwala, Independent Director
Mr. Dipti Neelakantan, Non-Executive Director

Brookfield India Infrastructure Manager Private Limited (BIIMPL)

(formerly known as WIP (India) Private Limited)
(With effect from October 13, 2020)
CIN: U67190MH2010PTC202800
Registered Office: Unit 1, 4th Floor, Godrej BKC,
Bandra Kurla Complex, Mumbai - 400 051,
Maharashtra, India

Board of Directors of BIIMPL as on the date of this Report

Mr. Sridhar Rengan
Non-Executive Director and Chairperson
Mr. Chetan R. Desai
Non-Executive Independent Director
Mr. Narendra Aneja
Non-Executive Independent Director
Mr. Rishi Tibriwal
Non-Executive Director

TRUSTEE OF THE TRUST

Axis Trustee Services Limited

The Ruby, 2nd Floor, SW,
29 Senapati Bapat Marg,
Dadar West, Mumbai - 400 028
Tel: + 91 22 6230 0451
Fax: +91 22 6230 0700
E-mail: debenturetrustee@axistrustee.in

REPORT OF THE INVESTMENT MANAGER OF TOWER INFRASTRUCTURE TRUST FOR THE YEAR ENDED MARCH 31, 2021

Tower Infrastructure Trust ("Tower InvIT/Trust") was set up by Reliance Industrial Investments and Holdings Limited on January 31, 2019, as a contributory irrevocable trust under the provisions of the Indian Trusts Act, 1882. The Trust was registered as an infrastructure investment trust under Securities and Exchange Board of India (Infrastructure Investment Trusts) Regulations, 2014 ("SEBI InvIT Regulations") on March 19, 2019, having registration number IN/InvIT/18-19/0009.

The investment objectives of the Trust are to carry on the activities of an infrastructure investment trust, as permissible under the SEBI InvIT Regulations and as stated in the private placement memorandum dated August 31, 2020 which includes the following:

a. To raise funds in accordance with applicable law, for the purpose of attaining the investment objectives and purpose of the Trust;

b. To make investments or re-investments in accordance with the Indenture of Trust dated January 31, 2019, the Investment Management Agreement dated September 25, 2020, the Project Implementation and Management Agreement dated January 13, 2020 and any other document with respect to the Trust or the units thereof (collectively referred to in the private placement memorandum as InvIT Documents) and applicable law; and

c. To make distributions to the unit holders in the manner set out in the Indenture of the Trust dated January 31, 2019.

On March 31, 2019, the Trust, acting through the Trustee, has acquired 51% of the issued and paid-up equity share capital of Summit Digitel Infrastructure Private Limited [formerly known as Reliance Jio Infratel Private Limited] ("SDIPL"), pursuant to the Share Purchase Agreement dated March 31, 2019. Further, the Trust has acquired remaining 49% of the equity share capital of SDIPL on August 31, 2020. SDIPL is engaged in the business of setting up and maintaining passive tower infrastructure and related assets, and providing passive tower infrastructure services ("Tower Infrastructure Business"). SDIPL is the Trust's first investment in complete and revenue generating infrastructure projects.

The Trust has issued 2,52,15,00,000 units at an Issue Price of Rs. 100 each aggregating to Rs. 2,52,150 Million on August 31, 2020 and the units of Tower InvIT are listed on BSE Limited w.e.f. September 1, 2020. Pursuant to the issuance and listing of units of the Trust, this report is considered as the First Annual Report of Tower InvIT.

MANAGEMENT DISCUSSION AND ANALYSIS BY THE INVESTMENT MANAGER AND DETAILS OF ASSET OF THE TRUST

Economic Overview

Global Economy

2020 taught us all lessons in resilience, hopefulness and keeping the faith. Even though the global economy fell by 4.3% in 2020, there is a light at the end of the tunnel. In 2021, the economy is expected to bounce back with an expansion of 4%, provided that the planned vaccine deployments are implemented in full swing across the world. However, we must be cautiously optimistic, considering the resurgence in cases and renewed lockdowns in both developed nations like France and Poland and developing countries like India. While sectors like airlines, hospitality, oil and gas, real estate, and the automotive industry have been facing the maximum brunt, healthcare and pharma, insurance, telecom, and entertainment has stayed relatively unscathed. Closer scrutiny at the global telecom industry reveals how the sector, that currently stands at an evaluation of USD 1,657.7 Billion in 2020 is looking at exponential growth as its CAGR is predicted to shoot to 5.4% between 2021 and 2028. With the skyrocketing network usage, especially in its branching-out as a tool to track and contain the virus, there is a renewed focus on network reliability, consumer-centric developments, and collaborations between companies across the world. Working remotely has become the new normal, and seamless connectivity is no longer a luxury, but a dire need. Hence, a strong, ubiquitous telecommunication infrastructure has become more indispensable than ever.

Indian Economy

India is no stranger to overcoming hurdles, and we are sure that the coming year will be no different. However, the second COVID-19 wave in India may dent the budding recovery in the economy and credit conditions. While the estimated impact on the GDP was 0.4% between October to December 2020, the effect may be more pronounced owing to the severity of the second wave and the actual GDP might witness a drop to 9.8% for this fiscal year. However, due to the dominance of the unorganized sector, the bounce back is expected to happen sooner than expected. Evidently enough, the most affected industries included services and manufacturing, specifically travel & tourism, automobiles, mining, and construction, with declining rates of up to 23% between April and June 2020. But as the world's second-largest telecommunications market, the Indian telecom industry has proven to be an exception. With a subscriber base of 1.16 Billion people, the revenue from the telecom equipment sector is expected to grow to USD 26.38 Billion by 2020. In the first quarter of FY21, customer spending on telecom services witnessed a 16.6% year-on-year growth. Despite the COVID-19 disruption and lack of access to offline recharges for a few weeks, this trend was observed. Recently, the government allocated Rs. 58,737 Crores (USD 8 Billion) to the Department of Telecommunications and another Rs. 14,200 Crores (USD 1.9 Billion) was allocated for telecom infrastructure in the Union Budget 2021-22, January 2021 witnessed the signing of MOUs with Japan and invitation of applications for the auction of Spectrum in 700 MHz, 800 MHz, 900 MHz, 1800 MHz, 2100 MHz, 2300 MHz, and 2500 MHz bands. With these interventions, several challenges facing the industry are expected to be resolved.

Asset Overview

The Trust has only one asset, comprising SDIPL which is engaged in Tower Infrastructure Business. The Tower Infrastructure Business was transferred from Reliance Jio Infocomm Limited ("RJIL") to SDIPL by way of a slump sale on a going concern basis under a scheme of arrangement with effect from March 31, 2019. On March 31, 2019, the Trust acquired 51% of the issued and paid-up equity share capital of SDIPL, pursuant to the Share Purchase Agreement dated March 31, 2019. On August 31, 2020, the Trust acquired remaining 49% of the equity share capital of SDIPL. As on March 31, 2021, the Trust owns 100% of the issued equity share capital of SDIPL.

As one of the largest telecom infrastructure providers, SDIPL truly believes in building, nurturing, and strengthening partnerships with its stakeholders. Since SDIPL has embarked on this journey, the strategic tower footprints and superior backhaul connectivity have been areas of excellence and one of the key USPs. In December 2020, the company signed a term sheet to commence business with one of the largest mobile network operators in the country. In addition to this, SDIPL is also exploring the opportunity to collaborate with other MNOs and various other internet service providers to open the doors for leasing on its extensive existing asset base.

Taking into account all our recent dealings, SDIPL's unique product mix in tandem with the latest technologies now demonstrate the following composition:

Site Tower Type

Total Sites	Ground Based Tower	Roof-Top Tower/ Roof-Top Pole	Ground Based Mast	Cell on Wheel
138,086	90,278	30,078	16,457	1,273
Distribution	65%	22%	12%	1%

Operational Performance

In an attempt to lay strong groundworks for infallible network systems and seamless connectivity, SDIPL places extensive focus on performance quality and improvement. As the go-to enablers of telecommunication in India, SDIPL has left no stone unturned in upgrading the functioning and efficiency of its assets. SDIPL is glad to report an upswing of 0.02% of network uptime performance subsequently leading to 99.95% of overall delivery accomplishment between September 2020 and March 2021. Consequently, a whopping reduction of 31% downtime has been achieved.

93% of SDIPL's sites - met uptime performance to match service-level agreements in March 2021. This is an improvement to be proud of, considering that the performance has been enhanced by 5% since September 2020. Further, 90% of SDIPL's sites have demonstrated a commendable 100% performance uptime level. To further facilitate an upward exponential trend in improvement, robust weekly and monthly operations governance mechanisms have been established with service partners and telecom operators. Considering the status quo, we believe that SDIPL is well-positioned to generate continued growth in the efficiency space.

Financial Performance

The global outbreak of COVID-19 pandemic continues to scourge economic activity. SDIPL has considered internal and external information while finalizing estimates in relation to its financial statements, up to the date of approval of financial statements and has not identified any material impact on the carrying value of assets, liabilities or provisions.

Brief details of financial performance of SDIPL for the financial year ended March 31, 2021 are as under:

(Rs. in Million)

Particulars	2020-21	2019-20
Revenue from Operations	82,442	74,767
Other Income	153	125
Profit / (Loss) before Tax	**(23,380)**	**(20,968)**
Less: Current Tax	-	-
Deferred Tax*	-	-
Profit / (Loss) for the year	**(23,380)**	**(20,968)**
Add: Other Comprehensive Income (OCI)	-	-
Total Comprehensive Income for the year	**(23,380)**	**(20,968)**
Add: Opening Balance in Retained Earnings and OCI (Adjusted)	(21,001)	(33)
Less: Other Adjustments	(8,114)	-
Transferred to Debenture Redemption Reserve#	-	-
Closing Balance of Retained Earnings and OCI	**(52,495)**	**(21,001)**

**SDIPL has recorded deferred tax asset of Rs. 19,505 Million on unabsorbed depreciation to the extent of deferred tax liability as at March 31, 2021 in accordance with Ind AS 12.*

#Debenture Redemption Reserve (DRR) is not required to be created in view of the Ministry of Corporate Affairs ("MCA") Notification GSR574(E) dated August 16, 2019 that specifies Debenture Redemption Reserve (DRR) is not required to be created by a debt listed entity.

As on April 1, 2020, the Trust (Controlling entity) held 51% of the equity shares of SDIPL. On August 31, 2020, the Trust acquired 49% of the equity shares of SDIPL from Reliance Industries Limited. As on March 31, 2021, the Trust owns 100% of the equity shares of SDIPL.

EBDITA of SDIPL for FY2019-20 was Rs. 28,756 Million which has increased to Rs. 30,770 Million in FY2020-21.

SDIPL is primarily engaged in setting up, operating and maintaining passive tower infrastructure and related assets and providing passive tower infrastructure related services. Accordingly, SDIPL has single segment as per the requirements of Ind AS 108 - Operating Segments. All assets are located in India and revenue of SDIPL is earned in India hence, there is single geographic segment.

Health, Security, Safety and Environment

SDIPL is committed to the principle that all occupational injuries and illnesses can be prevented and the management of Health, Security, Safety and Environment ("HSSE") is an integral part of its responsibilities at all levels in the organization.

SDIPL emphasizes on and considers its top priority, that employees, contractors, or members of the public will not have a Serious Safety Incident as a result of its operations and activities.

SDIPL has a constant focus on the identification of high-risk activities and proactive mitigation of such hazards that could lead to fatalities and/or serious permanent disabilities. This is the mantra to prevent and sustainably avert Serious Safety Incidents while conducting business across 22 circles involving more than 25,000 sub-contractor personnel everyday.

Since inception from September 1, 2020, SDIPL has demonstrated exemplary HSSE performance. There were no serious safety, security and health incidents during the year under review. It was a Lost Time Injury free year. As on March 31, 2021, SDIPL has achieved Zero LWCFR (Lost Workday Case Frequency Rate).

SDIPL's HSSE management system is based on the TAGG (Train Audit Guide & Govern) strategy. TAGG is primarily based on elements of Training, Auditing, Governance, Reporting, cross functional guidance and creation of safe work procedures which helps to sustainably implement HSSE management systems, embed improvement in performance whilst ensuring that all business-related activities remain systematic, effective and focused towards proactive reduction & mitigation of HSSE risks.

SDIPL's aim is to increase awareness on hazard identification and proactive risk mitigation which would eventually lead to safe work each-time and every-time. As of March 31, 2021, SDIPL has imparted 95,168 manhours of training to its employees, contractors and field personnel. Focusing on high-risk mitigation, campaigns such as National Road Safety Month and National Safety Week were conducted across the country in February and March 2021 respectively.

SDIPL believes that every person working for or on behalf of SDIPL needs to return home safely each day every day and every time. In this context, HSSE processes pertaining to road transportation, selection of new offices, onboarding sharer activities, site visits, trainings, etc have been developed and implemented.

Protection of environment and natural resources is also a key priority for SDIPL. Focus is to reduce carbon footprint, sustainably reduce use of Diesel Generators and conservation of resources.

All its efforts are towards ensuring incident-free and sustainable operations every-day.

Future Business Outlook

With the ever-changing demands across industries, there is a need for world-class infrastructure that can accommodate not only the 2G to 5G spectrum but IoT and AI-related technologies as well. At SDIPL, the employee pride themselves on being future-ready with 174,000 plus towers spanning the length and breadth of India, ensuring that the growing demand for these technologies is met. Taking cognizance of the global pursuit of reducing carbon footprints, 100% of the sites are built outdoors with no air-conditioned shelters. This is in line with SDIPL's business values of HSSE, where it pledges to achieve a target of "Zero Harm". In this case, SDIPL pledges to reach the highest levels of environmental performance by saving energy, reducing costs, and taking a stride closer to a greener earth.

Details of revenue during the year from the underlying project

The Trust owns 100% equity share capital of SDIPL, which is engaged in the business of providing tower infrastructure and related operations and maintenance services.

During the financial year ended March 31, 2021, SDIPL has generated a revenue of Rs. 82,442 Million from its operations and Rs. 153 Million as other income.

FINANCIAL INFORMATION AND OPERATING EXPENSES OF THE TRUST

Summary of Audited Standalone and Consolidated Financial Information of the Trust for the financial year ended March 31, 2021, is as follows:

(Rs. in Million)

Particulars	Financial Year ended March 31, 2021		Financial Year ended March 31, 2020	
	Standalone	Consolidated	Standalone	Consolidated
Total Income	13,860	82,595	-	74,892
Total Expenditure	310	92,425	166	96,026
Profit / (Loss) before tax	13,550	(9,830)	(166)	(21,134)
Less: Provision for tax				
Current tax	-	-	-	-
Deferred tax	-	-	-	-
Profit/(Loss) for the year	13,550	(9,830)	(166)	(21,134)
Other comprehensive income	-	-	-	-
Total comprehensive income/(loss) for the year	**13,550**	**(9,830)**	**(166)**	**(21,134)**

Key operating expenses of the Trust for the financial year ended March 31, 2021, are as follows:

(Rs. in Million)

Particulars	Financial Year ended on March 31, 2021	Financial Year ended on March 31, 2020
Investment Manager Fees	26	24
Legal, Professional and advisory fees	2	2
Trustee Fee	2	2
Listing fees	1	-
Project Manager Fees	24	24
Payment to Auditors	18	15
Other expenses	196	0
Total	**269**	**67**

Further, the Audited Standalone and Consolidated Financial Information of the Trust for the financial year ended March 31, 2021 along with the Report of Auditors thereon, as approved by the Board of Directors of Brookfield India Infrastructure Manager Private Limited, acting in its capacity as Investment Manager of Tower InvIT, at its meeting held on June 7, 2021, forms part of this Annual Report.

DETAILS OF UNITS ISSUED BY THE TRUST

Units

The Trust has issued 2,52,15,00,000 units at an Issue Price of Rs. 100 each aggregating to Rs. 2,52,150 Million on August 31, 2020, which were listed on BSE Limited w.e.f. September 1, 2020.

Apart from the above, during the year under review and as on the date of this Report, no units have been issued or bought-back by the Trust.

Credit Rating

The aggregate consolidated borrowings and deferred payments of the Tower InvIT and SDIPL (together known as "Group") (net of cash and cash equivalents) do not exceed the thresholds specified in the SEBI InvIT Regulations and hence, there is no requirement for credit rating. Further, the Trust has not issued any debt securities during the year under review.

During the year under review, SDIPL has obtained credit rating "CRISIL AAA/Stable" from CRISIL Limited and "CARE AAA/Stable" from CARE Ratings Limited for its listed Non-Convertible Debentures issued on March 15, 2021. Further, the rating from CRISIL Limited has been re-affirmed vide their letter dated April 14, 2021.

SDIPL has also obtained credit rating of "CRISIL AAA/Stable" from CRISIL Limited for its sanctioned term loan facilities with various lenders amounting to Rs. 300,080 Million. These ratings are valid as on March 31, 2021.

The rating rationale (RR) can be accessed on the following link:

CARE Rating and CRISIL Rating Rationales.

SUMMARY OF THE VALUATION AS PER THE FULL VALUATION REPORT AS AT THE END OF THE YEAR

Pursuant to the approval of the Board of Directors of erstwhile Investment Manager, Mr. Sunil Saini, Registered Valuer (IBBI Registration Number: IBBI/RV/06/2018/10385) ("Valuer"), was appointed as the Valuer of the Trust to carry out the valuation of Trust Assets for FY 2020-21 in accordance with the SEBI InvIT Regulations.

In terms of the provisions of Regulation 10 of the SEBI InvIT Regulations, the Valuation Report dated June 1, 2021 for the financial year ended March 31, 2021, issued by the Valuer of the Trust, has been filed with BSE Limited on June 7, 2021 and the same is also available on the website of the Trust at www.towerinfratrust.com. The Valuation Report is also attached as **Annexure A** to this Report.

As per the Valuation Report, Trust Asset has been valued using Discounted Cash Flow ("DCF") Method under Income Approach. Free Cash Flow to Firm model under the DCF Method has been used to arrive at the enterprise value of the Trust Asset.

The enterprise value of Trust Asset attributable to the Trust pursuant to the agreed terms of the Transaction Documents is arrived at Rs. 440,055.1 Million.

VALUATION OF ASSETS AND NET ASSET VALUE ("NAV")

Pursuant to the provisions of Regulation 10 of the SEBI InvIT Regulations, the NAV of the Trust was computed based on the valuation done by the Valuer and the same has been disclosed as part of the Audited Financial Information of the Trust filed with BSE Limited on June 7, 2021 and is also available on the website of the Trust at www.towerinfratrust.com.

Standalone Statement of Net Assets of the Trust at Fair Value as at March 31, 2021 is as under:

(Rs. in Million)

	Particulars	Financial Year ended March 31, 2021		Financial Year ended March 31, 2020*	
		Book Value	Fair Value	Book Value	Fair Value
A.	Assets	2,55,778	4,40,055	-	-
B.	Liabilities	2355	1,75,769	-	-
C.	Net Assets (A-B)	2,53,423	2,64,286	-	-
D.	Number of Units (No. in Million)	2,522	2,522	-	-
E.	NAV per Unit (C/D)	**100.50**	**104.81**	-	-

*As on March 31, 2020, there was no Unit Capital issued. Hence, the NAV was not calculated.

INVESTMENT MANAGER ("IM") OF THE TRUST AND CHANGES THEREIN

Infinite India Investment Management Limited ("Infinite India/erstwhile IM") was appointed as the Investment Manager of the Trust pursuant to the provision of the SEBI InvIT Regulations and the Investment Management Agreement dated January 31, 2019 ("Infinite India IMA"), executed between Infinite India and Axis Trustee Services Limited, in the capacity of Trustee to the Trust ("Trustee").

During the year under review, Infinite India, vide its letter dated September 1, 2020, had resigned from its role of Investment Manager of the Trust, in terms of Clause 14.2 of the Infinite India IMA.

Accordingly, pursuant to the prior approval of unitholders of the Trust at its Extra Ordinary General Meeting held on September 23, 2020 and approval of Securities and Exchange Board of India ("SEBI") vide its letter dated October 9, 2020, obtained by the Trustee for change in the Investment Manager of the Trust in terms of the provisions of Regulation 9(15) and other applicable provisions of the SEBI InvIT Regulations, and pursuant to the Investment Management Agreement dated September 25, 2020 ("BIIMPL IMA"), executed between Brookfield India Infrastructure Manager Private Limited (formerly known as WIP (India) Private Limited) ("BIIMPL/ new IM") and the Trustee, BIIMPL has been appointed as the new IM of the Trust with effect from October 13, 2020.

A. Details of Infinite India Investment Management Limited i.e. erstwhile IM, as on October 12, 2020

Infinite India was the Investment Manager for the Trust during the part of the period under review. The erstwhile IM was originally incorporated under the Companies Act, 1956 as Infinite India Investment Management Private Limited on August 2, 2006 at Mumbai. Subsequently, the erstwhile IM was converted from a private company to a public company and the name of the erstwhile IM was changed from Infinite India Investment Management Private Limited to Infinite India Investment Management Limited. A fresh certificate of incorporation consequent to the conversion of the erstwhile IM to a public limited company was issued by the RoC, Maharashtra at Mumbai on August 27, 2014. The erstwhile IM's registered office is situated at 7th Floor, Cnergy, Appasaheb Marathe Marg, Prabhadevi, Mumbai - 400 025. The CIN of the erstwhile IM is U74140MH2006PLC163489.

The erstwhile IM is a wholly owned subsidiary of JM Financial Limited and has over 10 years of experience in fund management, being the investment manager of JM Financial Property Fund, a real estate focused venture capital fund registered with SEBI under the SEBI (Venture Capital Funds) Regulations, 1996 and has also served as an investment advisor to certain off-shore funds for direct co-investments of about Rs. 8,000 Million.

Further, JM Financial Limited, the holding company of the erstwhile IM, is one of India's prominent financial services group specialising in a wide spectrum across investment banking and securities business, fund based activities, alternative asset management and asset management.

Further, during the reported period, neither the erstwhile IM nor any of the promoters or directors of the erstwhile IM: (i) are debarred from accessing the securities market by SEBI; (ii) are promoters, directors or persons in control of any other company or a sponsor, investment manager or trustee of any other infrastructure investment trust or an infrastructure investment trust which is debarred from accessing the capital market under any order or direction made by SEBI; or (iii) are persons who are categorized as wilful defaulters by any bank or financial institution, as defined under the Companies Act, 2013, or consortium thereof, in accordance with the guidelines on wilful defaulters issued by the RBI.

Further, in accordance with the eligibility criteria specified under the SEBI InvIT Regulations, the erstwhile IM had a consolidated net worth of not less than Rs. 100 Million as on March 31, 2020.

Pursuant to cessation of Infinite India as the IM of the Trust w.e.f. October 12, 2020, the Infinite India IMA has been terminated and extinguished in full and accordingly all rights and obligations of Infinite India under the said Infinite India IMA has been terminated. However, pursuant to Clause 14.5.4 of the Infinite India IMA, Infinite India shall continue to be liable for all its acts of omissions and commissions for the period during which it acted as the IM of the Trust.

Board of Directors of the Investment Manager as on October 12, 2020

The Board of Directors of the erstwhile IM were entrusted with the responsibility for the overall management of the Investment Manager. Details in relation of the Board of Directors of the erstwhile IM are mentioned below:

Sr. No.	Name	Designation	DIN
1.	Shailesh Shankarlal Vaidya	Independent Director	00002273
2.	Vishal Nimesh Kampani	Non-Executive Chairman	00009079
3.	Rajendra Dwarkadas Hingwala	Independent Director	00160602
4.	Dipti Neelakantan	Non-Executive Director	00505452

For the period during which Infinite India acted as the IM of the Trust, there were no changes in the Directors of the erstwhile IM.

Functions, Duties and Responsibilities of the erstwhile IM

During the period for which Infinite India acted as the IM of the Trust, the functions, duties and responsibilities of Infinite India in the capacity of IM of the Trust, were in accordance with the Infinite India IMA and the SEBI InvIT Regulations. The Board of Infinite India comprises half of its Directors as Independent Directors having extensive and relevant experience.

B. Details of Brookfield India Infrastructure Manager Private Limited (formerly known as WIP (India) Private Limited) i.e. new IM, as on March 31, 2021

BIIMPL was incorporated on May 5, 2010 as WIP India (Private) Limited under the Companies Act, 1956, with the main object of providing financial advisory services. BIIMPL is a wholly-owned subsidiary of BHAL Global Corporate Limited - an affiliate of Brookfield Asset Management Inc. (“BAM”).

BIIMPL was acquired by BHAL Global Corporate Limited to act as an Investment Manager to all the existing and proposed infrastructure investment trusts set up by the Brookfield Group from time to time, in terms of the SEBI InvIT Regulations.

During the year under review, in order to ensure that the name of the new IM brings out the essence of the business activities carried out by it and also depicts the 100% ownership of BAM, the Board of Directors and Members of BIIMPL, vide their respective resolutions passed on January 4, 2021 and January 8, 2021, approved the change in name of the new IM from ‘WIP (India) Private Limited’ to ‘Brookfield India Infrastructure Manager Private Limited’.

Accordingly, pursuant to approval of the Registrar of Companies, the name of the new IM has been changed from ‘WIP (India) Private Limited’ to ‘Brookfield India Infrastructure Manager Private Limited’ (“BIIMPL”) with effect from February 3, 2021.

Further, pursuant to the Informal Guidance issued by SEBI on March 12, 2020, BIIMPL can act as a common IM to all the infrastructure investment trusts to be set up and registered by the Brookfield group from time to time, under the SEBI InvIT Regulations.

During the year under review, BIIMPL was also appointed as an Investment Manager to India Infrastructure Trust w.e.f. April 1, 2020, another InvIT set up by Brookfield earlier under the SEBI InvIT Regulations.

Considering the above, in order to ensure good governance and clear segregation of the management and operations of the different InvITs being/to be managed by BIIMPL, it was proposed to constitute a committee for each such InvIT. The operation and functioning of each such InvIT committee would be under the strict supervision of BIIMPL Board.

Accordingly, BIIMPL Board, had approved and adopted an Administration Policy to provide for a framework in relation to the internal compliance, governance and segregation of activities of various InvIT Committees that are/will be set up from time to time.

Further, BIIMPL Board has constituted two InvIT Committees, namely ‘Pipeline InvIT Committee’ and ‘Tower InvIT Committee’, for managing and administering respective InvITs and its assets, and has delegated the authority and responsibility of overseeing all the activities of the investment manager that pertain to the management and operation of the respective InvIT in accordance with the SEBI InvIT Regulations, respective Trust Documents, BIIMPL IMA and other applicable laws to the respective InvIT Committees. As per the terms of reference of the aforesaid committees, a periodic report is submitted by the respective committees to the Board to ensure appropriate oversight and guidance on the activities of the two InvITs.

Directors of BIIMPL

The Board of Directors of BIIMPL as on March 31, 2021 and as on the date of this Report, are mentioned below:

Sr. No.	Name of Director	Designation	DIN
1.	Mr. Sridhar Rengan	Non-executive Director & Chairperson	03139082
2.	Mr. Chetan Desai	Independent Director	03595319
3.	Mr. Narendra Aneja	Independent Director	00124302
4.	Mr. Rishi Tibriwal	Non-executive Director	00044983

Brief profile of the directors is provided below:

1. Mr. Sridhar Rengan

Mr. Rengan is a Managing Director in Brookfield's Finance team. In this role, he is responsible for finance and public and regulatory affairs in India.

Prior to joining Brookfield in 2014, he held various roles over the last three decades in real estate, infrastructure and consumer businesses, and was the CFO for Piramal Roads Infra Private Limited.

He holds a law degree from the University of Calcutta and a Bachelor's degree with honors from St. Xavier's College Kolkata. He is also a member of the Institute of Cost Accountants of India and a member of Institute of Company Secretaries of India.

2. Mr. Chetan R. Desai

Mr. Desai is a Chartered Accountant and has retired as Joint Managing Partner from M/s. Haribhakti & Co. LLP, a leading CA Firm in India, in March 2018. For over 30 years he was heading the audit & assurance practice of the said Firm.

During his professional career of over 43 years, he has dealt with multinationals, public sector enterprises, large corporates, sectors such as banking and finance, insurance, mutual funds, manufacturing, services, real estate, hospitality, engineering, energy, infrastructure, pharma, health care, not for profit entities etc.

He has gained wide knowledge and exposure in the fields of accounting, auditing, Companies Act and related areas, corporate governance, compliance etc. He is on the Board of several companies.

3. Mr. Narendra Aneja

Mr. Aneja is a Fellow Chartered Accountant, Certified Internal Auditor, Certification in Risk Management Assurance (CRMA) and holds an MBA from the Wharton Business School. He is a Gold Medalist (ICWA), a Tata Scholar and was ranked on the Director's List at Wharton School (1978).

He was Director at Large of the Global Board of IIA Inc. between 2016 to 2019. He is a past national President of The Institute of Internal Auditors of India and of the Asian Confederation of Institutes of Internal Auditors (ACIIA).

He has made presentations at many international conferences in India, United States, Malaysia, Dubai, Sri Lanka, Qatar, Philippines, Thailand and the Dominican Republic.

He has over 30 years of experience in GRC (Governance, Risk and Compliance assignments) and management consultancy and is the managing partner and founder of Aneja Associates, having about 350 professionals.

4. Mr. Rishi Tibriwal

Mr. Tibriwal is the Vice President Finance, in the Portfolio Management team overseeing Brookfield's investee companies in India. Mr. Tibriwal joined Brookfield India from Toronto, Canada.

Prior to his current role, he led the global finance transformation initiative at Magna International Inc., an international auto parts manufacturer with over 350 operating units in 30 countries. Prior to Magna, he held a number of senior positions, including CFO, in private equity and mining companies and was a partner in the audit practice at Ernst & Young in Toronto.

He is a Chartered Professional Accountant from Ontario, Canada, a Chartered Accountant from India and also holds a CFA and MBA.

Since the date of appointment of BIIMPL as the IM of the Trust and as on the date of this Report, there have been no change in the board of directors of BIIMPL.

Details of the holding by BIIMPL and its Directors or Members of the Tower InvIT Committee in the Trust

As on the date of this Report, neither BIIMPL nor any of its Directors or Members of the Tower InvIT Committee holds any units of the Trust.

Net Worth of BIIMPL

Net Worth of BIIMPL as per its latest Annual Audited Standalone Financial Statements for the financial year ended March 31, 2021 is in line with the requirement specified under regulation 4(2)(e) of the SEBI InvIT Regulations. There is no erosion in the net worth of BIIMPL as compared to the net worth as per its last financial statements.

Functions, Duties and Responsibilities of the new IM

From the date of appointment of BIIMPL as the IM of the Trust and during the period under review, duties and responsibilities of BIIMPL in the capacity of IM of the Trust, were in accordance with the BIIMPL IMA and the SEBI InvIT Regulations. The Board of BIIMPL comprises half of its Directors as Independent Directors having extensive and relevant experience.

Codes/Policies

In line with the requirements of SEBI InvIT Regulations and in order to adhere to the good governance practices for the Trust, the erstwhile IM had adopted various policies and codes in relation to the Trust.

Consequent to the change of Investment Manager, the Tower InvIT Committee of BIIMPL, at its meeting held on October 19, 2020, had re-adopted the aforesaid codes and policies, as under:

(i) Distributions Policy

The Distribution Policy provides a structure for distribution of the net distributable cash flows of SDIPL to the Trust and the Trust to the Unitholders.

(ii) Policy on unpublished price sensitive information and dealing in units by the parties to Tower Infrastructure Trust ("UPSI Policy")

The UPSI Policy has been adopted to ensure that the Trust complies with the applicable laws, including the SEBI InvIT Regulations or such other laws, regulations, rules or guidelines prohibiting insider trading and governing disclosure of material, unpublished price sensitive information.

(iii) Code of Conduct for Tower Infrastructure Trust ("Code")

The said Code has been adopted in relation to the conduct of the Trust and the Parties to the Trust. The Code provides for principles and procedures for the Sponsor, the Investment Manager, the Project Manager, the Trustee and their respective employees, as may be applicable, for ensuring interest of the unitholders and proper conduct and carrying out of the business and affairs of the Trust in accordance with the applicable laws.

(iv) Policy on Appointment of Auditor and Valuer of Tower Infrastructure Trust

The policy on Appointment of Auditor and Valuer provides a framework for ensuring compliance, in relation to the appointment of Auditor and Valuer, as identified by the Investment Manager in accordance with the SEBI InvIT Regulations and other applicable laws.

(v) Policy on Related Party Transaction of Tower Infrastructure Trust

The policy on Related Party Transactions provides a framework to regulate the transactions of the Tower InvIT with its Related Parties, in accordance with the SEBI InvIT Regulations and other the applicable laws.

(vi) Borrowing Policy of Tower Infrastructure Trust

The Borrowing Policy has been adopted to ensure that all funds borrowed in relation to the Trust are in compliance with the SEBI InvIT Regulations.

C. Representatives on the Board of Directors of SDIPL, Special Purpose Vehicle ("SPV") of the Trust

Infinite India Investment Limited, erstwhile IM, in consultation with the Trustee, had appointed the majority of the Board of Directors of SDIPL i.e. SPV of the Trust.

During the year under review, BIIMPL had ensured that in every general meeting, including the Seventh Annual General Meeting of SDIPL held on December 9, 2020, the voting of the Trust was exercised.

SPONSOR OF THE TRUST

A. Reliance Industrial Investments and Holdings Limited

Reliance Industrial Investments and Holdings Limited ("Reliance Sponsor") is a Sponsor of the Trust. The Reliance Sponsor was incorporated on October 1, 1986 under the Companies Act, 1956 as Trishna Investments and Leasings Private Limited. Subsequently, the name was changed to Reliance Industrial Investments and Holdings Limited with effect from August 6, 1993. The Reliance Sponsor's registered office is situated at Office – 101, Saffron, Near Centre Point, Panchwati 5 Rasta, Ambawadi, Ahmedabad, Gujarat – 380 006.

The Reliance Sponsor is a wholly owned subsidiary of Reliance Industries Limited ("RIL"), the largest private sector company in India in terms of market capitalisation as at March 31, 2021 with presence across energy, material value chain, retail and telecommunication sectors. The equity shares of RIL, both fully paid-up and partly paid-up, are listed on BSE and NSE, with its global depository receipts listed on the Luxembourg Stock Exchange and traded on the International Order Book of the London Stock Exchange and amongst the qualified institutional investors on the over-the-counter market in the United States of America.

Directors of Reliance Sponsor

The details of Board of Directors of the Reliance Sponsor as on March 31, 2021 are mentioned below:

Sr. No.	Name of Director	DIN
1.	Hital Rasiklal Meswani	00001623
2.	Vinod Mansukhlal Ambani	00003128
3.	Mahendra Nath Bajpai	00005963
4.	Savithri Parekh	00274934
5.	Dhiren Vrajlal Dalal	01218886
6.	Balasubramanian Chandrasekaran	06670563

Brief profile of the directors is provided below:

1. Mr. Hital R. Meswani

Mr. Hital R. Meswani is the Director of the Sponsor since October 20, 2003. He holds Management & Technology graduate from the University of Pennsylvania (UPenn) in the USA, Bachelor of Science in Chemical Engineering from the School of Engineering and Applied Sciences, UPenn, and a Bachelor of Science in Economics from the Wharton Business School.

Mr. Hital Meswani's overall responsibility in Reliance group spans the Petroleum Refining and Marketing Business, Petrochemicals Manufacturing and several corporate functions. He has been involved with almost all mega initiatives of the group through its growth journey. He was instrumental in execution of the world class petrochemicals complex at Hazira and the mammoth Reliance Jamnagar Refinery complex, the largest in the world at any single location. He had also led a company-wide business transformation initiative, which has resulted in the development of the constitution of RIL – the Reliance Management System.

2. Mr. Vinod M. Ambani

Mr. Vinod M. Ambani is the Director of the Sponsor since June 30, 2005. He is a Commerce Graduate, Chartered Accountant and Diploma holder in Tax Management from Bombay University.

He has more than five decades of experience and wide spectrum of knowledge in the field of corporate law, legal, compliance, secretarial, accounts, taxation, insider trading etc.

3. Mr. Mahendra Nath Bajpai

Mr. M.N. Bajpai is the Director of the Sponsor since June 30, 2005. He is a Science Post-Graduate with specialization in Physics. He has had a brilliant academic career. His areas of specialization include Direct Taxes and International Taxes.

He joined Indian Revenue Services in 1974. He had initial assessment exposure in big companies like Hindustan Lever, Bharat Petroleum, Caltex, Indian Organic and several other companies in Mumbai. He has functioned as Assistant Director as well as Additional Director in Regional Training Institute in Lucknow for approximately 8 years. He has been Departmental Representative in ITAT, Mumbai and after promotion posted as Member, Appropriate Authority, Ahmedabad. Post Voluntary Retirement in 1998, Mr. M.N. Bajpai has been functioning as a Consultant of Corporate Taxes with Reliance group till date and handling all Direct Tax and International Tax Matters.

4. Ms. Savithri Parekh

Ms. Savithri Parekh is the Director of the Sponsor since March 28, 2019.Ms. Savithri Parekh has 28 years of experience. Prior to joining Reliance, she was the Sr Vice President Legal & Company Secretary of Pidilite Industries Ltd for 9 years. She has worked in VFS Global Services Pvt Ltd (a company engaged in outsourcing of visa facilitation services where she handled work in multiple jurisdictions), real estate fund, print and electronic media (publishers of The Telegraph, Business-world etc), pharmaceutical, textiles & Chemicals industry.

She has been a guest faculty at IIM Kolkata for over 10 years and has also authored three books on Companies Act, 2013 and another on Listing Regulations.

5. Mr. Dhiren V. Dalal

Mr. Dhiren V. Dalal is the Director of the Sponsor since March 31, 2015. He is a Commerce Graduate and a Fellow Member of the Institute of Chartered Accountants of India.

He is a Practicing Chartered Accountant and has a wide spectrum of knowledge and experience in the field of audit, finance and accounts and non-banking financial companies. He has been an Auditor of various registered Non-Banking Financial Companies.

6. Mr. Balasubrmanian Chandrasekaran

Mr. Balasubrmanian Chandrasekaran is the Director of the Sponsor since March 31, 2015. He is a Commerce Graduate, CAIIB and an alumni of IIM Ahmedabad.

He has a wide spectrum of knowledge and experience in the field of banking and finance and accounts. He has also worked with SREI Infrastructure Finance Limited as Head – Treasury from April, 2011-March, 2013 and with Reliance Industries Limited as Senior Vice President-Banking and Finance from October, 1992-June, 2010.

During the year under review and as on the date of this Report, there have been no changes in the Directors of the Reliance Sponsor.

B. BIF IV Jarvis India Pte Ltd

BIF IV Jarvis India Pte. Ltd. ("Brookfield Sponsor") is a Sponsor of the Trust. The Brookfield Sponsor was incorporated on May 31, 2019 under the laws of Singapore. The Brookfield Sponsor is 100% held by BIP IV India Holdings Pte. Ltd. ("BIF IV India"), a company incorporated in Singapore. The Brookfield Sponsor and BIF IV India are controlled by BAM. The registered office of the Brookfield Sponsor is situated at Income at Raffles, 16 Collyer Quay, #19-00 Singapore 049 318.

BAM together with its affiliates ("Brookfield") has a history of over 115 years of owning and operating assets with a focus on infrastructure, renewable power, property and other real assets. Brookfield currently controls over USD 9 Billion of assets in India, with approximately 1,000 employees. BAM is listed on the New York Stock Exchange and the Toronto Stock Exchange, and has a market capitalisation of approximately USD 70 Billion as on March 31, 2021. Further, Brookfield's infrastructure group ("Brookfield Infrastructure") owns and operates one of the largest infrastructure portfolios in the world, with approximately USD 95 Billion of assets under management as on March 31, 2021. Brookfield Infrastructure's publicly listed infrastructure vehicles include Brookfield Infrastructure Partners L.P ("BIP"), a publicly traded infrastructure investor and operator, targeting long-life assets with high barriers to entry that provide essential services to the global economy. BIP is listed on the New York Stock Exchange and the Toronto Stock Exchange and has a market capitalisation of approximately USD 26 Billion as on March 31, 2021. The Brookfield Sponsor has relied on BAM and BIP for meeting the eligibility criteria under the SEBI InvIT Regulations.

During the year under review, Brookfield Sponsor has also been included as a Sponsor of the Trust, in addition to the Reliance Sponsor, pursuant to the execution of a Deed of Accession to the Trust Deed on August 26, 2020 between the Reliance Sponsor, Brookfield Sponsor and the Trustee.

Directors of the Brookfield Sponsor

The details of Board of Directors of the Brookfield Sponsor as on March 31, 2021 and as on the date of this Report are mentioned below:

Sr. No.	Name of Director	Identification No.
1.	Ho Yeh Hwa	S7838513H
2.	Aanandjit Sunderaj	G3395950N
3.	Liew Yee Foong	S8779790B
4.	Walter Zhang Shen	K1995255D
5.	Taswinder Kaur Gill	E6443711K

Brief profile of the directors is provided below:

1. Ms. Ho Yeh Hwa

Yeh Hwa is Vice President, Legal and Regulatory for Brookfield Singapore and is responsible for running the Legal & Regulatory Compliance functions of Brookfield's fund management activities in Asia. Yeh

Hwa has over 18 years of work experience, of which she spent the initial 8 years practicing law in leading legal firms in United Kingdom and Singapore with a focus on corporate law, transactional M&A and private equity. This is followed by more than 10 years of commercial legal experience in-house in fund/ asset management in fund managers in both United Kingdom and Singapore, as well as a Singapore sovereign wealth fund, with a focus on real estate, private equity, infrastructure and renewable energy investments.

Yeh Hwa holds a Bachelor of Laws from National University of Singapore and was called to the Rolls of Singapore in 2002, and the Rolls of England & Wales in 2006.

2. Mr. Aanandjit Sunderaj

Mr. Aanandjit Sunderaj (Identification no.: G3395950N) Aanandjit is a Senior Vice President at Brookfield Singapore Pte. Ltd. ("Brookfield Singapore") where he manages and supports investments in Brookfield's funds, investment programs and investment analysis. Prior to joining Brookfield, he was a Managing Partner of a residential real estate investment fund. He previously worked as Chief Executive Officer and as a Senior Director for Investments (Real Estate) in other real estate investment companies in India. He has more than 20 years of work experience.

Aanandjit holds a degree in Commerce from the University of Madras, Chennai, India. He also holds a Masters in Business Administration from Moravian College PA, USA and Masters in Science, Real Estate from Columbia University, New York, United States of America.

3. Mr. Liew Yee Foong

Liew Yee Foong is a Vice President, Finance of Brookfield Singapore. He has over 11 years of work experience for which the initial 4 years were within the audit space auditing fund, private equity, asset management, real estate and logistics companies. This was followed by more than 7 years of commercial experience focusing on fund managers and funds with mandates within real estate, private equity and infrastructure investments.

Liew Yee Foong holds a Bachelor of Commerce (Accounting and Finance) from Curtin University of Technology. He is also a Certified Public Accountant (CPA) and a Chartered Accountant (CA).

4. Mr. Walter Zhang Shen

Walter is an Investment Professional at Brookfield Singapore where he manages and supports investments in Brookfield's funds, investment programs and investment analysis. Prior to this, Walter worked as an analyst for Cambridge Associates, a private firm providing investment portfolio management and advisory services to institutional investors.

Walter holds double degrees (Business Administration and Industrial Systems Engineering) from the National University of Singapore, Singapore. He is also currently a charter holder of CFA (Chartered Financial Analyst) & CAIA (Chartered Alternative Investment Analyst).

5. Ms. Taswinder Kaur Gill

Taswinder is an Investment Professional at Brookfield Singapore where she manages and supports investments in Brookfield's funds, investment programs and investment analysis. Prior to joining Brookfield, Taswinder worked in restructuring and has experience in financial and operational restructuring of companies in distressed situations. She was also part of the Assurance and Advisory team at a Big 4 accounting firm in Toronto, Canada.

Taswinder holds a degree in commerce from the University of Toronto, Canada, and is a Certified Professional Accountant and Chartered Accountant with CPA Ontario.

During the year under review and as on the date of this Report, there have been no changes in the Directors of the Brookfield Sponsor.

TRUSTEE OF THE TRUST

Axis Trustee Services Limited is the Trustee of the Trust ("Trustee"). The Trustee is a registered intermediary with SEBI under the Securities and Exchange Board of India (Debenture Trustees) Regulations, 1993, as a debenture trustee having registration number IND000000494 and is valid until suspended or cancelled. The Trustee's registered office is situated at Axis House, Bombay Dyeing Mills Compound, Pandurang Budhkar Marg, Worli, Mumbai - 400 025 and corporate office is situated at The Ruby, 2nd Floor, SW, 29, Senapati Bapat Marg, Dadar West, Mumbai - 400 028.

The Trustee is a wholly-owned subsidiary of Axis Bank Limited. As Trustee, it ensures compliance with all statutory requirements and believes in the highest ethical standards and best practices in corporate governance. It aims to provide the best services in the industry with its well trained and professionally qualified staff with a sound legal acumen. The Trustee is involved in varied facets of debenture and bond trusteeships, including, advisory functions and management functions. The Trustee also acts as a security trustee and is involved in providing services in relation to security creation, compliance and holding security on behalf of lenders.

The Trustee confirms that it has and undertakes to ensure that it will at all times, maintain adequate infrastructure personnel and resources to perform its functions, duties and responsibilities with respect to the Trust, in accordance with the SEBI InvIT Regulations, the Indenture of Trust and other applicable law.

There has been no change in the Trustee during the financial year ended March 31, 2021 and as on the date of this Report.

Board of Directors of the Trustee

Details of the Board of Directors of the Trustee as on March 31, 2021 are mentioned below:

Sr. No.	Name of Director	Designation	DIN
1.	Rajesh Kumar Dahiya	Non-Executive Director	07508488
2.	Ganesh Sankaran	Non-Executive Director	07580955
3.	Sanjay Sinha	Managing Director and Chief Executive Officer	08253225

Mr. Sanjay Sinha has retired from the Board w.e.f. April 30, 2021 and Mrs. Deepa Rath has been appointed as a director on the Board w.e.f April 30, 2021.

Brief profile of the directors is provided below:

1. Mr. Rajesh Kumar Dahiya

Rajesh Kumar Dahiya is a non-executive director on the board of the Trustee.

Mr. Rajesh Kumar Dahiya, Executive Director, Axis Bank Ltd, is an Engineer with a Masters in Management. Before joining Axis Bank in June 2010, he was associated with Tata Group for 20 years where he handled various responsibilities across functions such as Human Resources, Manufacturing, Exports, Distribution and Institutional Sales.

In his current role as Executive Director, he supervises all functions under Corporate Centre viz. Internal Audit, Human Resources, Compliance, Company Secretary, Corporate Communications, Corporate Real Estate Services, Chief Business Relations Officer (CBRO), Corporate Social Responsibility, Ethics & Sustainability and law.

In addition, Mr. Dahiya also oversees the functioning of the Axis Bank Foundation. He is also on the Board of Axis PE Ltd.

2. Mr. Ganesh Sankaran

Ganesh Sankaran is a non-executive director on the board of the Trustee.

Mr. Ganesh Sankaran is the Group Executive - Wholesale Banking Coverage Group at Axis Bank Limited. He has nearly 25 years of experience across coverage, credit and risk functions and has handled verticals like

Corporate Credit, Financial Institutions, Business Banking, Mortgages, Commercial Transportation, Equipment Finance & Rural Lending.

Before joining Axis Bank, he was Executive Director at Federal Bank, responsible for business architecture across the Wholesale Bank, Micro/Rural bank, Business Banking and international operations. Additionally, he had also served as a Member of the Board of Directors for Equirus Capital and Fedbank Financial Services. Prior to that he was associated with HDFC Bank where he was Co-Head, Corporate Banking.

Mr. Ganesh Sankaran is an Engineer with a Master's degree in Business Administration.

3. Mr. Sanjay Sinha

Sanjay Sinha, was the managing director and chief executive officer of the Trustee. He began his career with State Bank of India in 1985 as a Probationary Officer and handled many responsibilities with leadership roles across banking verticals including corporate banking, project finance, branch banking.

He joined Axis Bank Ltd in 2006 and served in the Risk and Corporate Credit departments of the bank. Part of the core team that helped set up Axis Bank UK Ltd in London in 2012 and served there as the Head of Credit & Investment Banking. Moved to Axis Trustee in 2018 and has been successful in establishing Axis Trustee's leadership position in trusteeship services for specialized products.

He is a science graduate with certificate in credit management from NIBM, Pune and Indian Institute of Bankers, Mumbai. He is acknowledged as a result oriented financial professional with an equal penchant for compliance function and has been recognized by World BFSI Congress & Awards in their 101 Top most influential BFSI leaders listing for 2020.

4. Mrs. Deepa Rath

Deepa Rath is the Managing Director & CEO on the Board of Axis Trustee Services Limited.

Ms. Deepa Rath is a Senior Banker with more than 20 years of experience in Corporate Banking, Fintech, Credit, Project Funding, MSME Financing, Retail Banking, Supply Chain Finance, Trade Finance etc.

Ms. Deepa is known for her strategic leadership, customer centric approach, superior people & relationship management skills which have helped her set up and scale up New Businesses & High Impact Teams across domains. Prior to taking over as MD & CEO of Axis Trustee Services Ltd, Ms. Deepa was part of the founding leadership team and spearheaded TReDS (Trades Receivable Discounting System) platform business at INVOICEMART / A. TREDS LTD (JV of Axis Bank & Mjunction), a pioneer work in the space of Digital & Transparent Financing of MSMEs, Financial Inclusion, API Integration & Blockchain implementation.

Previous to this, she led various business functions across geographies with Axis Bank Corporate Banking department. In the early part of her career, she took several roles with IDBI Bank and ICICI Bank Ltd within the Corporate Banking & Retail Banking franchise.

She has been a speaker on various Finance & Fintech related forums and was a part of Axis Bank's Senior Business Leadership program initiatives pertaining to Ethics & sustainability (POSH), Recruitment & Employee Engagement, Corporate social responsibility etc. She is a panel /advisory member on the International Consulting/Advisory related to Supply Chain Finance, Fintech, Go-To-Market strategy & Corporate Banking practices.

She holds a MBA- Finance from IMT Ghaziabad with Master's in Economics and an `Advanced Diploma in Software Technology & Systems Management", NIIT. Apart from several certifications like Coursera, Axis Business Leadership Program - ISB Hyderabad, Deepa is currently pursuing "Advanced Program in Fintech & Financial Blockchain" from IIM Calcutta to continue her strive for knowledge & learning.

During the year under review, there have been no changes in the Directors of the Trustee. However, the changes in the Directors post closure of the financial year ended March 31, 2021 have been mentioned above.

INFORMATION OR REPORT PERTAINING TO SPECIFIC SECTOR OR SUB-SECTOR THAT MAY BE RELEVANT FOR AN INVESTOR TO INVEST IN UNITS OF THE INVIT

Telecomm Industry has shown rapid growth during the year considering current COVID lockdown. The demand for strong connectivity and wireless internet is increasing during such unprecedented times.

During the year under review, the Spectrum auction was concluded with good participation from leading Telecom Service Providers (“TSP”). The Trails for 5G as per the plan submitted by TSP’s likely to start from H1 FY22.

DETAILS OF CHANGES DURING THE YEAR

a. Clauses in the Trust Deed, Investment Manager Agreement or any other agreement entered into pertaining to the activities of the Tower InvIT

Amendment to the Indenture of Trust

The Indenture of Trust dated January 31, 2019 (“Trust Deed”) was executed between the settlor, the Reliance Sponsor and the Trustee, in respect of the establishment of the Tower InvIT.

During the year under review, the following amendments have been made to the Trust Deed:

A Deed of Accession to the Trust Deed was executed on August 26, 2020 between the Reliance Sponsor, Brookfield Sponsor and the Trustee, pursuant to which the Brookfield Sponsor has also been designated as a ‘sponsor’ of the Trust in addition to the Reliance Sponsor.

As per Clause 2 of the Deed of Accession, the Brookfield Sponsor agrees that it shall:

- Assume and perform all obligations applicable to a sponsor under the SEBI InvIT Regulations and as may be prescribed by SEBI and the stock exchange from time to time;
- Execute such binding document as may be required by the Trustee and the Investment Manager;
- Provide to the Investment Manager such information regarding the assets as may be required to make adequate disclosure in an offer document or placement memorandum; and
- Subscribe to and hold such number of units of the Trust as may be required under the SEBI InvIT Regulations.

Execution of new Investment Management Agreement (“IMA”)

During the year under review, post receipt of SEBI approval, BIIMPL has entered into an IMA with the Trustee of the Trust, pursuant to which BIIMPL has undertaken certain responsibilities of performing actions pertaining to the management and operation of the Trust as the new IM, as required from time to time, in terms of the SEBI InvIT Regulations, the Trust Documents and other applicable laws.

Further, the IMA dated January 31, 2019, executed between Infinite India, erstwhile IM and the Trustee, has been terminated. However, Infinite India continues to be liable for all its acts of omissions and commissions for the period of time during which it acted as the Investment Manager of the Trust.

Amendment to the Trust Deed at the Extra-ordinary General Meeting (“EGM”) held on May 12, 2021

Post closure of the financial year 2020-21, the unitholders at their EGM held on May 12, 2021 had approved the below mentioned amendments to the Trust Deed so as to provide for the inclusion of the Brookfield Sponsor pursuant to the Deed of Accession dated August 26, 2020 and any consequent changes, and to change the name of the Trust from ‘Tower Infrastructure Trust’ to ‘Data Infrastructure Trust’ for its business purpose:

1. Amendment to Article 1.1 (Definitions) of the Trust Deed

<u>Addition of below definition under Article 1.1:</u>

*“**Brookfield Sponsor**” shall mean BIF IV Jarvis India Pte. Ltd., which has acceded to the Indenture as a sponsor, pursuant to the deed of accession dated August 26, 2020 executed amongst it, Reliance Industrial Investments and Holdings Limited and the Trustee;”*

Deletion of below definition under Article 1.1:

The definition of '***Majority Unitholders***' shall be deleted without any modification or substitution.

Modification of below definition under Article 1.1:

Current Clause: *"**Sponsor**" shall have the meaning ascribed to such term in the parties clause.*

Replaced Clause: *"**Sponsor**" shall have the meaning ascribed to such term in the parties clause and any entity executing the Deed of Accession pursuant to Article 5.4 of this Indenture".*

2. Amendment in name of the Trust in Recital A and Article 3.3 of the Trust Deed:

Current Clause:

*"Recital A - The Settlor has decided to establish a contributory irrevocable infrastructure investment trust, which shall be known as the **"Tower Infrastructure Trust" ("Trust")** under the provisions of the Trust Act by way of this Indenture."*

Replaced Clause:

"Recital A - The Settlor had decided to establish a contributory irrevocable infrastructure investment trust, which was known as "Tower Infrastructure Trust" under the Trust Act by way of the Deed of Indenture which was registered under the Registration Act, 1908.

*The Parties have now decided to change the name of the established contributory irrevocable infrastructure investment trust, which shall be known as **"Data Infrastructure Trust"** [formerly known as Tower Infrastructure Trust] ("Trust") under the provisions of the Trust Act by way of this Agreement."*

Article 3.3 of the Trust Deed, "Tower Infrastructure Trust (Trust)" shall be deleted as the name of contributory irrevocable infrastructure investment trust and shall be replaced with "Data Infrastructure Trust".

3. Amendment in office address of the Trust in Recital F and Article 3.3 of the Trust Deed:

Current Clause:

"9th Floor, Maker Chambers IV, 222 Nariman Point, Mumbai 400 021"

Replaced Clause:

"Unit 1, 4th Floor, Godrej BKC, Plot No C-68, G Block, Bandra Kurla Complex, Bandra East, Mumbai 400 051"

4. Amendment in Article 3.5.2 of the Trust Deed

Current Clause:

"3.5.2. The Project Manager may undertake the operations and management by itself or through (i) a contractor or (ii) an Associate or (iii) a Body Corporate, owned and controlled jointly by any of the parties to the InvIT Documents."

Replaced Clause:

"The Project Manager may undertake the operations and management by itself or through (i) a contractor or (ii) an Associate or (iii) a Body Corporate."

5. Amendment in Article 5.1 of the Trust Deed

Current Clause:

"5.1. The Sponsor shall hold at least such percentage of Units of the Trust for such period as may be specified under InvIT Regulations."

Replaced Clause:

"The Brookfield Sponsor shall hold at least such percentage of Units of the Trust for such period as may be specified under InvIT Regulations and the circulars, notifications and guidelines issued thereunder and as amended from time to time."

6. Amendment in Article 7.1 of the Trust Deed

Current Clause:

"7.1. The Trustee shall appoint the Investment Manager to provide investment management services to the Trust in accordance with the InvIT Documents and InvIT Regulations. The Investment Manager shall, inter alia, be responsible for managing and administering the Trust and the Trust Assets and shall for this purpose execute the Investment Management Agreement. The Investment Manager, in consultation with the Trustee, shall appoint the majority of the board of directors or the governing boards of the Holdco and/or the SPVs."

Replaced Clause:

"The Trustee shall appoint the Investment Manager to provide investment management services to the Trust in accordance with the InvIT Documents and InvIT Regulations. The Investment Manager shall, inter alia, be responsible for managing and administering the Trust and the Trust Assets and shall for this purpose execute the Investment Management Agreement. The Investment Manager, in consultation with the Trustee, shall appoint the directors on the board of directors or the governing boards of the Holdco and/or the SPVs."

7. Deletion of Article 7.3 of the Trust Deed

Deleted Clause:

"7.3. The Trustee shall, if so advised by the Investment Manager, or the Investment Manager may, if so empowered by the Trustee under the Investment Management Agreement, appoint committees including, investment committees or any such committees or boards, inter alia, for investment and divestment approvals and for providing advice and counsel to the Investment Manager generally on matters relating to the investments and divestments and such other matters as may be requested by the Investment Manager. The constitution, role and scope of these committees and/or boards shall be such as is determined by the Trustee, on the advice of the Investment Manager, or by the Investment Manager if so empowered by the Trustee as aforesaid."

8. Amendment in Article 8.1 of the Trust Deed

Current Clause:

"8.1. The HoldCo/SPV and the Trustee shall, in consultation with the Investment Manager, appoint the Project Manager by execution of Project Management Agreement. The Project Manager shall, inter alia, be responsible, for undertaking operations and management of the Trust Assets, including making arrangements for appropriate maintenance, as may be applicable, in accordance with the provisions of the InvIT Documents, the InvIT Regulations. The Trustee and/or the Investment Manager shall oversee the activities of the Project Manager with respect to compliance with the InvIT Regulations and the Project Management Agreement, and shall obtain a compliance certificate from the Project Manager on a quarterly basis, in the form prescribed by SEBI, if any."

Replaced Clause:

"8.1 The HoldCo/SPV and the Trustee shall, in consultation with the Investment Manager, appoint the Project Manager by execution of Project Management Agreement. The Project Manager shall, inter alia, be responsible, for undertaking operations and management of the Trust Assets, including making arrangements for the appropriate maintenance, as may be applicable, undertaken by itself or through such contractor or operator identified by the Project Manager, in accordance with the provisions of the InvIT Documents and the InvIT Regulations. The Trustee and/or the Investment Manager shall oversee the activities of the Project Manager with respect to compliance with the InvIT Regulations and the Project Management Agreement, and shall obtain a compliance certificate from the Project Manager on a quarterly basis, in the form prescribed by SEBI, if any."

9. Amendment of Article 17.1 of the Trust Deed

Current Clause:

*"17.1. **Subject to 17.2**, no amendment shall be made to this Indenture, without the prior written consent of the required Majority Unitholders that would:*

17.1.1. increase the liabilities or responsibilities of or diminish the rights or protections of Unitholders under this Indenture;

17.1.2. affect the interest of Unitholders with respect to income, gains or losses or amend or modify any portion of this Indenture which would adversely affect the Unitholders; provided, however that the admission of an additional Unitholder in accordance with the provisions of the InvIT Documents, shall not constitute an alteration, amendment or modification of this Indenture, as herein contemplated;

17.1.3. amend or modify any provision that would restrict the Transferability of the Unit of Unitholders; and

*17.1.4. amend this **Article 17.1**."*

Replaced Clause:

"Subject to 17.2, no amendment shall be made to this Indenture, unless in accordance with the InvIT Regulations and the circulars, notifications and guidelines issued thereunder."

10. Deletion of Article 17.3 of the Trust Deed

Deleted Clause:

"17.3. Within 3 (Three) days after any change or amendment or waiver in accordance with the **Article 17.1**, the Trustee shall cause the Investment Manager to send a written notice to each Unitholder describing such change or amendment or waiver with all details in case the amendment is after Units have been issued."

Amendment in Article 18.2.3 of the Trust Deed

Current Clause:

"18.2.3. in the event that the Majority Unitholders elect to terminate the services of the Trustee and appoint a new trustee in accordance with the InvIT Regulations and the InvIT Documents;"

Replaced Clause:

"18.2.3. in the event the unitholders elect to terminate the services of the Trustee, in accordance with the InvIT Regulations, and appoint a new trustee in accordance with the InvIT Regulations and the InvIT Documents; or"

11. Amendment in Article 19 of the Trust Deed

Modification of Article 19.1:

Current Clause: "*19.1. The Trust may be terminated and dissolved automatically without any further action on the part of the Unitholders:"*

Replaced Clause: "*The Trust may be terminated and dissolved automatically without any further action on the part of the Unitholders, except in case of delisting pursuant to conversion of the privately placed and listed Trust to a privately placed unlisted Trust in accordance with the InvIT Regulations:*

Modification in Article 19.2(ii):

Current Clause: "*19.2. Winding up of the Trust (i) otherwise than in accordance with the Term, and (ii) in circumstances other than those stated in Article 19.1 above shall require the consent of the Majority Unitholders."*

Replaced Clause: "Winding up of the Trust (i) otherwise than in accordance with the Term, and (ii) in circumstances other than those stated in Article 19.1 above, shall be in accordance with the InvIT Regulations;"

Modification in Article 19.3:

Current Clause: "*19.3.* Immediately upon (i) completion of the Term, or (ii) the occurrence of any of the events referred to in Article 19.1 the Trustee shall:

19.3.1. ensure that no further Investments are made by the Trust;

19.3.2. redeem all outstanding Units and distribute any non-cash assets of the Trust and the cash proceeds (net of liquidation and distribution cost) from the sales to the Unitholders;

19.3.3. within a reasonable period of time thereafter, take such other actions as may be necessary to ensure that the Trust is wound up by executing such documents and taking such steps as may be necessary; and

19.3.4. surrender the certificate of registration of the Trust to SEBI."

Replaced Clause: "Immediately upon (i) completion of the Term, or (ii) the occurrence of any of the events referred to in Article 19.1 the Trustee shall:

19.3.1. ensure that no further Investments are made by the Trust;

19.3.2. redeem all outstanding Units and distribute any non-cash assets of the Trust and the cash proceeds (net of liquidation and distribution cost) from the sales to the Unitholders;

19.3.3. within a reasonable period of time thereafter, take such other actions as may be necessary to ensure that the Trust is wound up by executing such documents and taking such steps as may be necessary; and

19.3.4. surrender the certificate of registration of the Trust to SEBI.

Provided however that, in case of delisting pursuant to conversion of the privately placed and listed Trust to a privately placed unlisted Trust, this Article 19.3 shall not apply and the Trustee shall do such acts, deeds and things as may be necessary or required under Applicable Law"

b. Any regulatory changes that has impacted or may impact cash flows of the underlying projects

Not Applicable for the period under review.

c. Addition and divestment of assets including the identity of the buyers or sellers, purchase or sale prices and brief details of valuation for such transactions projects

On August 31, 2020, the Trust issued 2,521,500,000 units at an Issue Price of Rs. 100 per Unit, aggregating to Rs. 2,52,150 Million, on a private placement basis.

The proceeds were utilised for the following purposes:

(i) Acquisition by the Trust of the remaining 49% of the outstanding paid-up equity share capital of SDIPL; and,

(ii) For granting a loan to SDIPL which was utilised:

a. For part repayment of the Reliance Ventures Limited ("RVL") Loan; and

b. Repayment and prepayment, in full or part, of the borrowing (including accrued interest) availed from banks and RIL including arrangement fees.

d. Borrowings or repayment of borrowings (standalone and consolidated)

(Rs. in Million)

Transaction	SDIPL Standalone		Trust Standalone Lenders	Consolidated Lenders
	Trust	Lenders		
Opening Borrowings as on April 1, 2020	-	2,68,244	1,100	2,69,344
Add: Issuance during the year				
Term Loan from Banks		65,115	-	65,115
Loan from Tower Infrastructure Trust	2,50,000	-	-	-
Non-Convertible Debenture Issued	-	2,36,720		2,36,720
Upfront Fees paid	-	(1,584)	-	(1,584)
Preference shares classified as liability	-	126	-	126
Less: Repayment during the year				
Repayment of Loan	-	(3,86,770)	(1,100)	(3,87,870)
Closing Borrowings as on March 31, 2021	**2,50,000**	**1,81,851**	**-**	**1,81,851**

e. Changes in material contracts or any new risk in performance of any contract pertaining to the Trust

Not Applicable for the period under review.

f. Any legal proceedings which may have significant bearing on the activities or revenues or cash flows of the Trust

The CENVAT credit on the telecommunication tower was disputed by the Service Tax authorities. The Bombay High Court in a different matter had held that telecom tower is immovable in nature and accordingly CENVAT credit on tower is not permitted to be claimed. The decision of the Bombay High Court has been challenged in the Supreme Court. In view of the ongoing litigation and also due to the fact that under GST law also the telecom towers have been expressly been excluded from the definition of plant and machinery, the CENVAT credit claimed on telecom towers was reversed under protest and simultaneously a refund claim was filed by RJIL. The amount paid under protest has been transferred to SDIPL under the scheme of demerger. Vide order dated August 30, 2019, the Commissioner of Central Tax, Central Excise and Service Tax (Appeals), Raigad has rejected the refund claim and an appeal has been filed by RJIL in Mumbai CESTAT against the rejection. In view of the above, the amount of Rs. 2,944 Million (includes Rs. 408 million credit reversed under protest for GST input tax credit claimed on goods and services used for erection, commissioning and installation of immovable property (i.e. Towers & Foundation)) is presently shown under non-current asset. If the case is decided against RJIL and therefore in effect against SDIPL, the same would be capitalized. This is the status as on March 31, 2021.

Details of material litigations and regulatory actions which are pending against the Trust, Sponsor(s), Investment Manager i.e. erstwhile IM and new IM, Project Manager(s) or any of their associates and the Trustee, if any, at the end of the year is disclosed later in this Report.

g. Any other material changes during the year

The material changes that have occurred during the year under review and as on the date of this Report as mentioned below:

(i) The Trust has acquired remaining 49% of the equity share capital of SDIPL on August 31, 2020;

(ii) The erstwhile IM of the Trust has resigned w.e.f. October 12, 2020 and new IM has been appointed w.e.f. October 13, 2020;

(iii) The name of the SPV of the Trust i.e. SDIPL has changed from ‘Reliance Jio Infratel Private Limited’ to ‘Summit Digitel Infrastructure Private Limited’ w.e.f. November 18, 2020;

(iv) The name of the new IM has been changed from ‘WIP (India) Private Limited’ to ‘Brookfield India Infrastructure Manager Private Limited’ w.e.f. February 3, 2021.

(v) SDIPL has issued 1,18,360 Secured Redeemable Non-Convertible Debentures-PPD5 of the face value of Rs. 10,00,000 each, aggregating to Rs. 11,836 Crores, to RIL, on private placement basis on March 15, 2021 and have been listed on debt market segment of BSE Limited and National Stock Exchange of India Limited w.e.f. March 17, 2021.

(vi) SDIPL has redeemed all the existing unlisted NCDs issued to RIL, in four series, on private placement basis, out of the proceeds of the above mentioned issue.

(vii) The SPV of the Trust has shifted its registered office address within the city limits w.e.f. March 31, 2021.

(viii) BIIMPL has shifted its registered office from Unit No. 804, 8th Floor, A Wing, One BKC, Bandra Kurla Complex, Bandra (East), Mumbai - 400 051, Maharashtra to Unit 1, 4th Floor, Godrej BKC, Bandra Kurla Complex, Mumbai-400051, Maharashtra.

(ix) Subject to the approval of the shareholders, the SDIPL Board has approved issuance of 15,000 Secured, Rated, Listed, Redeemable Non-Convertible Debentures, of the face value of Rs. 10,00,000 each, aggregating to Rs. 1,500 Crores, to identified investors, on private placement basis and are proposed to be listed on debt market segment of National Stock Exchange of India Limited.

PROJECT-WISE REVENUE OF THE TRUST FOR THE LAST 5 YEARS

The Trust was formed on January 31, 2019 and was registered as an infrastructure investment trust under the SEBI InvIT Regulations on March 19, 2019. It completed its first investment on March 31, 2019.

Accordingly, revenue details for the last 5 years is not applicable for the Trust. Consolidated revenue and other income for the Trust has been given below:

(Rs. in Million)

Particulars	Year ended March 31, 2021	Year ended March 31, 2020	Period from January 31, 2019 to March 31, 2019
Revenue from operation	82,442	74,767	-
Other Income*	153	125	-
Total Income	**82,595**	**74,892**	**-**

**Other income includes net gain on sale of short term investments as on March 2020.*

UPDATE ON THE DEVELOPMENT OF UNDER-CONSTRUCTION PROJECTS

SDIPL, Jio Infrastructure Management Services Limited ("Project Manager"), Reliance Digital Platform & Project Services Limited ("Contractor") and RJIL have entered into the Amended and Restated Project Execution Agreement dated December 16, 2019, for the establishment of passive tower infrastructure and has been amended from time to time. Pursuant to this arrangement, the work to be performed under this Agreement by the Contractor is for the establishment of passive infrastructure including the towers at such site, and also includes the related procurement, erection, installation, establishment, inspection, and testing work.

As on March 31, 2021, SDIPL owns 1,38,086 telecommunication towers and as per the Agreement, there are 36,365 remaining towers to be acquired so as to achieve the total target of 1,74,451 towers.

DETAILS OF OUTSTANDING BORROWINGS, REPAYMENT AND DEFERRED PAYMENTS OF THE TRUST, DEBT MATURITY PROFILE, GEARING RATIOS OF THE TRUST AS AT THE END OF THE YEAR

There are no borrowings outstanding at the Tower InvIT standalone level as on March 31, 2021 and as on the date of this Report, hence, the key gearing ratios are not applicable for the Tower InvIT.

Further, the details for the Tower InvIT on a consolidated basis for the year ended March 31, 2021 are as under:

a. On March 15, 2021, SDIPL issued 118,360 Secured, Listed, Redeemable Non-Convertible Debentures ("Listed NCDs") in the denomination of Rs. 1,000,000 each aggregating to Rs. 1,18,360 Million. The existing Secured, Rated, Unlisted, Redeemable Non-Convertible Debentures of Rs. 1,18,360 Million were redeemed by SDIPL. These Listed NCDs carry a coupon rate of SBI 1Y MCLR + 0.97% payable monthly. These NCDs are listed on Debt Segment of BSE Ltd and the Debt Segment of National Stock Exchange of India Limited w.e.f. March 17, 2021. The Listed NCDs are redeemable at par on or before August 31, 2032.

b. SDIPL has also borrowed term loan from various banks and NBFC of Rs. 65,115 Million. These term loans are repayable by August 31, 2032.

   - Credit Rating for SDIPL are as under:

     SDIPL had obtained credit rating "CRISIL AAA/Stable" from CRISIL Limited and "CARE AAA/Stable" from CARE Ratings Limited for its Listed NCDs issued on March 15, 2021. Further, the rating from CRISIL Limited were re-affirmed by SDIPL on April 14, 2021.

     SDIPL has obtained credit rating of "CRISIL AAA/Stable" from CRISIL Limited for its sanctioned term loan facilities with various lenders amounting to Rs. 300,080 Million.

   - Key Gearing Ratios for SDIPL:

     o Debt Equity Ratio: Nil (Since the ratio is less than 0, hence shown as Nil)

     o Debt Service Coverage Ratio: 0.32 times.

     o Interest Service Coverage Ratio: 0.32 times.

PAST PERFORMANCE OF THE TRUST WITH RESPECT TO UNIT PRICE, DISTRIBUTIONS MADE AND YIELD FOR THE LAST 5 YEARS, AS APPLICABLE

The Trust was formed on January 31, 2019 and was registered as an Infrastructure Investment Trust under the SEBI InvIT Regulations on March 19, 2019. It completed its first investment on March 31, 2019.

The Trust had issued 2,521.5 Million units of Rs. 100 each on August 31, 2020 which were listed on BSE Limited w.e.f. September 1, 2020.

Accordingly, past performance of the InvIT with respect to unit price and yield for the last 5 years is not applicable.

Unit price quoted on BSE Limited at the beginning and the end of the year, the highest and the lowest unit price and the average daily volume traded during the financial year

The Trust had issued 2,521.5 Million units of Rs. 100 each on August 31, 2020 which were listed on BSE Limited w.e.f. September 1, 2020.

Since the date of listing, the units have not been traded and accordingly the aforesaid data is not applicable as on March 31, 2021.

Distributions made by the Trust

Pursuant to the provisions of the SEBI InvIT Regulations and in line with the Distribution Policy, the Transaction Documents and the Trust Documents, BIIMPL, new IM of the Trust, has made timely distributions to the unitholders.

The details of distributions declared and made during the year ended March 31, 2021 are as under:

Date of Declaration	Return on Capital (per unit)	Total Distribution (per Unit)	Date of payment to unitholders
October 19, 2020	0.5932	0.5932	October 28, 2020
November 17, 2020	0.5932	0.5932	November 27, 2020
December 17, 2020	0.8029	0.8029	December 28, 2020
January 18, 2021	0.5949	0.5949	January 28, 2021
February 16, 2021	0.5949	0.5949	February 26, 2021
March 17, 2021	0.9080	0.9080	March 30, 2021

After the closure of the financial year 2020-21 and as on the date of this Report, following distributions were declared by BIIMPL, pursuant to the provisions of the SEBI InvIT Regulations and in line with the Distribution Policy, the Transaction Documents and the Trust Documents:

Date of Declaration	Return on Capital (per unit)	Total Distribution (per Unit)	Date of payment to unitholders
May 26, 2021	1.3881	1.3881	Payment to be made within the statutory timeline i.e. on or before June 9, 2021

DETAILS OF ALL RELATED PARTY TRANSACTIONS DURING THE YEAR, THE VALUE OF WHICH EXCEEDS FIVE PERCENT OF VALUE OF THE TRUST

Details of all related party transactions entered into by the Trust (irrespective of value) during the year ended March 31, 2021, are as under:

(Rs. in Million)

Sr No	Particulars	Relation	Financial Year ended March 31, 2021
1	**Trustee Fee**		
	Axis Trustee Service Limited	Trustee	2
2	**Investment Management Fees**		
	Infinite India Investment Manager Limited	Erstwhile IM	13
	Brookfield India Infrastructure Manager Private Limited *(Appointed w.e.f. October 13, 2020)*	New IM	13
3	**Reimbursement of Expenses**		
	Brookfield India Infrastructure Manager Private Limited *(Appointed w.e.f. October 13, 2020)*	New IM	4
	Infinite India Investment Manager Limited (till October 12, 2020)	Erstwhile IM	5
4	**Acquisition of shares of SDIPL**		
	Reliance Industries Limited	Promotor of Sponsor	1,054
5	**Project Manager Fees**		
	Jio Infrastructure Management Services Limited	Project Manager	24
6	**Issue of units capital to Sponsor**		
	BIF IV Jarvis India Pte Ltd.	Sponsor	2,26,410
7	**Interest Income**		
	Summit Digitel Infrastructure Private Limited	Subsidiary (SPV)	13,860
8	**Distribution to Unitholders**		
	BIF IV Jarvis India Pte Ltd.	Sponsor	9,254
9	**Contribution to Corpus**		
	Reliance Industrial Investments and Holdings Limited	Sponsor	116
10	**Loans and Advances given**		
	Summit Digitel Infrastructure Private Limited	Subsidiary (SPV)	2,50,000
11	**Shareholder Option Agreement***		2,020

*Refer Note 7 on Page Number 85 of the Standalone Financial Statements.

DETAILS REGARDING THE MONIES LENT BY THE TRUST TO THE HOLDING COMPANY OR THE SPECIAL PURPOSE VEHICLE IN WHICH IT HAS INVESTMENT

As on March 31, 2021 and as on the date of this Report, the Trust has only one SPV i.e. SDIPL.

By way of a loan agreement dated August 26, 2020, the Trust had provided an unsecured term loan facility to SDIPL aggregating to Rs. 2,50,000 Million.

BRIEF DETAILS OF MATERIAL AND PRICE SENSITIVE INFORMATION

During the period under review, the intimations with respect to all material and price sensitive information in relation to the Trust was made to BSE Limited, by the Investment Manager, in accordance with the provisions of the SEBI InvIT Regulations and other applicable laws, if any, from time to time.

Except as reported to the Stock Exchange from time to time and as disclosed elsewhere in this Report, there were no material and price sensitive information in relation to the Trust for the period under review.

BRIEF DETAILS OF MATERIAL LITIGATIONS AND REGULATORY ACTIONS WHICH ARE PENDING AGAINST THE TOWER INVIT, SPONSOR(S), INVESTMENT MANAGER, PROJECT MANAGER(S) OR ANY OF THEIR ASSOCIATES AND THE TRUSTEE, IF ANY, AT THE END OF THE YEAR

Except as stated in this section, there are no material litigation or actions by regulatory authorities, in each case against the Trust, the Reliance Sponsor, the Brookfield Sponsor, the Investment Manager i.e. the erstwhile IM (till October 12, 2020) and the new IM (w.e.f. October 13, 2020), the Project Manager, or any of their Associates and the Trustee, that are currently pending.

For the purpose of this section, details of all regulatory actions and criminal matters that are currently pending against the Trust, the Sponsors, the Investment Managers, the Project Manager and their respective Associates, and the Trustee have been disclosed. Further, details of all regulatory actions and criminal matters that are currently involving the SPV have also been disclosed. Further, any litigation that is currently pending involving an amount equivalent to, or more than, the amount as disclosed below, in respect of the Trust, the Sponsors, the Investment Managers, the Project Manager, each of their respective Associates, the Trustee, the SPV has been disclosed.

SPECIAL PURPOSE VEHICLE

Summit Digitel Infrastructure Private Limited

The total income of SDIPL based on the Audited Financial Statements as on March 31, 2021 was Rs. *82,595 Million. Accordingly, all outstanding civil litigation (i) involving an amount equivalent to or exceeding* Rs. *413 Million (being 0.50% of the total income of SDIPL provided as per the Audited Financial Statements as on March 31, 2021), and (ii) wherein the amount involved is not ascertainable but otherwise considered material, have been disclosed.*

SPONSORS AND THE PROJECT MANAGER

Brookfield Sponsor and Associates of the Sponsor

The total income of the Brookfield Sponsor based on the Unaudited Consolidated Financial Statements of the Sponsor for the period commencing from April 1, 2020 and ended March 31, 2021 was USD 357.6 Million. Accordingly, all outstanding civil litigation against the Brookfield Sponsor which (i) involve an amount equivalent to or exceeding USD 17.9 Million (being 5.00% of the total income of the Brookfield Sponsor for the period ended March 31, 2021), and (ii) wherein the amount is not ascertainable but are otherwise considered material, have been disclosed.

The disclosures with respect to material litigations relating to the Brookfield Sponsor and its Associates have been made on the basis of the public disclosures made by BAM and BIP, the entities under which all other entities, which control, directly or indirectly, the Brookfield Sponsor, get consolidated for financial and regulatory reporting purposes. BAM and BIP are currently listed on the New York Stock Exchange ("**NYSE**") and the Toronto Stock Exchange ("**TSE**"). In accordance with applicable securities law and stock exchange rules, BAM and BIP are required to disclose material litigations through applicable securities filings. The threshold for identifying material litigations in such disclosures is based on periodically reviewed thresholds applied by the independent auditors of BAM and BIP in expressing their opinion on the financial statements and is generally linked to various financial metrics of BAM and BIP, including total equity. Further, all pending regulatory proceedings where all entities, which control, directly or indirectly, the Brookfield Sponsor, are named defendants have been considered for disclosures in this Report. Further, there is no outstanding litigation and regulatory action against any of the entities controlled, directly or indirectly, by the Brookfield Sponsor, as on the date of this Report.

Reliance Sponsor and Associates of the Sponsor

With respect to the Reliance Sponsor and its Associates, there are no litigations that are considered material in relation to the structure and activities of the Trust.

Project Manager and Associates of the Project Manager

With respect to the Project Manager and its Associates, there are no litigations that are considered material in relation to the structure and activities of the Trust.

INVESTMENT MANAGER

Erstwhile Investment Manager (till October 12, 2020)

In respect of the erstwhile IM, all outstanding cases which involve an amount equivalent to or exceeding Rs. 8.7 Million (being 5.0% of the net worth of the Investment Manager for March 2020) have been considered material. All cases where the amount is not ascertainable, but considered material, have also been disclosed.

Associates of the Erstwhile Investment Manager (till October 12, 2020)

In respect of the Associates of the erstwhile IM, all outstanding cases which involve an amount equivalent to or exceeding Rs. 1,726.8 Million (being 5.0% of the consolidated total income of JM Financial Limited for March 2020) have been considered material. All cases where the amount is not ascertainable, but considered material, have also been disclosed.

Current Investment Manager (w.e.f. October 13, 2020)

The total income of the new IM i.e. BIIMPL as per the Audited Financial Statements for the financial year ended March 31, 2021 was Rs. *3.52 Crores. Accordingly, all outstanding civil litigation against the Investment Manager which (i) involve an amount equivalent to or exceeding* Rs. *0.18 Crores (being 5.00% of the total income as per the Audited Consolidated Financial Statements for the financial year ended March 31, 2021), and (ii) wherein the amount is not ascertainable but are considered material, have been disclosed.*

Associates of the Current Investment Manager (w.e.f. October 13, 2020)

Disclosures with respect to material litigations relating to Associates of the Investment Manager which form part of the Brookfield Group, have been made on the basis of public disclosures made by BAM, under which all entities, (i) which control, directly or indirectly, shareholders of the Investment Manager, and (ii) the shareholders of the Investment Manager (who form part of the Brookfield Group), get consolidated for financial and regulatory reporting purposes. BAM is currently listed on the NYSE and the TSE. All pending regulatory proceedings where all entities who are the shareholders of the Investment Manager, or which control, directly or indirectly, the shareholders of the Investment Manager, in case forming part of the Brookfield Group, are named defendants have been considered for disclosures.

TRUSTEE

All outstanding civil litigation against the Trustee which involve an amount equivalent to or exceeding Rs. *1.005 Crores (being 5.00% of the profit after tax as on March 31, 2021 based on the Audited Standalone Financial Statements of the Trustee for the financial year ended March 31, 2021), have been considered material and have been disclosed in this section.*

(i) **Litigation involving the Trust**

There are no material litigations and regulatory actions pending against the Trust as on the date of the Report.

(ii) **Litigation involving the SPV i.e. SDIPL**

The CENVAT credit on the telecommunication tower was disputed by the Service Tax authorities. The Bombay High Court in a different matter had held that telecom tower is immovable in nature and accordingly CENVAT credit on tower is not permitted to be claimed. The decision of the Bombay High Court has been challenged in the Supreme Court. In view of the ongoing litigation and also due to the fact that under GST law also the telecom towers have been expressly been excluded from the definition of plant and machinery, the CENVAT credit claimed on telecom towers was reversed under protest and simultaneously a refund claim was filed by RJIL. The amount paid under protest has been transferred to SDIPL under the scheme of demerger. Vide order dated August 30, 2019, the Commissioner of Central Tax, Central Excise and Service Tax (Appeals), Raigad has rejected the refund claim and an appeal has been filed by RJIL in Mumbai CESTAT against the rejection. In view of the above, the amount of Rs. 2,944 Million (includes Rs. 408 million credit reversed under protest for GST input tax credit claimed on goods and services used for erection, commissioning and installation of immovable property (i.e. Towers & Foundation)) is presently shown under non-current asset. If the case is decided against RJIL and therefore in effect against SDIPL, the same would be capitalized.

(iii) Litigation involving the Brookfield Sponsor

There are no material litigations and regulatory actions pending against the Brookfield Sponsor as on the date of this Report.

(iv) Litigation involving the Associates of the Brookfield Sponsor

There are no material litigations and regulatory actions pending against the Associates of the Brookfield Sponsor.

(v) Litigation involving the erstwhile Investment Manager

There are no material litigations and regulatory actions pending against the erstwhile IM as on October 12, 2020.

(vi) Material litigation and regulatory actions pending against the Associates of the erstwhile Investment Manager

Other than as disclosed below, there are no material litigations and regulatory actions pending against the Associates of the Investment Manager as on October 12, 2020.

JM Financial Limited ("JMFL") (an Associate of the Investment Manager)

(a) JMFL filed an appeal before the Commissioner of Income Tax (Appeals) ("**CIT (A)**") in relation to a demand notice received by it on December 6, 2010 for a sum of Rs. 3,157.41 Million for the assessment year 2008-2009. CIT(A) through its order dated July 29, 2011 ("**Order 1**") held that an amount of Rs. 17,713.36 Million was to be treated as profit of business which was taxable. The Order 1 held JMFL liable for erroneously claiming excessive losses which amounted to concealment of its income. JMFL thereafter filed an appeal with the Income Tax Appellate Tribunal ("**ITAT**"), which partly allowed the appeal for statistical purposes and remanded certain matters to the file of the assessing officer. The Deputy Commissioner of Income Tax, through its order dated March 14, 2014 determined the total income for the assessment year to be Rs. 17,751.63 and ordered that penalty proceedings be initiated against JMFL. An appeal against the order dated March 14, 2014 was filed by JMFL before the CIT (A). On April 30, 2015, the CIT (A) held that the consideration of Rs. 17,713.36 Million received by JMFL on the sale of equity shares of JM Morgan Stanley Securities Private Limited was to be charged to tax as long-term capital gains and allowed deduction for the indexed cost of acquisition. The CIT (A) however did not allow the claim for set-off of the long-term and short-term capital loss incurred by JMFL. Through a rectification order dated May 25, 2015 ("**Order 2**"), the CIT(A) partly allowed the appeals. JMFL however filed an appeal before the ITAT against the Order 2. Simultaneously, the Income Tax Department filed an appeal before the ITAT against the Order 2 allowing the gain on sale of equity shares of JM Morgan Stanley Securities Private Limited to be charged to tax as long-term capital gains. The matter is currently outstanding.

JM Financial Commtrade Limited (an Associate of the Investment Manager)

(b) SEBI has issued show cause notices under the applicable SEBI regulations to JM Financial Commtrade Limited in the matter of National Spot Exchange Limited. JM Financial Commtrade Limited has duly responded to the show cause notice(s). The lawyers/counsel retained by JM Financial Commtrade along with the Company's representatives appeared before the Whole Time Member of the SEBI on December 17, 2019. The Company has also been required to furnish further submissions to SEBI by January 12, 2020 which the Company has already submitted.

(vii) Litigation involving the new IM

There are no material litigations and regulatory actions pending against the new IM as on the date of this Report.

(viii) Litigation involving the Associates of the new IM

There are no material litigations and regulatory actions pending against the Associates of the new IM as on the date of this Report.

(ix) Litigation involving the Trustee

There are no material litigations and regulatory actions pending against the Trustee as on the date of this Report.

RISK FACTORS

Risks Related to the Organization and the Structure of the Trust

- The Trust registered as an infrastructure investment trust in accordance with the SEBI InvIT Regulations is a new trust with no established operating history and no historical financial information and, as a result, investors may not be able to assess its prospects on the basis of past records.
- The Trust and SDIPL are subject to restrictive covenants under the financing agreements/ arrangements entered into by SDIPL with the lenders that could limit its flexibility in managing the business or to use cash or other assets for the growth of business. Any breach of the restrictive covenants may adversely affect its results of operations and financial conditions.
- We must maintain certain investment ratios in compliance with the SEBI InvIT Regulations, which may present additional risks to us. For example, pursuant to the SEBI InvIT Regulations, we are required to invest not less than 80% of the value of our assets in eligible infrastructure projects, and are only permitted to deploy un-invested funds in debt of companies/body corporates in infrastructure sector, equity of such listed companies which derive atleast 80% of their operating income from the infrastructure sector etc. Additionally, under the SEBI InvIT Regulations, the aggregate consolidated borrowings and deferred payments, net of cash and cash equivalents, cannot exceed 70% of the value of the assets of the Trust (subject to compliance with certain conditions prescribed under the SEBI InvIT Regulations) or such threshold as may be specified under the SEBI InvIT Regulations.

Risks Related to SDIPL's Business and Industry

- RJIL currently is the major contributor to SDIPL's revenues and is expected to continue to contribute significantly to its revenues going forward. Accordingly, its results of operations and financial condition are linked to those of RJIL. As a result, any and all the factors that may adversely affect the business of RJIL would adversely and materially affect the results of operations and financial condition of SDIPL. Further, any delay in payments from RJIL would materially and adversely affect SDIPL's cash flows and distributions to the unitholders. Further, restriction or limitations put by RJIL in the Master Services Agreement ("MSA") might impede SDIPL's ability to bring on sharers and impact the business model and projections.

  Changes in RJIL's business requirements or focus, any adverse industry conditions and/or regulatory requirements that cause RJIL to re-consider its vendor selection, project prioritization, financial prospects, capital resources and expenditures as contemplated in their business plan or any deterioration in the creditworthiness of RJIL or its inability or unwillingness to meet its obligations under the MSA, could significantly lead to delays or cancellations of its planned commitment to use the Tower Sites under the MSA, which would increase the risk of fluctuations in SDIPL's revenues and operating results.

- Competition in the telecommunications tower industry may create pricing pressures that materially and adversely affect us. Competition in the telecommunications tower industry is substantial, and the potential customers/TSPs have numerous alternatives for obtaining similar passive infrastructure services. This could materially and adversely affect its business, prospects, results of operations, cash flows and financial condition.

- We may not be able to successfully expand our tower portfolio by acquisition. Our growth strategies depend on various factors, some of which are outside our control. Our ability to execute the acquisition growth strategy will depend on several factors. We are continuously examining the merits, risks and feasibility of potential transactions and searching for acquisition opportunities. If we are unable to acquire suitable telecommunications tower portfolios due to various reasons, including our inability to identify opportunities for acquisitions, it could negatively affect our revenue growth.

  Further, opportunities would be evaluated to construct new telecommunications towers to meet the requirements of RJIL and other TSPs, as well as acquiring new telecommunications towers constructed by RJIL for its captive use under the MSA with RJIL. No assurance can be provided that SDIPL would be able to meet such requirements of RJIL in a timely manner or at all.

- Failure to comply with, safety, social, health and environmental laws and regulations in India applicable to its business or adverse changes in such applicable laws and regulations, may materially and adversely affect the business.

  SDIPL's business is subject to environmental, social, health and safety regulations and standards and various labor, workplace and related laws and regulations in India. Any adverse changes in, or amendments to, these standards or laws and regulations could further regulate its business and could require it to incur additional, unanticipated expenses in order to comply with these changed standards which would adversely impact its operations. If SDIPL or contractors appointed by them fail to meet safety, health, social and environmental requirements, it may also be subject to administrative, civil and criminal proceedings by governmental authorities, as well as civil and criminal proceedings by environmental groups and other individuals, which could result in substantial fines and penalties against us and may also result in removal, seizure or demolishment of tower sites. Clean-up and remediation costs, as well as damages, payment of fines or other penalties, other liabilities and related litigation, could materially and adversely affect business, prospects, results of operations, cash flows and financial condition.

- SDIPL is required to obtain and maintain certain no objection certificates, permits, approvals, licenses, registrations and permissions under various regulations, guidelines, circulars and statutes, including Tower Legislations, regulated by various regulatory and governmental authorities for constructing and operating the Tower Sites, constructed on leasehold land (private or government) or freehold property. If SDIPL and/or its third-party contractor(s) fail to obtain, renew or maintain them, or fails to submit the underlying approvals or certificates required to be submitted along with the application for grant of tower approvals, or install the towers at specified locations, where such installation is restricted or prohibited, or if there is any delay in obtaining or renewing the tower permits, then such non-compliance may lead to removal, seizure or demolishment of tower sites and our business, financial condition and results of operations could be materially and adversely affected.

  Further, these permits, approvals, licenses, registrations and permissions, including the IP-1 registration certificate, are subject to several conditions, and we might not be able to meet such conditions or be able to prove compliance with such conditions to the statutory authorities.

- SDIPL's substantial indebtedness could adversely affect the Trust's business, prospects, financial condition, results of operations and cashflows.

As on March 31, 2021, the consolidated non-current borrowings was Rs. 1,81,851 Million and the current borrowings (including current maturity of non-current borrowings) was Nil. While some portion of the aforementioned borrowings is being refinanced from the Trust Loan and the consolidated borrowings and deferred payments would be subject to and in accordance with the provisions of the SEBI InvIT Regulations and the borrowing policy as approved by the Investment Manager of the Trust, SDIPL's borrowings could affect our ability to service our unitholders as well as impacting the operations and business of SDIPL.

SDIPL's ability to meet the payment obligations under its current and future outstanding debt depends on its ability to generate significant cash flows in the future. This, to some extent, is subject to general economic, financial, competitive, legislative and regulatory factors as well as other factors that are beyond its control.

- A decrease in demand for telecommunications tower infrastructure in India could materially and adversely affect the ability to attract potential customers in the market. SDIPL intends to actively market its Tower Sites to potential customers to improve utilization of its Tower Sites, reduce dependence on RJIL and increase revenue from operations and cash flows. SDIPL's business, proposed capital expenditure and strategic plans are based on the assumption that the demand for wireless telecommunications or digital services in India will grow at a rapid pace. If the market does not grow or grows at a slower rate than we expect, or the behavior of market players does not meet its current expectations, the demand for our towers will be adversely affected, which would affect our ability to attract potential customers in order to increase the revenue from operations and cash flows.
- Merger or consolidation among wireless telecommunications service providers could have a material and adverse effect on the revenue and cash flow. Any further consolidation among the telecommunication operators could result in a reduction in the need for base transceiver stations, since certain base transceiver stations may become redundant or additional tower spaces may be gained in the consolidation. In addition, consolidation may result in a reduction in future capital expenditures in the aggregate, if the expansion plans of the consolidated companies are similar. As a result, it may be difficult for SDIPL to find additional customers.
- SDIPL's costs could increase, and the growth of its revenues could decrease due to perceived health risks from radio emissions, especially if these perceived risks are substantiated and regulatory requirements become applicable to telecommunication towers and related infrastructure.

  Public perception of possible health risks associated with cellular and other wireless communications technology could slow the growth of wireless companies, which could in turn slow the revenue growth. In particular, negative public perception of, and regulations regarding, these perceived health risks could slow the market acceptance of wireless communications services and increase opposition to the development and expansion of tower sites. SDIPL does not maintain any significant insurance with respect to these matters.

  Certain litigation proceedings have been initiated against SDIPL before different judicial forums in relation to, inter alia, the alleged radioactive effects of Trust's operations. We cannot assure that the litigation proceedings initiated against SDIPL in this regard, will be determined in its favour.
- SDIPL may in the future, experience local community opposition to its existing sites or the construction of new sites for various reasons, including concerns about alleged health risks. For example, residential communities or societies might take protectionist measures, refuse to allow its Tower Sites near certain facilities such as schools or hospitals and/or demand higher rents for the Tower Sites, which may result in fewer sites being available for the Tower Sites and/or higher operational expenses. As a result of such local community opposition, SDIPL could be required by the local authorities to dismantle and relocate certain towers or pay a larger amount of site rental.
- SDIPL's Tower Sites require an adequate and cost-effective supply of electrical power to function effectively. SDIPL principally depends on power supplied by regional and local electricity transmission grids operated by the various state electricity providers. In the non-urban areas where power supply is erratic, in order to ensure that the power supply to its sites is constant and uninterrupted, SDIPL also rely on batteries and diesel

generator sets, the latter of which require diesel fuel and may require regulatory approval. A lack of adequate power supply and/or power outages could result in significant downtime at the Tower Sites, resulting in service level credits becoming due to its customers.

SDIPL's operating costs will increase if the price at which its purchases electrical power from the state electricity providers or the price of fuel increases. There is no assurance that SDIPL will have an adequate or cost effective supply of electrical power at its sites or fuel for diesel generator sets, the lack of which could disrupt its customers' businesses, adversely affecting our business and results of operations.

- If SDIPL is unable to extend its leases, or renew on commercially viable terms, or protect its rights to the land under the towers, it could adversely affect the business and operating results.

  SDIPL site portfolio consists primarily of ground-based towers/masts constructed on land and roof top towers/poles constructed on the building's roofs, that it has leased under long-term lease and license agreements from private parties and government institutions. More than 75% of the Tower Sites are ground based and a large portion of our ground-based Tower Sites are on leased land or buildings that it does not own.

  For various reasons, land owners may not want to or may not be able to renew their leasing arrangements with SDIPL, or they may lose their rights to the land or they may transfer their land interests to third parties, which could affect its ability to renew such arrangements on commercially viable terms. In the event that we cannot extend these leases or if the lease/license is terminated by the lessor/licensor, SDIPL will be required to dismantle or relocate these towers and may have to accordingly incur expenses in connection with such relocation and obtain the necessary regulatory approvals.

- SDIPL is subject to various risks in the operation of the Tower Sites. Its principal types of insurance coverage include an electronic equipment insurance policy, burglary insurance policy, cellular network policy and terrorism policy. Further, under the Project Execution Agreement, the Contractor is required to obtain cellular network policies for passive infrastructure at its own cost. Despite our efforts to take insurance policies which are in line with our business requirements, such insurance coverage might not be adequate to cover all risks or losses that may arise or it might not be able to procure adequate insurance coverage at commercially reasonable rates in the future.

  To the extent SDIPL suffer damage or loss which is not covered by insurance, or exceed its insurance coverage, such damage or loss would have to be borne by us. Material losses in excess of insurance proceeds (if any at all) could materially and adversely affect its business, prospects, financial condition, cash flows and results of operations.

- SDIPL depends on various third parties to undertake certain activities in relation to the operation and maintenance and construction of the Tower Sites. Any delay, default, unsatisfactory performance or closure of business by these third parties could materially and adversely affect its ability to effectively operate or maintain the Tower Sites.

  While we believe SDIPL have adequate safeguards in the O&M Agreement with Reliance Projects & Property Management Services Limited ("RPPMSL"), there can be no assurance that SDIPL would not be exposed to any risks or be held liable for any acts or omissions by RPPMSL or its sub-contractors. Further in terms of the O&M Agreement, RPPMSL would be responsible for meeting service level obligations of RJIL or any other third-party tenant. Any failure to meet the service level obligations could impact SDIPL's business and its ability to effectively acquire new customers.

  Further, under the Project Execution Agreement, RPPMSL has been appointed to perform work for establishment of Passive Infrastructure and related procurement, erection, installation, establishment, inspection, and testing work at the Tower Sites. Any delay, default, unsatisfactory performance, or closure of Business by RPPMSL or sub-contractors could materially and adversely affect SDIPL ability to effectively construct the Tower Sites.

- A failure by SDIPL to meet its service level obligations could have an adverse impact on its reputation and therefore, its business, prospects, results of operations, cash flows and financial condition. As a part of the Service Level Agreements ("SLAs") that SDIPL entered into or may enter into with its customers, SDIPL has committed to and will commit to maintain certain service level standards, which impose or may in the future impose, as the case may be, stringent obligations upon SDIPL and its operations, including in relation to required minimum availability levels.

  Any failure by SDIPL to comply with applicable service levels could damage its reputation or result in claims against it. Successful assertions of one or more claims against SDIPL, especially by its potential customers, could have a significant adverse effect on its reputation, its relationship with its customers and therefore, its business and prospects.

- SDIPL's inability to successfully integrate, recruit, train, retain and motivate new management team of SDIPL may adversely affect its business.

  It is proposed that on the consummation of the Share Purchase Agreement - II, SDIPL would build a suitable team to run the business of SDIPL. There is also a shortage of skilled personnel in the telecommunications tower industry in India, which we believe is likely to continue. As a result, SDIPL may face increased competition for skilled employees in many job categories from tower companies, telecommunications operators and new entrants into the tower industry and this competition is expected to intensify. SDIPL cannot assure it will be able to successfully integrate, recruit, train, retain and motivate key employees, which could have a material adverse effect on business, prospects, results of operations, cash flows and financial condition of SDIPL.

- SDIPL is subject to risks associated with outbreaks of diseases or similar pandemics or public health threats, such as the novel coronavirus COVID-19, which could have a material adverse impact on it's business and its results of operations and financial condition.

  The spread of COVID-19 has led governments around the world to take various measures such as the implementation of incoming and outgoing travel restrictions, voluntary and mandatory cessations of business operations, mandatory quarantines and work-from-home and other alternative working arrangements, curfews, limitations on social and public gatherings and partial lockdowns of cities or regions in order to limit the virus' spread. The spread of COVID-19 and governmental responses have resulted in worker absences, reduced business productivity, other business disruptions, reduced demand and stagnated economic activity in India and around the world. The ultimate extent of COVID-19 on the business, financial condition and results of operations will depend on future developments, which are highly uncertain and cannot be predicted.

- Organisation may suffer financial loss and/or reputational damage resulting from fraud, bribery, corruption, other illegal acts, inadequate or failed Anti-Bribery and Anti-Corruption (ABC) internal processes or systems, or from external events. ABC risk due to potential instances of corruption / bribery by O&M Service Provider where SDIPL has no direct control of resources/processes. Non-compliance by the O&M Partner with the undertakings of ABC requirements stated as per the Clause 5 of the O&M Agreement, ineffective and inefficient ABC program within the organization to detect act of corruption may lead to severe reputational as well as financial risk.

- Delayed IT systems implementation to hamper ability to operate independently. Setting up of IT platforms delayed due to ineffective roadmap planning and absence of phased milestones can impact SDIPL's agility & flexibility towards customers, Inefficient project governance may result in cost overruns for IT system deployment, gap in functional requirements and absence of laid down processes may lead to operational disruptions. As several systems are being implemented concurrently, these will require inputs from the common pool of functional resources, this might lead to strain on resources / timelines.

- SDIPL may have instances of failures of Tower due to lack of site maintenance / fires leading to injuries and fatalities. Un-timely, or non-maintenance of towers might result into collapse of towers leading to fatalities/ serious injuries to public or property damage, fall of equipment from top leading to asset damage or injury, Fire at unattended tower sites, or collapse of any other passive infrastructure at the tower site leading to loss of assets or harm to personnel's/public, Electric short circuit igniting flammable material leading to fire and asset damage or few injuries. Though, PEA and O&M contractor is responsible for the maintenance of site, by virtue of agreement, any incident concerning Health & Safety directly impacts the reputation of SDIPL and will disrupt the operations in the short run / long run and also attract penalty from regulators or law enforcement agencies.

Risks Related to the Trust's Relationships with the Sponsors and the Investment Manager of the Trust

- SDIPL, the Sponsors, the Project Manager, the Investment Manager of the Trust and their respective Associates and the Trustee are involved in legal proceedings or claims which are pending at different levels of adjudication before various courts, tribunals, and regulatory authorities. Unfavourable outcomes or developments relating to these proceedings may have a material, adverse effect on SDIPL's or their respective business, prospects, financial condition, cash flows and results of operations. Any losses, damages, costs and expenses suffered by the Trust and SDIPL arising from such proceedings besides any reputational damages or any other consequences thereof could have a material and adverse impact on our business, prospects, results of operations, cash flows and financial condition.
- The Brookfield Sponsor, whose interests may be different from the other Unitholders, will be able to exercise significant influence over certain activities of the Trust.
- Dependence on the erstwhile IM and new IM- The day-to-day operations of the Trust will be managed by the erstwhile IM or new IM when the Investment Manager is replaced by the new IM as the Investment Manager of the Trust. Investors will have no opportunity to control the day-to-day operations, including investment and disposition decisions, of the Trust (which would be taken by the investment and finance committee constituted by the erstwhile IM or the new IM).
- The Investment Manager of the Trust may not be able to implement the investment or corporate strategies of the Trust or comply with certain ongoing reporting and management obligations in relation to the Trust.
- Parties to the Trust are required to maintain the eligibility conditions specified under Regulation 4 of the SEBI InvIT Regulations on an ongoing basis. The Trust may not be able to ensure such ongoing compliance by the Sponsors, the Investment Manager of the Trust, the Project Manager and the Trustee, which could result in the cancellation of the registration of the Trust.

Risks Related to India

- SDIPL's business depends on economic growth in India and financial stability in Indian markets, and any slowdown in the Indian economy or in Indian financial markets could have a material, adverse effect on its business, financial condition and results of operations and the price of the Units.
- SDIPL's performance is linked to the stability of policies and the political situation in India. The Government of India and State Governments have traditionally exercised, and continue to exercise, significant influence over many aspects of the economy. As a result, its business, and the market price and liquidity of the Units, may be affected by interest rates, changes in governmental policy, taxation, social and civil unrest and other political, economic, or other developments in or affecting India.
- SDIPL's ability to raise additional debt capital may be constrained by Indian law.

  Indian entities are subject to regulatory restrictions in relation to borrowing in foreign currencies, including restrictions in relation to eligibility, amount of borrowings which may be incurred, end-use and creation of security, and may require the prior approval of Indian regulatory authorities. Such restrictions could limit our ability to raise financing on competitive terms and refinance existing indebtedness. Additionally, its ability to borrow money against the security of our immovable assets in India is subject to the directions of Reserve Bank of India, Companies Act, 2013, Foreign Exchange Management Act, 1999 ("FEMA") and exchange control regulations in India and may require the prior approval of the Indian regulatory authorities. Any approval required to raise borrowings might not be granted without onerous conditions, or at all. Such limitations on debt may have a material, adverse effect on SDIPL's business growth, financial condition, cash flows and results of operations.

- Terrorist attacks, civil unrest and other acts of violence or war may negatively affect the Indian markets in which the Units trade, as well as adversely affect the worldwide financial markets. These acts may also result in a loss of business confidence, make telecommunication services more difficult and ultimately adversely affect the businesses of SDIPL.

  India has experienced communal disturbances, terrorist attacks, general strikes and riots in the past. If such events recur, the business of the Trust may be adversely affected.

  Events of this nature in the future, as well as social and civil unrest within other countries, could influence the Indian economy and could have an adverse effect on the market for securities of Indian companies, including the Units.

- India is vulnerable to natural disasters & severe health crisis such as COVID-19 that could severely disrupt the normal operation of SDIPL.

- Changing laws, rules and regulations and legal uncertainties may materially and adversely affect our business, financial condition and results of operations.

- The Trust will qualify as a foreign owned and controlled trust and any investment made by the Trust in any Indian entity will be considered as an indirect foreign investment and will be required to comply with the extant foreign exchange regulations, particularly the Foreign Exchange Management (Non-Debt Instruments) Rules, 2019, for making any investment in India.

Risks Related to Ownership of the Units

- The regulatory framework governing infrastructure investment trusts in India is relatively new and the interpretation and enforcement thereof involve uncertainties, which may have a material, adverse effect on the ability of certain categories of investors to invest in the units, our business, financial condition and results of operations and our ability to make distributions to the unitholders.

- We may not be able to make distributions to the Unitholders or the level of distributions may fall.

  The Trust will rely on the receipt of interest, dividends, principal repayments and buy back / capital reduction of shares (net of applicable taxes and expenses) from SDIPL in order to make distributions to the Unitholders. The Trust might not have sufficient distributable or realized profits, surplus or tax benefits on its income, interests, profits, dividends or receipts in any future period to make distributions in accordance with the SEBI InvIT Regulations or at all.

- The Trust may be dissolved, and the proceeds from the dissolution thereof may be less than the amount invested by the Unitholders. Further, unitholders are unable to require the redemption of their units.

- Any future issuance of units by us or sales of units by the Sponsors or any of other significant unitholders may materially and adversely affect the trading price of the units.

  Any future issuance of units by the Trust could dilute investors' holdings of units. Any such future issuance of units may also materially and adversely affect the trading price of the units, and could impact our ability to raise capital through an offering of its securities. The Trust might issue further units. In addition, any perception by investors that such issuances might occur could also affect the trading price of the units.

- Our rights and the rights of the unitholders to recover claims against the Investment Manager of the Trust or the Trustee are limited.

  Under the Investment Management Agreement, the Trustee, the Investment Manager of the Trust, the Reliance Sponsor, the Brookfield Sponsor and their respective affiliates, directors, officers, employees, shareholders, partners, advisors, members or agents and members of any committee constituted by the Investment Manager of the Trust and/or Sponsors (each a "**Protected Person**") are entitled to be indemnified and held harmless by the Trust from and against any and all liabilities, claims, costs, losses, damage and expenses arising out of, or in connection with the Trust or any other InvIT Documents (as defined therein and subject to certain exceptions) to the extent permitted by law.

Risks Related to Tax

- Changes in legislation or the rules relating to tax regimes could materially and adversely affect the business, prospects and results of operations. There have been two recent major reforms in Indian tax laws, namely the introduction of the GST and provisions relating to general anti-avoidance rules ("**GAAR**"). Further the Tax laws are subject to changes and differing interpretations, which may materially and adversely affect the operations.
- Entities operating in India are subject to a variety of Government and State Government tax regimes and surcharges and changes in legislation or the rules relating to such tax regimes and surcharges could materially and adversely affect the business.
- The Income Tax Department had raised certain objections on the Scheme of Arrangement and has claimed that the Hon'ble National Company Law Tribunal, Ahmedabad bench, had not adjudicated on their objections while granting sanction to the Scheme of Arrangement.

  While the NCLAT has dismissed the appeals of the Income Tax Department vide its order dated December 20, 2019, SDIPL cannot guarantee that the Income Tax Department would not appeal against the order of the NCLAT in the Hon'ble Supreme Court and the likely outcome of any such appeal with the Supreme Court. In the event of any adverse ruling by the Supreme Court, the transaction may need to be wound up and our investments in SDIPL and the results of its operations may be adversely and materially impacted.

INFORMATION OF THE CONTACT PERSON OF THE TRUST

Mr. Inder Mehta
Compliance Officer
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Annexure A

Valuation Report

Tower Infrastructure Trust ("Trust")

(Acting through the Trustee Axis Trustee Services Limited)

And

Brookfield India Infrastructure Manager Private Limited

(Acting in its capacity as the Investment Manager of the Trust)

Valuation of InvIT Asset

as per Securities and Exchange Board of India

(Infrastructure Investment Trusts) Regulations, 2014

June 2021

UDIN: 21503604AAAAEH1978

Date: June 01, 2021

To
Tower Infrastructure Trust (the "Trust")
Acting through its Trustee - Axis Trustee Services Limited
9th Floor, Maker Chamber IV
222 Nariman Point, Mumbai - 400 021, India

To,

Brookfield India Infrastructure Manager Private Limited ("BIIMPL")
Acting in its capacity as the Investment Manager of the Trust ("IM")
Unit 1, 4th Floor, Godrej BKC,
Bandra Kurla Complex,
Mumbai, Maharashtra - 400051, India

Dear Sir(s)/Madam(s),

Sub: Valuation of InvIT Asset as per Securities and Exchange Board of India (Infrastructure Investment Trusts) Regulations, 2014, as amended

I refer to engagement letter, appointing me, Sunil Kumar Saini registered with IBBI as Registered Valuer via Registration Number IBBI/RV/06/2018/10385 (hereinafter referred to as **"Valuer", "I," "my,"** or **"me"**), to provide professional services to the Tower Infrastructure Trust (**"Trust"**) with respect to determination of Enterprise Value of Summit Digitel Infrastructure Private Limited ("**Tower Co.**" or **"InvIT Asset"**) as per the requirements of Securities and Exchange Board of India (Infrastructure Investment Trusts) Regulations, 2014 and amendments thereto including any circulars and guidelines issued thereunder (**"SEBI InvIT Regulations"**). Reliance Industrial Investments and Holdings Limited ("**RIIHL**"/"**Reliance Sponsor**") and BIF IV Jarvis India Pte. Limited ("**Jarvis**"/"**Brookfield Sponsor**") are the sponsor of the Trust. The Reliance Sponsor and the Brookfield Sponsor are together being referred to as the "**Sponsors**".

The Trust holds the entire outstanding equity share capital in Tower Co. The Trust and/or Tower Co. along with other parties have entered into various agreements collectively referred as the Transaction Documents (defined in Section 1 of this Report) which *inter alia* govern the rights and interest of Trust in Tower Co. and the commercial agreements in relation to the Tower Infrastructure Business (defined in Section 1 of this Report) of Tower Co.

I thereby, enclose my independent valuation report dated June 01, 2021 (**"the Report"** or **"this Report"**) providing my opinion on the fair enterprise value of the InvIT Asset on a going concern basis under the SEBI InvIT regulations considering the data as stated in **"Sources of Information**" of the Report as well as discussions with the relevant personnel of the Trust, Sponsors, Tower Co. and the Investment Manager ("**Management**"). I have considered the cut-off date for the current valuation exercise to be March 31, 2021 (**"Valuation Date"**) and market factors, have been considered up to March 31, 2021.

This valuation report has been prepared solely for annual compliance requirements of the SEBI InvIT Regulations as well as for submission to Securities and Exchange Board of India ("SEBI") or the statutory auditors of the Trust or any other regulatory or statutory authority as may be required and made in accordance with the SEBI InvIT Regulations guidelines requiring an independent valuation. This Report should not be used or relied upon for any other purpose.

In terms of the SEBI InvIT Regulations, I hereby confirm and declare that:

- I am competent to undertake the valuation;

- I am independent and have prepared this Report on a fair and unbiased basis;
- This Report is prepared in compliance with regulation 13(1) and regulation 21 of the SEBI InvIT Regulations; and
- I comply with the responsibilities as stated in regulation 13(1) and regulation 21 of the SEBI InvIT Regulations.

I further confirm that the valuation of InvIT Asset is carried out as per Valuation Standards 2018 issued by ICAI Registered Valuers Organisation and in cognizance of internationally accepted valuation methodologies and international valuation standards.

I have no present or planned future interest in Tower Co., the Sponsors or the Investment Manager or the Trustee, except to the extent of my appointment as an independent valuer for this Report.

A summary of the analysis is presented in the accompanying the Report, as well as description of the methodology and procedure used, and the factors considered in formulating my opinion. The Report is subject to the attached exclusions and limitations and to all terms and conditions provided in the engagement letter for this assignment.

This valuation report is based on the information provided to me by the management of the Tower Co. and/or the IM ("Management"). The projections provided by the Management are only the best estimates of growth and sustainability of revenue and cash flows. I have reviewed the financial forecast for consistency and reasonableness, however I have not independently verified the data provided.

Regards,
Sunil Kumar Saini
Registered Valuer
Reg. No. - IBBI/RV/06/2018/10385
UDIN: 21503604AAAAEH1978

Encl: As above

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1 Definitions, Abbreviations & Glossary of Terms

Amended and Restated MSA	The amended and restated master services agreement executed between Tower Co., RJIL and Reliance Projects & Property Management Services (formerly known as Reliance Digital Platform & Project Services Limited and hereinafter referred to as RPPMSL"), setting out the terms of provision of Passive Infrastructure and Services by Tower Co. to RJIL
Amended and Restated O&M Agreement	Amended and Restated O&M Agreement executed by Tower Co., Jio Infrastructure Management Services Limited ("JIMSL" or the "Project Manager") and RPPMSL (the "Operator"), the scope of which includes the operations, maintenance and management of the Passive Infrastructure of and provision of Services to Tower Co.
Amended and Restated Project Execution Agreement	Amended and Restated Project Execution Agreement executed by Tower Co., the Project Manager, RPPMSL (the "**Contractor**") and RJIL the scope of which includes establishment of Passive Infrastructure for Tower Co.
Valuer	Sunil Kumar Saini
Brookfield Sponsor / Jarvis	BIF IV Jarvis India Pte. Ltd
BSE	BSE Limited
BV	Breakup Value
CAGR	Compounded Annual Growth Rate
Closing	Listing of the units and the consummation of Share Purchase Agreement - II
Contractor / Operator / RPPMSL	Reliance Projects & Property Management Services Limited.
COW Site	Means a 'cell on wheels' portable or movable site at which Passive Infrastructure is located
Cr	Crore
CTM	Comparable Transaction Multiple
DCF	Discounted Cash Flow
DE	Debt-Equity
FCFE	Free Cash Flow to Equity
FCFF	Free Cash Flow to Firm
FY	Financial Year
GBM Site	Means a ground-based mast or pole at which Passive Infrastructure is located on land
GBT Site	Means a ground-based tower at which Passive Infrastructure is located on land
ICAI	Institute of Chartered Accountants of India
Investment Amount	INR 2,52,15,00,00,000 (INR twenty five thousand two hundred and fifteen crores only) (excluding expenses of the Trust)
erstwhile Investment Manager	Infinite India Investment Management Private Limited (Investment Manager of the Trust till October 12, 2020)
Investment Manager	Brookfield India Infrastructure Manager Private Limited (formerly known as WIP (India) Private Limited) (Investment Manager of the Trust w.e.f October 13, 2020.
Initial Tower Sites	1,74,451 Macro Towers of Tower Co. including 36,365 Macro Towers that are under-construction and under-development as of March 31, 2021 proposed to be constructed as per the Project Execution Agreement.

Issue	The initial offer of units by the Trust by way of private placement in accordance with the SEBI InvIT Regulations.
InvIT Asset	Tower Co.
Macro Towers	Means ground-based towers, ground-based mast or pole or roof-top towers, roof-top poles, cell on wheels
Monthly Site Premium	The monthly site premium payable by RJIL to Tower Co. in terms of the Amended and Restated MSA
Monthly Site Reimbursement	The monthly site reimbursement payable by RJIL to Tower Co. in terms of the Amended and Restated MSA
Mn	Million
NAV	Net Asset Value
NCLT	National Company Law Tribunal
Passive Infrastructure	Means at any Site, the passive telecommunication infrastructure located at such Site, including the tower, room/shelter, diesel generator sets and electrical and civil works, DC power system and battery bank and any other passive telecom infrastructure (viz. air conditioners) installed at the Site
PM	Placement Memorandum
PPM	Preliminary Placement Memorandum
Transaction	Private placement of units by the InvIT, the proceeds of which was used for (i) acquisition of remaining 49% of the outstanding equity share capital of Tower Co. (INR 105.35 crore); (ii) repayment of loans taken by the Trust to fund acquisition of 51% of the outstanding equity share capital of Tower Co. (INR 109.65 crore); and (iii) extending loans to Tower Co. to enable Tower Co. to repay / pre-pay in part or in full certain of its existing borrowings and interest obligations (INR 25,000 crore)
Project Agreement	Together the Amended and Restated MSA, the Amended and Restated O&M Agreement and the Amended and Restated Project Execution Agreement
Project Manager or JIMSL	Jio Infrastructure Management Services Limited
Purpose	Enterprise valuation of Tower Co. for annual compliance requirements of the SEBI InvIT Regulations as well as for submission to SEBI or the statutory auditors of the Trust or any other regulatory or statutory authority as may be required and made in accordance with the SEBI InvIT Regulations guidelines requiring an independent valuation.
Reliance Sponsor/RIIHL	Reliance Industrial Investments and Holdings Limited
RJIL	Reliance Jio Infocomm Limited
RIL	Reliance Industries Limited
RTP Site	Means a roof-top pole site at which Passive Infrastructure is located on a building or a structure
RTT Site	Means a roof-top tower site at which Passive Infrastructure is located on a building or a structure
Shareholder and Option Agreement	Shareholder and Option Agreement entered into between the Trust, the Investment Manager, Reliance Industries Limited ("**RIL**"), RIIHL, Tower Co., RJIL and Jarvis
SEBI InvIT Regulations	Securities and Exchange Board of India (Infrastructure Investment Trusts) Regulations, 2014 and amendments thereto including any circulars and guidelines issued thereunder

Services	Means the operations and maintenance services set out in the Amended and Restated O&M Agreement
Sites or Tower Sites	Site means a GBT Site, GBM Site, RTT Site, RTP Site or COW Site or any other passive telecom tower infrastructure site
Share Purchase Agreement - II or SPA – II	The share purchase agreement between the Trust, the Investment Manager, RIIHL, Tower Co., Jarvis and RIL, setting out the terms and conditions on basis of which the Trust acquired and RIL sold its entire equity shareholding in the Tower Co. to the Trust
Sponsors	Together the Reliance Sponsor and the Brookfield Sponsor
Tower Co./SDIPL/the Company	Summit Digitel Infrastructure Private Limited (formerly known as Reliance Jio Infratel Private Limited)
Tower Infrastructure Business	The business of setting up and maintaining passive tower infrastructure and related assets and providing passive tower infrastructure services.
Transaction Documents	Transaction Documents" means and includes: i. Share Purchase Agreement - II; ii. Amended and Restated MSA; iii. Amended and Restated Project Execution Agreement; iv. Amended and Restated O&M Agreement; v. Shareholders and Option Agreement; vi. Trust Loan agreement for loan provided by the Trust to the Tower Co.; vii. Loan Agreements / sanction letters for debt raised/to be raised at the Tower Co. level; All the above agreements have been executed before the closing date i.e. 31st August 2020.
Trust	Tower Infrastructure Trust
Trust Deed	Indenture of Trust dated January 31, 2019 executed between RIIHL as the settlor and sponsor of the Trust and Axis Trustee Services Limited as the Trustee
Trust Loan	Loan extended by the Trust to Tower Co. aggregating Rs.25,000 crore pursuant to a 'Trust Loan Agreement'
Trustee	Axis Trustee Services Limited
Valuation Date	March 31, 2021
WACC	Weighted Average Cost of Capital

2 Executive Summary

2.1 Brief Background and Purpose

2.1.1 The Tower Infrastructure Trust ("**Trust**") was settled vide Trust Deed dated January 31, 2019 with Reliance Industrial Investments and Holdings Limited ("**RIIHL**") as the sponsor and Axis Trustee Services Limited as the Trustee. The Trust was subsequently registered as an infrastructure investment trust under the SEBI InvIT Regulations vide registration dated March 19, 2019.

2.1.2 The main object of the Trust is to carry on the activity of an infrastructure investment trust, as permissible under the SEBI InvIT Regulations, namely to raise resources and to make investments in accordance with the SEBI InvIT Regulations and such other incidental and ancillary matters thereto.

2.1.3 The Trust currently holds entire equity share capital in Summit Digitel Infrastructure Private Limited (formerly known as Reliance Jio Infratel Private Limited) ("**Tower Co.**") which is in the business of setting up and maintaining passive tower infrastructure and related assets and providing passive tower infrastructure services to telecommunication service providers ("**Tower Infrastructure Business**").

2.1.4 Infinite India Investment Management Limited ("erstwhile Investment Manager") was the Investment Manager of the Trust till October 12, 2020. The erstwhile Investment Manager is a 100% subsidiary of JM Financial Limited.

2.1.5 Brookfield India Infrastructure Manager Private Limited (formerly known as WIP (India) Private Limited) ("Investment Manager") has been appointed as the new Investment Manager of the Trust w.e.f October 13, 2020.

2.1.6 Reliance Industrial Investments and Holdings Limited ("RIIHL" / "Reliance Sponsor") and BIF IV Jarvis India Pte. Limited ("Jarvis" / "Brookfield Sponsor") are the sponsors of the Trust. The Reliance Sponsor and the Brookfield Sponsor are together being referred to as the "Sponsors".

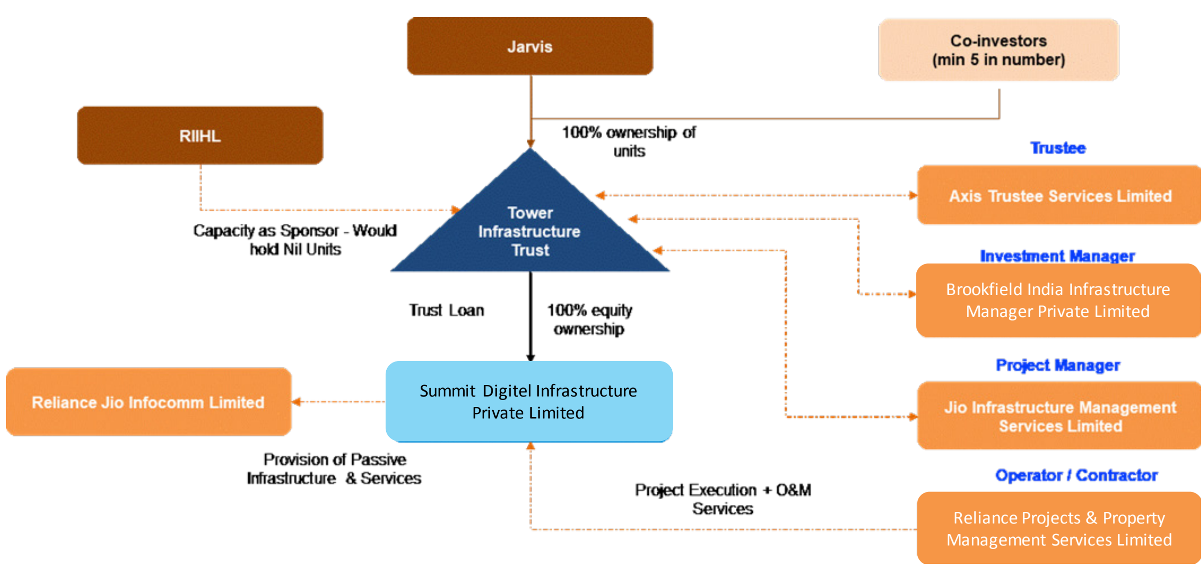
2.1.7 Reliance Industrial Investments and Holdings Limited ("**RIIHL**" or "**Reliance Sponsor**") is a wholly owned subsidiary of Reliance Industries Limited ("**RIL**") which is engaged in the business of petroleum refining and marketing, petrochemicals, textiles, exploration and production of oil and gas, retail, media and entertainment, financial services and telecommunication and digital services.

2.1.8 BIF IV Jarvis India Pte. Ltd ("**Jarvis**" or "**Brookfield Sponsor**") is an entity forming part of the Brookfield Group (i.e. the entities which are directly or indirectly controlled by Brookfield Asset Management, Inc.). Brookfield Asset Management Inc. is a global alternative asset manager, currently listed on the New York Stock Exchange, Toronto Stock Exchange and the Euronext Stock Exchange.

2.1.9 Jio Infrastructure Management Services Limited ("**JIMSL**" or "**Project Manager**"), a subsidiary of RIIHL is the Project Manager and has entered into a Project Implementation and Management Agreement with Tower Co. and the Trustee in accordance with the SEBI InvIT Regulations.

2.1.10 Reliance Projects & Property Management Services (formerly known as Reliance Digital Platform & Project Services Limited and hereinafter referred to as **"RPPMSL"** or "**Contractor**" or "**Operator**"), a company wholly owned by RIL has been appointed as the "Contractor" in terms of the Amended and Restated Project Execution Agreement and as the "Operator" in terms of the Amended and Restated O&M Agreement.

2.1.11 The following structure illustrates the relationship amongst the Parties to the Trust (being the Trust, Trustee, the Sponsors, the Investment Manager and the Project Manager), the Contractor / Operator, TowerCo and the Unitholders as of the Valuation Date.



2.1.12 The units of the Trust are listed on the BSE Limited ("**BSE**"). From the proceeds of the issuance of units, the Trust (i) acquired the remaining 49.0% of the outstanding equity shares of Tower Co. held by RIL (INR 105.35 crore); (ii) repaid the existing debt taken by the Trust to fund the acquisition of 51.0% of the outstanding equity shares of Tower Co. (INR 109.65 crore); and (iii) extended loan of INR 25,000 crore to Tower Co. to enable Tower Co. to repay/pre-pay in part or in full certain of its existing borrowings and interest obligations.

2.1.13 The erstwhile Investment Manager had appointed Valuer to undertake the valuation of InvIT Asset for FY 20-21 to comply with the SEBI InvIT Regulations for determination of the enterprise value of Tower Co. for annual compliance requirements of the SEBI InvIT Regulations as well as for submission to SEBI or the statutory auditors of the Trust or any other regulatory or statutory authority as may be required and made in accordance with the SEBI InvIT Regulations guidelines requiring an independent valuation. (**"Purpose"**).

2.2 **Valuation Methodology Adopted**

2.2.1 Considering the nature of business, facts of the assignment, the terms of the Transaction Documents and the capital structure, InvIT Asset has been valued using Discounted Cash Flow ("**DCF"**) Method under Income Approach. Free Cash Flow to Firm ("**FCFF**") model under the DCF Method has been used to arrive at the enterprise value of InvIT Asset.

2.3 **Valuation Conclusion**

2.3.1 The enterprise value of InvIT Asset is arrived at INR 440,055.1 Mn.

3 Introduction

3.1 **Terms of Engagement**

3.1.1 I, Sunil Kumar Saini Registered Valuer via Registration Number IBBI/RV/06/2018/10385, have been appointed by erstwhile Investment Manager of the Trust, Infinite India Investment Management Limited, to determine the enterprise value of InvIT Asset on a going concern basis as per SEBI InvIT Regulations for the FY 20-21.

3.1.2 This Report has been prepared by me pursuant to the terms of engagement letter between me and the current Investment Manager (Brookfield India Infrastructure Manager Private Limited) including the terms and conditions set out therein.

3.2 **Background and Purpose of Valuation**

3.2.1 The Investment Manager has appointed Valuer to undertake the valuation of InvIT Asset in compliance of the SEBI InvIT Regulations for determination of the enterprise value of Tower Co. for annual compliance requirements of the SEBI InvIT Regulations as well as for submission to SEBI, the BSE Limited or any other regulatory or statutory auditors of Trust or statutory authority as may be required and made in accordance with the SEBI InvIT Regulations guidelines requiring an independent valuation. ("**Purpose"**).

3.2.2 This Report should not be used or relied upon for any other purpose. The suitability or applicability of this Report for any purpose other than that mentioned above has not been verified by me.

3.3 **Source of Information**

3.3.1 For the purpose of this valuation exercise, I have relied on the following sources of information:

i. Background of the Tower Infrastructure Business;

ii. Background of the Telecom industry;

iii. Audited Financial Statements of Tower Co. for the Financial Year ("FY") 2020 and Provisional Financial Statement of Tower Co. for the Financial Year 2021;

iv. Projections of Tower Co. from April 1, 2021 to August 31, 2050 with the underlying assumptions;

v. Summary of Towers as on March 31, 2021 vide Infra Availability – Site Count Reco Statement in excel

vi. Transaction Documents made available to me for review at client location and relevant extracts of the documents provided to me as requested;

vii. Other relevant data and information provided to me by the Management whether in oral or physical form or in soft copy, and discussions with them; and

viii. Information available in public domain and provided by leading database sources.

4 Exclusions and Limitations

4.1 Restricted Audience

4.1.1 This Report and the information contained herein are absolutely confidential and are intended for the use of the Investment Manager, Sponsors and the Trust in connection with the Purpose set out in the Report.

4.1.2 It should not be copied, disclosed, circulated, quoted or referred to, either in whole or in part, in correspondence or in discussion with any other person except to whom it is issued without my written consent. It can however be relied upon and disclosed in connection with any statutory and regulatory filing with SEBI or any other regulatory/statutory authority for the Purpose mentioned herein as per the SEBI InvIT Regulations without any consent. In the event the Investment Manager, Sponsors or the Trust extend the use of the Report beyond the purpose mentioned earlier in the Report, with or without my consent, I will not accept any responsibility to any other party (including but not limited to the investors, if any) to whom this Report may be shown or who may acquire a copy of the Report.

4.1.3 It is clarified that this Report is not a fairness opinion under any of the stock exchange/listing regulations. In case of any third party having access to this Report, please note that this Report is not a substitute for the third party's own due diligence/appraisal/enquiries/independent advice that the third party should undertake for its purpose.

4.2 Limitation Clause

4.2.1 The Report is subject to the limitations detailed hereinafter. This Report is to be read in totality, and not in parts, in conjunction with the relevant documents referred to therein.

4.2.2 The scope of the assignment did not include performing audit tests for the purpose of expressing an opinion on the fairness or accuracy of any financial or analytical information that was used during the course of the work. Further, conducting a financial or technical feasibility study was also not covered.

4.2.3 During the course of work, Valuer have relied upon assumptions and projections as provided by Management. These assumptions require exercise of judgment and are subject to uncertainties.

4.2.4 Further, this Report is based on the extant regulatory environment and the financial, economic, monetary and business/market conditions, and the information made available to me or used by me up to, the date hereof, which are dynamic in nature and may change in future, thereby impacting the valuation of InvIT Asset. Subsequent developments in the aforementioned conditions may affect this Report and the assumptions made in preparing this Report and I shall not be obliged to update, review or reaffirm this Report if the information provided to me changes. The information presented in this valuation Report does not reflect the outcome of any due diligence procedures, which may change the information contained herein and, therefore, the valuation Report materially.

4.2.5 Valuation is not a precise science and the conclusions arrived at in many cases will of necessity be subjective and dependent on the exercise of individual judgment as the valuation analysis is governed by the concept of materiality. There is therefore no indisputable single value. While I have provided an assessment of the value based on an analysis of information available to me and within the scope of my engagement, others may place a different value on the businesses.

4.2.6 Valuation is based on estimates of future financial performance or opinions, which represent reasonable expectations at a particular point in time, but such information, estimates or opinions are not offered as predictions or as assurances that a particular level of income or profit will be achieved, a particular event will occur or that a particular price will be offered or accepted. Actual results achieved during the period covered by the prospective financial analysis will vary from these estimates and the variations may be material.

4.2.7 The realization of these projections is dependent on the continuing validity of the assumptions on which they are based. Since the projections relate to the future, actual results are likely to be different from the projected results in case of events and circumstances not occurring as projected and the differences may be material. My work did not constitute a validation of the financial projections of the Company under consideration and accordingly, I do not express any opinion on the same. Although, I have reviewed the financial projections provided by Management for consistency and reasonableness my reliance on the financial projections for the purpose of valuation should not be construed as an assurance about the accuracy of the assumptions or the achievability of the financial projections.

4.2.8 This Report is based on information received from sources mentioned herein and discussions with the Management. I have assumed that the parties involved have furnished to me all information, which they are aware of concerning the financial statements and respective liabilities, which may have an impact on Report. I have ignored some data provided to me which I believe may not be material for the purpose of assignment.

4.2.9 I have not done any independent technical valuation or appraisal or due diligence of the assets or liabilities of the Trust or Tower Co. or any of other entity mentioned in this Report and have considered them at the value as disclosed by the Trust in their regulatory filings or in submissions, oral or written, made to me. Nothing has come to my knowledge to indicate that the material provided to me was misstated or incorrect or would not afford reasonable grounds upon which to base my Report.

4.2.10 The Valuer have not made any independent verification with respect to the Tower Co.'s claim to title of assets or property for the purpose of this valuation. With respect to claim to title of assets or property the Valuer have solely relied on representations, whether verbal or otherwise, made by the Management to me for the purpose of this Report.

4.2.11 Except to the extent required under the SEBI InvIT Regulations, I am not responsible for matters of legal nature including issues of legal title and compliance with local laws in respect of Tower Co. and also no consideration has been given to litigation and other contingent liabilities that are not recorded in the financial of Tower Co.

4.2.12 The fee for the Report is not contingent upon the outcome of the Report.

4.2.13 It may be noted that a draft of this Report (without valuation numbers) was provided to the Management to review the factual information in the Report as part of my standard practice to make sure that factual inaccuracies/omissions are avoided in my final Report.

4.2.14 This Report does not look into the business/commercial reasons behind the Transaction or the Issue nor the likely benefits arising out of the same. Similarly, it does not address the relative merits of investing in InvIT as compared with any other alternative business transaction, or other alternatives, or whether or not such alternatives could be achieved or are available. The assessment of commercial and investment merits of the Trust are sole responsibility of the investors of the Trust and I do not express any opinion on the suitability or otherwise of entering into any financial or other transactions with the Investment Manager, the Trust or Tower Co.

4.2.15 In rendering this Report, I have not provided any legal, regulatory, tax, accounting, actuarial advice and accordingly I do not assume any responsibility or liability in respect thereof.

4.2.16 For the present valuation exercise, I have also relied upon information available in the public domain, however, the accuracy and timeliness of the same has not been independently verified by me.

4.2.17 In the particular circumstances of this case, I shall be liable only to the Investment Manager, Sponsors and the Trust. I shall have no liability (in contract or under statute or otherwise) to any other party for any economic loss or damage arising out of or in connection with this engagement, however the loss or damage is caused, as laid out in the engagement letter, for such valuation work.

4.2.18 Whilst, all reasonable care has been taken to ensure that facts stated in the Report are accurate and opinions given are fair and reasonable, neither me, nor any of professional associates who worked as team member shall in any way be responsible for the contents stated herein. Accordingly, I make no representation or warranty, express or implied, in respect of the completeness, authenticity or accuracy of such statements. I expressly disclaim any and all liabilities, which may arise based upon the information used in this Report.

4.2.19 A draft of the report was shared with the Client, prior to finalisation of report, for confirmation of facts and other companies' representations.

4.2.20 Further, after declaration of Covid-19 as a pandemic by World Health Organisation and consequent imposition of lockdown in India has caused a widespread disruption in businesses as well as on financial markets in India and globally alike. My assumptions for the valuation is surrounded by these unprecedented uncertainty across all the industries and sectors including the time period over which these circumstances could prevail. The valuation assumptions, the underlying projections and the outcome of the valuation analysis could materially change as a result of the continued or increased uncertainty around the prevalence of Covid-19 circumstances and hence a reliance on my valuation must be placed considering these unprecedented circumstances.

5 Assignment Approach

The overall approach followed to arrive at value of InvIT Asset is summarized below:

i. Submission of detailed information checklist for valuation of InvIT Asset.

ii. Review of information provided as per the checklist for initial understanding of the business followed by a preliminary discussion with the Management to gain insight on the business operations and brief background of the Tower Infrastructure Business.

iii. The site visit of the InvIT Asset was conducted as below:

Sr. No.	Location	Zone	Date of Visit
1	Mumbai – Towers	West	
2	Navi Mumbai – Control Room	West	
3	Bangalore – Towers	South	December 2019
4	Delhi & Gurgaon – Towers	North	
5	Kolkata – Tower	East	

Due to the ongoing COVID pandemic and the associated lock-downs we have been unable to conduct a more up to date physical verification of assets. However the management has provided us a summary of Towers as on March 31, 2021 vide Infra Availability – Site Count Reco statement in excel indicating statewise number of towers totaling to 138,086 of which 135,075 were Active sites and OPCO operational, 911 sites were active for less than 90 days and 2100 sites were Locked sites due to passive reason giving us an overall virtual view of the tower sites.

iv. Analysis of additional information received post preliminary discussion and site visit. Valuer and its team members had various meetings with the Management to discuss business model, assumptions considered and future business outlook.

v. Obtained various disclosures from the Management pertaining to approvals and litigations of the InvIT Asset as required under the SEBI InvIT Regulations.

vi. Carried out the valuation based on internationally accepted valuation methodologies and in cognizance of international valuation standards and Valuation Standards 2018 issued by ICAI Registered Valuers Organisation.

6 Overview of Tower Infrastructure Business

6.1 Tower Infrastructure Business

6.1.1 The Tower Infrastructure Business was transferred pursuant to the Scheme of Arrangement under a slump sale on a going concern basis to Tower Co. from RJIL. The Scheme of Arrangement was approved by the National Company Law Tribunal, Ahmedabad with effect from the close of business on March 31, 2019.

6.1.2 The Tower Infrastructure Business, prior to the Scheme coming into effect, was carried on by RJIL, primarily as captive consumption for its telecommunication service operations.

6.1.3 The Tower Infrastructure Business includes network of ground based towers (“**GBT**”), ground based masts (“**GBM**”), roof-top towers (“**RTT**”), roof-top poles (“**RTP**”) and cell-on-wheels (“**COW**”).

6.1.4 Tower Co. has entered into the Amended and Restated MSA with RJIL to provide Passive Infrastructure and Services to RJIL which came into effect from Closing.

6.1.5 As of March 31, 2021, the Initial Tower Sites consisted of 138,086 telecommunications towers across India. More than 75% of Tower Co.’s Tower Sites are ground-based. All Tower Sites are proposed to be connected to the electricity board with lithium-ion battery back-up.

6.1.6 As of March 31, 2021, more than 60% of Tower Co.’s Tower Sites are fiberized i.e. they use fiber for backhaul and have access to a fiber network, which is critical for telecom service providers whose revenue growth is increasingly being led by data services and products offering.

6.2 **Location of the Towers**

Source: As provided by the Management

6.2.1 The table below sets forth operational Tower Sites by type as of March 31, 2021

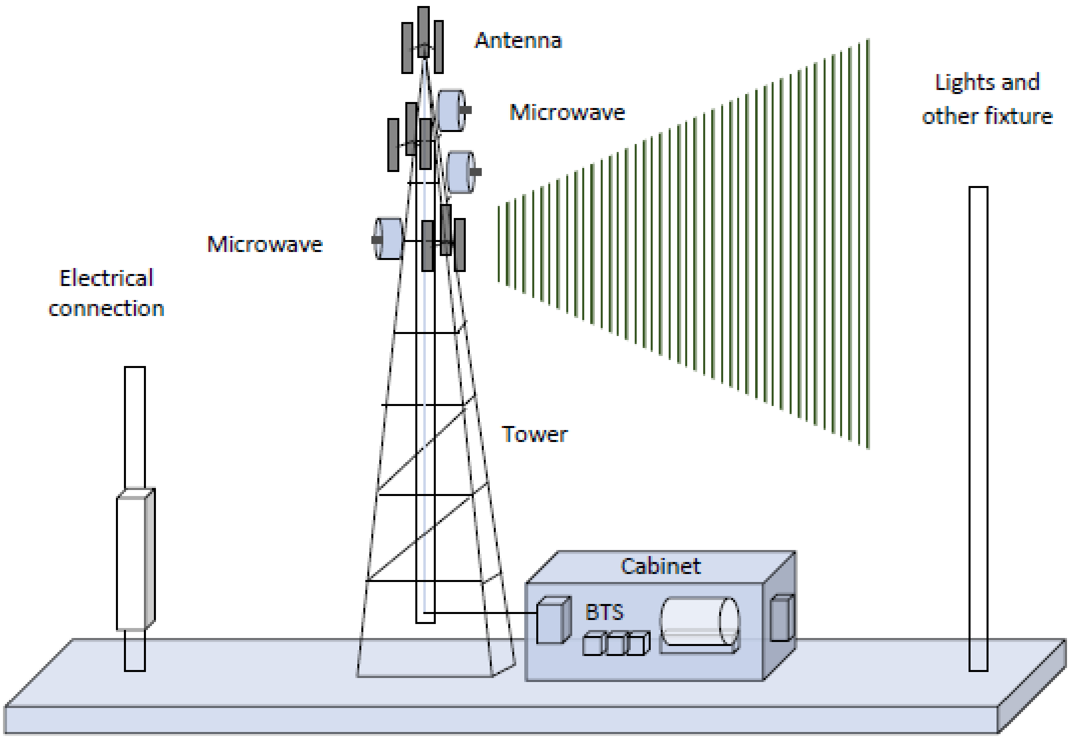
State Name	Tower Type				Total
	GBM	GBT	RTP / RTT	COW	
Andhra Pradesh	338	3,440	1,302	46	5,126
Arunachal Pradesh	-	168	22	-	190
Assam	1	2,638	427	10	3,076
Bihar	94	5,263	942	12	6,311
Chhattisgarh	254	3,290	179	47	3,770
Delhi	748	195	3,593	277	4,813
Goa	130	32	76	2	240
Gujarat	4,741	4,637	1,255	24	10,657
Haryana	100	2,040	449	69	2,658
Himachal Pradesh	21	1,595	90	7	1,713
Jammu	34	707	147	19	907
Jharkhand	231	3,431	572	34	4,268
Karnataka	332	4,302	1,854	37	6,525
Kashmir	42	1,279	102	33	1,456
Kerala	33	1,338	585	61	2,017
Kolkata	119	962	2,449	14	3,544
Madhya Pradesh	1,468	7,636	645	23	9,772
Maharashtra	654	6,701	2,282	32	9,669
Manipur	-	342	42	-	384
Meghalaya	-	602	7	3	612
Mizoram	-	172	19	1	192
Mumbai	657	380	2,353	35	3,425
Nagaland	-	269	27	1	297
Odisha	133	4,027	413	43	4,616
Punjab	854	1,459	1,353	81	3,747
Rajasthan	2,029	5,764	750	77	8,620
Tamil Nadu	992	4,857	2,814	31	8,694
Telangana	484	2,638	1,859	100	5,081
Tripura	-	498	33	-	531
Uttar Pradesh (East)	1,444	7,038	1,320	62	9,864
Uttar Pradesh (West)	394	4,782	1,147	26	6,349
Uttarakhand	66	1,599	391	25	2,081
West Bengal	64	6,197	579	41	6,881
Grand Total	**16,457**	**90,278**	**30,078**	**1,273**	**1,38,086**

6.2.2 As per discussions with the management, there is currently NIL Capital Work-in-Progress as per the books as on the Valuation Date. RPPMSL shall construct and deliver additional towers on a turn-key basis to the Tower Co. from time to time or the towers will be acquired by inorganic acquisition leading to an increase in number of towers to take the total number of operational towers to 174,451 in accordance with the terms of the relevant Transaction Documents.

6.3 **Tower Infrastructure**

6.3.1 As of March 31, 2021, Tower Co.'s Initial Tower Sites consisted of 1,38,086 Macro Towers across India.

6.3.2 The following diagram illustrates the standard facilities located on Sites:



The tower sites comprise of various different types of structure, deployed based on the network requirement to provide a required coverage to enhance customer experience.

- Ground-based towers ("GBT"): GBTs are erected on the ground with a height of 30 meters to 60 meters. As per discussions with the management, GBTs have been designed in a manner that allows for utilities to be placed inside the towers, leading to the reduction of additional costs for foundational work relating to DGs and/or cabinets, the elimination of fencing work around the plot and the enhancement of security of DGs and cabinets within SDIPL's tower sites.
- Ground-based mast ("GBM"): GBMs address difficulties of erecting GBTs in urban areas arising from space requirements. GBMs require less space for tower sites compared to GBTs. GBMs require very low rents, use natural cooling mechanism with no air-conditioning or fans and therefore, result in lower capital expenditures.
- Rooftop structures: Rooftop structures are placed on the terrace of high-rise buildings and have varying heights of 3, 6, 9, 12, 15 and 18 meters. There are two types of rooftop structures, rooftop poles ("RTP") and rooftop towers ("RTT").
- Cell On Wheel ("COW"): Cell On Wheel sites provide a coverage for places where permanent sites are not allowed, or for network restoration in case of natural disasters or temporary electricity outages.

The following table sets forth design and execution requirements of towers by tower type as of March 31, 2021:

Type	Height	Space required	Access to site location	Factors/ requirements for civil foundation	Antenna loading required	Electrical utilities	Vertical clearance	High -tension electrical lines
GBT	Up to 60m	10m x 10m	24x7	Soil-bearing capacity, wind Speed	Yes	Standardized AC/ DC	No vertical obstacle	No high-tension electrical lines nearby
GBM	20m, 25m, 30m	3m x 3m	24x7	Standard penetration test, wind speed	Yes	Standardized AC/ DC	No vertical obstacle	No high-tension electrical lines nearby
RTP	3m, 6m, 9m, 12m, 15m, 18m	< 420 sq. ft	24x7	Structural stability report of buildings by certified structural consultants, wind speed	Yes	Standardized AC/ DC	No vertical obstacle	No high-tension electrical lines nearby
RTT	Up to 12m/more than 12m	< 420 sq. ft	24x7	Structural stability report of buildings by certified structural consultants, wind speed	Yes	Standardized AC/ DC	No vertical obstacle	No high-tension electrical lines nearby
COW	Up to 30m	N/A	Not required	No civil foundation	Yes	Direct DG set	No vertical obstacle	Not required

6.4 Site Visit Details

6.4.1 My team has visited the tower control room located at Reliance Corporate Park in Navi Mumbai, Maharashtra and Macro Towers located near Mumbai, Navi Mumbai, Delhi, Kolkata and Bangalore in December 2019 for undertaking physical inspection of the towers as required under the SEBI InvIT Regulations.

However, due to the ongoing CoVID pandemic and the associated lock-downs we have been unable to conduct a more up to date physical verification of assets. In lieu of the same, the management has provided us a summary of Towers as on March 31, 2021 vide Infra Availability – Site Count Reco statement in excel indicating statewise number of towers totaling to 138,086 of which 135,075 were Active sites and OPCO operational, 911 sites were active for less than 90 days and 2100 sites were Locked sites due to passive reason giving us an overall virtual view of the tower sites.

Other disclosures as required under the SEBI InvIT Regulations have been provided in Annexure IV of the Report.

7 Industry Overview

7.1 The Indian Economy

7.1.1 India is the fastest growing economy in the world and the fourth largest economy when its gross domestic product (“GDP”) is compared in terms of purchasing power parity (PPP). India’s total GDP size was U.S.$2.9 trillion in 2019 according to the World Bank. India’s GDP per capita has consistently grown between 5% and 6% according to the World Bank.

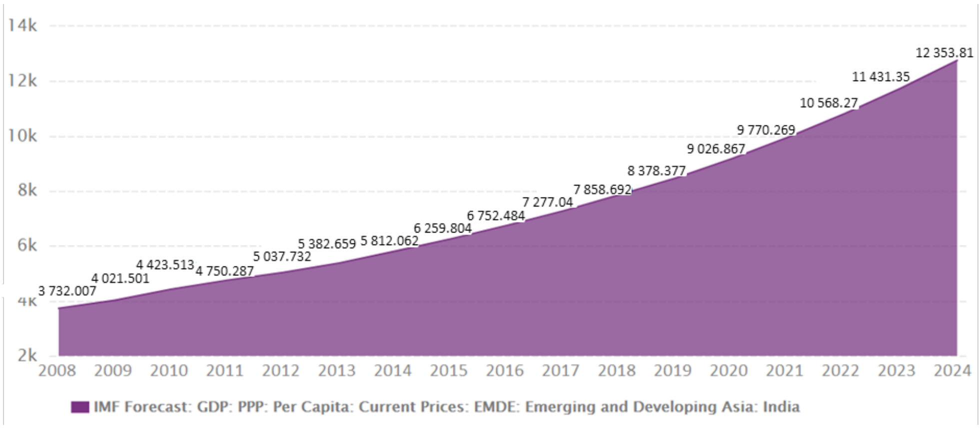
The following diagram sets forth India's GDP per capita growth for the periods indicated:

(Source: World Bank, accessed on January 7, 2020)

7.1.2 India's per capita income has also risen in recent years. According to the International Monetary Fund (the "IMF"), India's GDP per capita at current prices in 2021 was estimated to be USD 2.19 thousand. *(Source: International Monetary Fund, available at: https://www.imf.org/external/datamapper/NGDPDPC@WEO/OEMDC/ADVEC/WEOWORLD/IND).*

7.1.3 India is becoming increasingly urbanized. In 2019, India's urban population increased to approximately 471 million representing 34.5% of India's population. *(Source: World Bank, accessed on January 7, 2020 at https://data.worldbank.org/indicator/SP.URB.TOTL.IN.ZS?view=map).*

7.1.4 The IMF expects that India's economy will continue to grow rapidly. India's GDP per capita on PPP basis is forecasted to be USD 12,756.79 in 2024. This records an increase from the last reported number of USD 8,378.38 in March 2019.



(Source: CEIC Data, accessed January 7, 2020)

7.1.5 Further, India has recorded a significant improvement in ease of doing business. In the World Bank's latest Doing Business Report ("DB 2020"), India has moved up 14 positions against its rank of 77 in 2018 to be placed now at 63 among 190 countries assessed by the World Bank. *(Source: World Bank, accessed January 7, 2020, https://www.worldbank.org/en/news/feature/2019/10/24/doing-business-2020-sustaining-the-pace-of-reforms Ministry of Commerce & Industry, India, accessed January 7, 2020 at https://www.phdcci.in/wp-content/uploads/2019/10/India-jumps-14-spots-in-Ease-of-Doing-Business-rankings-2020-ranks-63rd-out-of-190-countries.pdf*

7.1.6 The Doing Business assessment provides objective measures of business regulations and their enforcement on ten parameters affecting a business through its life cycle. In DB 2020, India was classified as one of the ten economies that improved the most in their ease of doing business scores in 2018-19. The other nine economies were Bahrain, China, Jordan, Kuwait, Nigeria, Pakistan, Saudi Arabia, Tajikistan and Togo. *(Source: World Bank, accessed January 7, 2020 at https://www.worldbank.org/en/news/feature/2019/10/24/doing-business-2020-sustaining-the-pace-of-reforms.*

TABLE 0.2 The 10 economies improving the most across three or more areas measured by *Doing Business* in 2018–19

Economy	Ease of doing business rank	Change in ease of doing business score	Reforms making it easier to do business									
			Starting a business	Dealing with construction permits	Getting electricity	Registering property	Getting credit	Protecting minority investors	Paying taxes	Trading across borders	Enforcing contracts	Resolving insolvency
Saudi Arabia	62	7.7	✔	✔	✔		✔	✔		✔	✔	✔
Jordan	75	7.6					✔		✔			✔
Togo	97	7.0	✔	✔	✔	✔	✔					
Bahrain	43	5.9		✔	✔	✔	✔	✔	✔	✔	✔	✔
Tajikistan	106	5.7	✔				✔			✔		
Pakistan	108	5.6	✔	✔	✔	✔			✔	✔		
Kuwait	83	4.7	✔	✔	✔	✔	✔	✔		✔		
China	31	4.0	✔	✔	✔			✔	✔	✔	✔	✔
India	63	3.5	✔	✔						✔		✔
Nigeria	131	3.4	✔	✔	✔	✔				✔	✔	

7.2 **Indian Telecommunication Industry**

Indian mobile telecommunications services sector

7.2.1 The mobile telecommunications industry is an integral part of the Indian economy. The industry has contributed to the economic growth and the GDP of the country by generating revenue for the Government and creating new jobs, directly and indirectly.

7.2.2 India is currently the world's second-largest telecommunications market by subscribers and strong customer demand has led to a rapid growth in this sector. As of February 28, 2021, India had a total reported telephone subscriber base of 1,187.90 Mn according to TRAI.

7.2.3 Mobile telecommunications operators offer two basic subscription methods, pre-paid and post-paid. The pre-paid subscription model is currently the most widely used subscription method in the mobile telecommunications industry in India.

Particulars	Wireless	Wireline	Total (Wireless+ Wireline)
Total Telephone Subscribers (Million)	**1167.71**	**20.19**	**1187.90**
Net Addition in February, 2021 (Million)	8.29	0.11	8.40
Monthly Growth Rate	0.72%	0.54%	0.71%
Urban Telephone Subscribers (Million)	**639.24**	**18.47**	**657.72**
Net Addition in February, 2021 (Million)	5.98	0.15	6.13
Monthly Growth Rate	0.94%	0.82%	0.94%
Rural Telephone Subscribers (Million)	**528.47**	**1.71**	**530.18**
Net Addition in February, 2021 (Million)	2.32	-0.04	2.28
Monthly Growth Rate	0.44%	-2.36%	0.43%
Overall Tele-density*(%)	**85.78%**	**1.48%**	**87.26%**
Urban Tele-density*(%)	136.03%	3.93%	139.96%
Rural Tele-density*(%)	59.28%	0.19%	59.48%
Share of Urban Subscribers	54.74%	91.52%	55.37%
Share of Rural Subscribers	45.26%	8.48%	44.63%
Broadband Subscribers (Million)	**742.84**	**22.26**	**765.09**

(Source: TRAI)

7.2.4 The mobile telecommunications industry in India is divided into 22 service areas – three metro service areas (Delhi, Mumbai, and Kolkata) and 19 other service areas. These other service areas are categorized as Circle 'A', Circle 'B' and Circle 'C', in descending order on the basis of the degree of affluence, infrastructure development and revenue potential across each service area. The licensed service areas of the various cellular service providers as of February 2021 are provided below:

Service Provider	Licensed Service Area
Bharat Sanchar Nigam Ltd	All India (except Delhi & Mumbai)
Bharti Airtel Ltd	All India
Mahanagar Telephone Nigam Ltd	Delhi & Mumbai
Reliance Jio Infocom Ltd	All India
Reliance Telecom Ltd	Kolkata, Madhya Pradesh, West Bengal, Himachal Pradesh, Bihar, Odisha, Assam & North East
Vodafone Idea Ltd	All India

(Source: TRAI)

7.2.5 The following table sets forth the wireless subscriber base for the key access service providers for each service area:

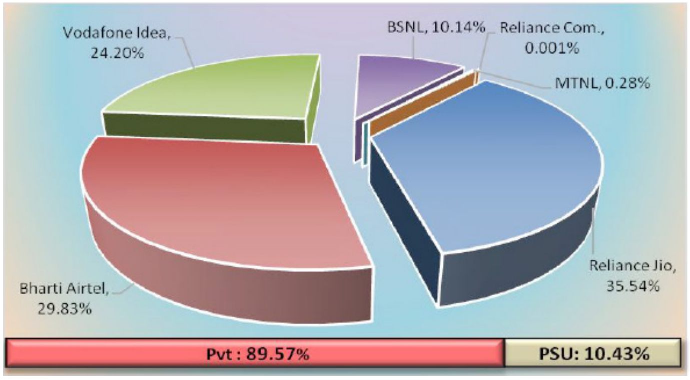
Subscribers as of February 2021 Circle	Bharti Airtel	Vodafone Idea (In Millions)	Reliance JIO
Andhra Pradesh	31.0	15.8	31.6
Assam	9.1	3.2	9.1
Bihar	35.6	12.1	31.8
Delhi	16.2	15.9	19.5
Gujarat	12.0	25.1	25.6
Haryana	5.4	8.1	9.0
Himachal Pradesh	3.3	0.7	4.1
J& K	5.6	0.5	4.6
Karnataka	30.4	9.2	21.1
Kerala	6.7	17.3	10.1
Kolkata	5.9	6.9	11.1
Madhya Pradesh	15.2	21.4	33.7
Maharashtra	18.9	32.3	36.0
Mumbai	10.0	10.5	14.9
North East	5.4	1.4	4.2
Odisha	11.1	2.4	14.1
Punjab	11.5	8.6	12.5
Rajasthan	21.8	12.2	25.4
Tamil Nadu	26.6	19.1	24.6
U.P.(E)	34.7	22.9	30.6
U.P.(W)	16.6	19.9	20.6
West Bengal	15.2	17.1	20.9
Total	**348.3**	**282.6**	**415.0**

Source: TRAI

7.2.6 The wireless telecommunication industry in India has undergone a massive transformation in the last two years with the launch of services by Reliance Jio Infocomm Limited ("RJIL"). RJIL saw a net addition in wireless subscribers of access service providers of almost 4.3 million subscribers in the month of February 2021. RJIL brought about a change in the fundamental tenet of the industry with entire growth being driven by affordable data services. As of February 28, 2021, RJIL had 415 million wireless subscribers on its network according to TRAI.

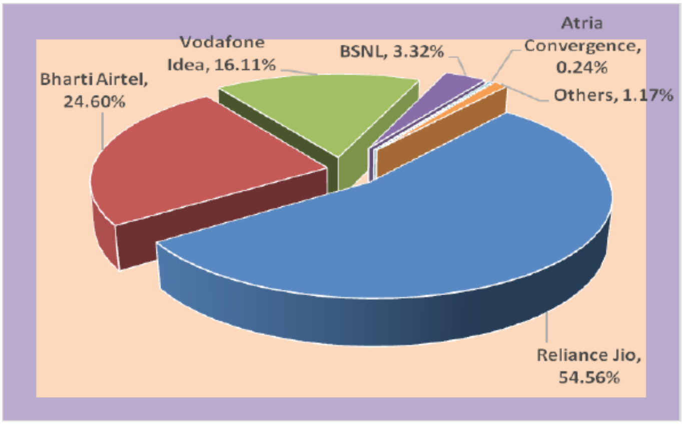
7.2.7 As of February 28, 2021, private access service providers held 89.57% market share of the wireless subscribers whereas BSNL and MTNL, the two public service Undertaking access service providers, held a market share of 10.43%. Among the private access service providers, notable companies include Vodafone Idea (with a market share of 24.20%), Bharti Airtel (with a market share of 29.83%) and RJIL (with a market share of 35.54%).

The following diagrams show the graphical representation of access service provider-wise market share based on wireless subscribers as of February 28, 2021:



(Source: TRAI)

On the other hand, within the subset of broadband service providers, RJIL holds the largest market share with 54.56% as of February 28, 2021 based on the number of subscribers. This is closely followed by Bharti Airtel with 24.60% and Vodafone Idea with 16.11% of market share. The top five providers form 95.27% of the total internet subscriber base, as of February 28, 2021 according to TRAI.



(Source: TRAI)

Recent updates on Telecom Industry:

7.2.8 The Department of Telecom approved applications of Reliance Jio, Bharti Airtel, Vodafone and MTNL to conduct 5G trials in various, bands including the mid-band (3.2 GHz to 3.67 GHz), millimeter wave band (24.25 GHz to 28.5 GHz) and in sub-gigahertz band (700 GHz). The Department of Telecom also provide list of telecom gear makers approved for trials which include eliance Jio's indigenously developed technologies;

7.2.9 Reliance Jio had signed a definitive agreement with Bharti Airtel to acquire the right to use spectrum in the 800-megahertz (MHz) band in Andhra Pradesh, Delhi, and Mumbai circles through spectrum trading for INR 1,497 crore, inclusive of present value of associated deferred payment liability of INR 459 crore, subject to any transaction-related adjustments.

7.2.10 The government held auction of fourth-generation (4G) telecom spectrum in March 2021 which attracted bids worth INR 77,814.80 crore, 18 percent more than the previous sale of airwaves to mobile phone service providers in October 2016. Reliance Jio acquired 488.35 MHz for INR 57,122.65 crore, Bharti Airtel took 355.45 MHz for INR 18,698.75 crore, and Vodafone Idea bided for 11.80 MHz for INR 1,993.40 crore.

8 Valuation Approach

The present valuation exercise is being undertaken to arrive at enterprise value of InvIT Asset for the Purpose. Considering internationally accepted valuation methodologies and in cognizance of international valuation standards and Valuation Standards 2018 issued by ICAI Registered Valuers Organisation, there are three generally accepted approaches to valuation:

i. **"Cost"** Approach

ii. **"Income"** Approach

iii. **"Market"** Approach

Within these three basic approaches, several methods may be used to estimate the value. A brief overview of these approaches is as follows:

8.1 Cost Approach

8.1.1 The cost approach values the underlying assets of the business to determine the business value of the InvIT Asset. This valuation method carries more weight with respect to holding companies than operating companies. Also, asset value approaches are more relevant to the extent that a significant portion of the assets are of a nature that could be liquidated readily if so desired.

i. **<u>Net Asset Value Method</u>**

- The Net Asset Value (**"NAV"**) method under cost approach, consider the assets and liabilities, including intangible assets and contingent liabilities. The net assets, after reducing the dues to the preference shareholders, if any, represent the equity value of a company.
- NAV method is appropriate in a case where the major strength of the business is its asset base rather than its capacity or potential to earn profits.
- This valuation approach is mainly used in cases where the asset base dominates earnings capability.
- As an indicator of the total value of the entity, the net asset value method has the disadvantage of only considering the status of the business at one point in time.
- Additionally, net asset value does not consider the earning capacity of the business or any intangible assets that have no historical cost. In many respects, net asset value represents the minimum benchmark value of an operating business.

ii. **<u>Break Up Value Method</u>**

- Under the Break Up Value (**"BV"**) method, the assets and liabilities are considered at their realizable (market) values including intangible assets and contingent liabilities, if any, which are not stated in the balance sheet. From the realizable value of the assets, the payable value of all liabilities (existing plus potential) are deducted to arrive at the BV of the company.
- This valuation approach is mostly used in case of companies where there are huge operating investments or surplus marketable investments.

8.2 **Income Approach**

8.2.1 The Income approach focuses on the income prospects of a company.

i. <u>Discounted Cash Flow Method</u>

- Under the Discounted Cash Flow (**"DCF"**) method, the value of the undertaking is based on expected 'cash flows for future, discounted at a rate, which reflects the expected returns and the risks associated with the cash flows as against its accounting profits. The value of the undertaking is determined as the present value of its future free cash flows.
- Free cash flows are discounted for the explicit forecast period and the perpetuity value thereafter. Free cash flows represent the cash available for distribution to both, the owners and lenders to the business.
- Discount rate is the Weighted Average Cost of Capital (**"WACC"**), based on an optimal vis-à-vis actual capital structure. It is appropriate rate of discount to calculate the present value of future cash flows as it considers equity–debt risk and also debt–equity ratio of the firm.
- The perpetuity (terminal) value is calculated based on the business's potential for further growth beyond the explicit forecast period. The **"constant growth model"** is applied, which implies an expected constant level of growth (for perpetuity) in the cash flows over the last year of the forecast period.
- The discounting factor (rate of discounting the future cash flows) reflects not only the time value of money, but also the risk associated with the business's future operations.
- The Business/Enterprise Value so derived, is further reduced by value of debt, if any, (net of cash and cash equivalents) to arrive at value to the owners of business. The surplus assets/ non-operating assets are also adjusted.
- In case of free cash flows to equity, the cash available for distribution to owners of the business is discounted at the Cost of Equity and the value so arrived is the Equity Value before surplus/ non-operating assets. The surplus assets / non-operating assets are further added to arrive at the Equity Value.

8.3 **Market Approach**

i. <u>Market Price Method</u>

- Under this approach, the market price of an equity share as quoted on a recognized stock exchange is normally considered as the fair value of the equity shares of that company where such quotations are arising from the shares being regularly and freely traded. The market value generally reflects the investors' perception about the true worth of the company.

ii. <u>Comparable Companies Multiple Method</u>

- Under the Comparable Companies Multiple (**"CCM"**) method, the value is determined on the basis of multiples derived from valuations of comparable companies, as manifest through stock market valuations of listed companies. This valuation is based on the principle that market valuations, taking place between informed buyers and informed sellers, incorporate all factors relevant to valuation. Relevant multiples need to be chosen carefully and adjusted for differences between the circumstances.
- To the value of the business so arrived, adjustments need to be made for the value of contingent assets/liabilities, surplus Asset and dues payable to preference shareholders, if any, in order to arrive at the value for equity shareholders.

iii. <u>Comparable Transactions Multiple Method</u>

- Under the Comparable Transactions Multiple (**"CTM"**) method, the value of a company can be estimated by analysing the prices paid by purchasers of similar companies under similar circumstances. This is a valuation method where one will be comparing recent market transactions in order to gauge current valuation of target company.

8.4 **Conclusion on Valuation Approach**

Sr. No.	Valuation Approach	Valuation Methodology	Used	Explanation
I	Cost Approach	- Net Asset Value & Break Up Value	No	NAV or the BV does not capture the future earning potential of the business.
II	Income Approach	- Discounted Cash Flow	Yes	Tower Co. derives its true value from the potential to earn income in the future. Hence, I have considered DCF method under Income Approach for Valuation.
III	Market Approach	- Market Price	No	Tower Co. is not listed on any stock exchange, therefore I have not considered market price method of valuation.
		- Comparable Companies	No	There are no listed companies directly comparable to the business of the InvIT Asset considering the distinct nature of asset and capital structure. Hence, I have not considered CCM method.
		- Comparable Transactions	No	Due to unavailability of transactions in the public domain with business and characteristics similar to Tower Co., I have not considered CTM method.

- Accordingly, in the instant case, the Discounted Cash Flow Method was considered as the most appropriate method for valuation of the InvIT Asset. Under the DCF method, I have used Free Cash Flow to Firm (“**FCFF**”) model for valuation.

9 Valuation of InvIT Asset

9.1 **DCF Method:**

9.1.1 The value of the InvIT Asset is based on the FCFF of Tower Co.

9.1.2 The unaudited balance sheet position of Tower Co. as on March 31, 2021 has been considered as the opening balance sheet of Tower Co. for the purpose of valuation.

9.1.3 Tower Co. and RJIL have entered into the Amended and Restated MSA in terms of which Tower Co. shall provide Passive Infrastructure and Services to RJIL for a period of 30 years from the Closing i.e. September 1, 2020. Hence, the financial projections, as provided by the Management, are for a period of 29.5 years starting from April 1, 2021 till August 31, 2050 which has been considered for valuation. The financial forecast provided by the Management were reviewed by me for consistency and reasonableness, however I have not independently verified the data provided.

9.1.4 Following are the key assumptions considered as per the Transaction Documents in the financial projections while determining the operating cash flows of Tower Co.:

i. **Volumes:**

Year	No of Towers
As of March 31, 2020	133,415
As of July 31, 2020	135,047
As of March 31, 2021	138,086
FY22 to FY50	174,451

The number of Tower Sites are expected to increase from 138,086 as of March 31, 2021 to 174,451 during FY22. Currently, RJIL is the sole tenant of operational Tower Sites and it will be the anchor tenant on all of the current and the proposed Tower Sites. Further, Tower Co. has entered into agreement with other tenants also for the share of towers in April 2021. The other tenants are considered from April 1, 2021 to March 31, 2050. Therefore, for the purpose of the current valuation exercise we have considered additional tenants being added to the towers. The tenancy ratio is estimated at 1.02 in the projected period.

ii. **Monthly Site Premium:**

I have considered the Monthly Site Premium (being the site premium payable by RJIL to Tower Co.) for the provision of Passive Infrastructure and Services as specified in the Amendment and Restated MSA together with applicable escalations specified therein to forecast the revenues of Tower Co.

Monthly Site Reimbursement and the Power & Fuel ("**P&F**") costs as stated in the Amendment and Restated MSA are considered. The Monthly Site Reimbursement with respect to a Site, refers to the payment to be made by Tower Co. under relevant landlord contracts for use of such Site such as license fee / lease or rental amount. P&F costs refers to the power and fuel costs to be charged based on actuals by Tower Co. to RJIL.

Similar assumptions of monthly site premium has been taken with respect to other tenants. The other tenants are charged monthly site premium for the provision of Passive Infrastructure and Services at market rate which is estimated to escalate at 2.5% p.a.

iii. **O&M Contract Price**

The fees to be paid by Tower Co. to the Operator including the escalations thereon in terms of the Restated and Amended Operations and Maintenance Agreement to determine the forecasted O&M expenses are considered for O&M Contract Price.

iv. **Other Expenses**

The manpower head count of 322 with an average salary p.a. of INR 3.0 Million with escalation of 8% p.a. has been assumed. Additionally, fixed administration expenses of INR 700.0 million with escalation of 5% p.a.

v. **Capital Expenditure**

Tower Co. projects a total capex of ~ INR 74,808.8 Mn from Valuation Date till FY22 exclusive of Goods and Service Tax. The capex is majorly towards construction of additional Tower Sites and is in accordance with the terms of the Restated Project Execution Agreement.

vi. **Discounted Cash Flow**

- The explicit period has been considered from April 1, 2021 to August 31, 2050.
- Working capital requirement and expected capital expenditure are considered as provided by the Management during forecast period.
- FCFF method under DCF is used to calculate enterprise value of Tower Co.
- In FCFF, the free cash flows available to the company are discounted by WACC to derive the net present value. WACC of 8.80% is considered.
- The projected net cash flows are discounted back to their present value using mid-year discounting convention. The use of mid-year discounting factors better reflects the assumption that net cash flows will be generated throughout the year, rather than at the beginning or at the end of the year.
- Given the fixed term of the Project Agreements, terminal cash flow discounting is not considered. Recoupment of all working capital at the end of the forecast period is considered.
- Tax rate of 25.17% being the tax rate prevailing in India.

- The enterprise value ("**Enterprise Value**") of Tower Co. is arrived at INR 440,055.1 Mn, determined as an aggregate of the present value of forecast period.

vii. <u>Discounting Factor</u>

- Free Cash Flows to Firm ("FCFF") model under DCF method is used to estimate the Enterprise Value of Tower Co. In FCFF, the free cash flows available are discounted by Weighted Average Cost of Capital ("WACC") to arrive the net present value.
- The WACC is arrived at after considering the cost of equity and the post-tax cost of debt and the post-tax cost of the Trust Loan and their respective weights in the capital structure of Tower Co.
- The break-up of the debt (excluding any interest due thereon) as of March 31, 2021 is provided below

Particulars	As of March 31, 2021 in INR Million	As of March 31, 2021 adjusted for additional External Loan in INR Million
Long term loans (including current maturity of long term borrowings) – External	185,754.3	270,000.0
Trust Loan	250,000.0	250,000.0
Total	**435,754.3**	**520,000.0**

- The Tower Co. is proposing to raise additional loan of INR 88,274.4 Mn for future capex needs. The additional debt has also been considered for the purpose of determination of WACC.
- While the Trust Loan is in the nature of debt at the level of Tower Co., at the consolidated Trust level, the same would be considered as equity. For the purpose of this valuation exercise, we have considered the following to determine the WACC

  WACC = (Cost of External Debt * (1-tax rate) * External Debt as of March 31, 2021 (adjusted for additional debt) + Cost of Trust Loan * (1-tax rate) * Trust Loan + Cost of Equity * Equity Share Capital (Rs.215 crore as of March 31, 2021)) / (External Debt as of March 31, 2021 (adjusted for additional debt) + Trust Loan + Equity Share Capital as of March 31, 2021)

- The cost of equity ("CoE") has been calculated as per the Capital Asset Pricing Model based on the following parameters:
  - Cost of equity = Risk Free Rate + [Beta X Equity Risk Premium]
  - Risk free rate of return of 6.71% is based on yields of 10 year zero coupon bond yield as on March 31, 2021 having and as listed on <u>www.ccilindia.com</u>.
  - Expected market premium of 8.29% has been calculated on the expected market return of 15.0% as prevalent in India based on historical market returns and my analysis.
  - Beta is a measure of systematic risk of the company's stock as compared to the market risk. Since there are no listed companies directly comparable to the business of the InvIT Asset considering the distinct nature of asset and capital structure, I have considered a market beta of 1.0 for determination of CoE.
- Based on above, the base cost of equity is arrived at 15.00%.
- Further, I have considered post tax cost of external debt of 5.93% and post-tax cost of trust loan of 11.22% to arrive at WACC of 8.45%.

- I have reduced the risk premium over my last valuation by 0.5% given the demonstrated ability of the Tower Co to raise debt at lower cost, stabilisation of operations and the strategy of completion of the additional tower sites to take the total towers to 174,451 towers by way of inorganic acquisition as may be possible alongwith some greenfield construction. I have considered an additional risk premium of 0.35%.
- I have hence considered a WACC of 8.80% for the valuation.

10 Valuation Summary

10.1. The current valuation has been carried out based on the valuation methodology explained herein earlier. Further, various qualitative factors, the business dynamics and growth potential of the business, having regard to information base, management perceptions, key underlying assumptions and limitations, were given due consideration.

10.2. I would like to highlight that in the ultimate analysis, valuation will have to be tempered by the exercise of judicious discretion and judgment taking into account all the relevant factors. There will always be several factors, e.g. quality of the management, present and prospective competition, yield on comparable securities and market sentiment, etc. which are not evident from the face of the balance sheets but which will strongly influence the worth of an entity or business.

10.3. The enterprise value of InvIT Asset is arrived at INR 440,055.1 Mn, corresponding to an asset base of 138,086 towers.

11 Annexures

11.1 Annexure I

A. Valuation of InvIT Asset as per DCF Method

Valuation as per Discounted Cash Flow Method as on 31-Mar-2021 (INR Mn)										
Year Ending		**FY22**	**FY23**	**FY24**	**FY25**	**FY26**	**FY27**	**FY28**	**FY29**	**FY30**
Net Sales		61,784.9	74,682.5	78,663.3	80,628.9	82,644.3	84,710.8	86,829.6	89,002.1	91,229.7
Growth Rate			*21%*	*5%*	*2%*	*2%*	*3%*	*3%*	*3%*	*3%*
EBITDA		36,378.1	43,404.7	45,659.8	46,787.7	47,937.1	49,108.2	50,300.9	51,515.3	52,751.4
EBITDA Margins		*59%*	*58%*	*58%*	*58%*	*58%*	*58%*	*58%*	*58%*	*58%*
Less : Outflows										
Capital Expenditure		(74,808.8)	-	-	-	-	-	-	-	-
GST Block		(6,617.6)	8,132.9	7,760.3	-	-	-	-	-	-
Incremental Working Capital		(163.9)	427.1	86.3	66.0	68.3	70.6	73.1	75.6	78.3
Taxation		-	-	-	-	-	-	(3,490.4)	(8,321.7)	(9,329.3)
Free Cash Flows (FCF)		**(45,212.2)**	**51,964.7**	**53,506.4**	**46,853.7**	**48,005.3**	**49,178.8**	**46,883.5**	**43,269.3**	**43,500.3**
Present Value Factor		0.96	0.88	0.81	0.74	0.68	0.63	0.58	0.53	0.49
Present Value of Cash Flows		**(43,345.3)**	**45,789.4**	**43,334.5**	**34,877.3**	**32,844.3**	**30,925.6**	**27,097.7**	**22,986.0**	**21,239.6**
NPV of Explicit Period	4,39,720.3									
Working Capital in last year	334.9									
Enterprise Value (EV)	**4,40,055.1**									

Valuation as per Discounted Cash Flow Method as on 31-Mar-2021 (INR Mn)										
Year Ending	**FY31**	**FY32**	**FY33**	**FY34**	**FY35**	**FY36**	**FY37**	**FY38**	**FY39**	**FY40**
Net Sales	93,513.9	95,855.9	98,257.5	1,00,720.0	1,03,245.0	1,05,834.3	1,08,489.3	1,11,211.9	1,14,003.7	1,16,866.6
Growth Rate	*3%*	*3%*	*3%*	*3%*	*3%*	*3%*	*3%*	*3%*	*3%*	*3%*
EBITDA	54,008.9	55,287.8	56,587.8	57,908.7	59,250.2	60,611.8	61,993.1	63,393.5	64,812.3	66,248.8
EBITDA Margins	*58%*	*58%*	*58%*	*57%*	*57%*	*57%*	*57%*	*57%*	*57%*	*57%*
Less : Outflows										
Capital Expenditure	-	-	-	-	-	-	-	-	-	-
GST Block	-	-	-	-	-	-	-	-	-	-
Incremental Working Capital	81.1	84.0	87.1	90.3	93.6	97.2	100.9	104.8	108.8	113.1
Taxation	(10,237.9)	(11,063.0)	(11,817.9)	(12,514.0)	(13,160.7)	(13,766.1)	(14,337.0)	(14,879.3)	(15,397.7)	(15,896.4)
Free Cash Flows (FCF)	**43,852.1**	**44,308.8**	**44,856.9**	**45,485.0**	**46,183.2**	**46,942.9**	**47,757.0**	**48,619.0**	**49,523.5**	**50,465.6**
Present Value Factor	0.45	0.41	0.38	0.35	0.32	0.29	0.27	0.25	0.23	0.21
Present Value of Cash Flows	**19,679.6**	**18,276.2**	**17,005.8**	**15,849.2**	**14,790.9**	**13,818.2**	**12,920.8**	**12,090.1**	**11,318.9**	**10,601.3**

Valuation as per Discounted Cash Flow Method as on 31-Mar-2021 (INR Mn)											
Year Ending	**FY41**	**FY42**	**FY43**	**FY44**	**FY45**	**FY46**	**FY47**	**FY48**	**FY49**	**FY50**	**FY51***
Net Sales	1,19,802.4	1,22,812.9	1,25,900.2	1,29,066.1	1,32,312.8	1,35,642.2	1,39,056.7	1,42,558.2	1,46,149.2	1,49,831.9	62,882.3
Growth Rate	*3%*	*3%*	*3%*	*3%*	*3%*	*3%*	*3%*	*3%*	*3%*	*3%*	*-58%*
EBITDA	67,702.1	69,171.2	70,654.9	72,152.0	73,661.1	75,180.6	76,708.6	78,243.3	79,782.3	81,323.3	33,432.5
EBITDA Margins	*57%*	*56%*	*56%*	*56%*	*56%*	*55%*	*55%*	*55%*	*55%*	*54%*	*53%*
Less : Outflows											
Capital Expenditure	-	-	-	-	-	-	-	-	-	-	-
GST Block	-	-	-	-	-	-	-	-	-	-	-
Incremental Working Capital	117.6	122.4	127.4	132.6	138.2	144.0	150.2	156.7	163.5	170.8	394.2
Taxation	(16,378.7)	(16,847.5)	(17,305.1)	(17,753.5)	(18,194.2)	(18,628.3)	(19,056.9)	(19,480.5)	(19,899.6)	(20,314.4)	(8,284.2)
Free Cash Flows (FCF)	**51,441.0**	**52,446.0**	**53,477.1**	**54,531.1**	**55,605.1**	**56,696.3**	**57,801.9**	**58,919.5**	**60,046.2**	**61,179.6**	**25,542.5**
Present Value Factor	0.19	0.18	0.16	0.15	0.14	0.13	0.12	0.11	0.10	0.09	0.09
Present Value of Cash Flows	**9,932.2**	**9,307.2**	**8,722.6**	**8,175.1**	**7,661.9**	**7,180.4**	**6,728.3**	**6,303.7**	**5,904.6**	**5,529.5**	**2,174.7**

*** For period ending August 31, 2050**

11.2 Annexure II – Details of all Permissions

- Tower Co. is registered with the Government of India, Ministry of Communications, Department of Telecommunications as an Infrastructure Provider Category I (IP-I) to establish and maintain the assets such as dark fibres, right of way, duct space and tower for the purpose to grant to lease, rent or sale basis to the licensees to telecom services licensed under Section 4 of the Indian Telegraph Act, 1885 on mutually agreed terms and conditions.
- Certain other key permissions and approvals required to be obtained by the Tower Co. for its present business are set out below:
  - Approvals from local authorities, as applicable, such as municipal authorities and gram panchayats for setting up of towers;
  - Consents or intimations from pollution control boards, as applicable, for operation of DG sets; and
  - Permissions from state electricity boards or power distribution companies, as applicable, for electrical connections.
- Certain approvals may have expired in their normal course and the Tower Co. has either made an application to the appropriate authorities for renewal of such approvals or is in the process of making such applications. Tower Co. undertakes to obtain, either through itself or its contractors, all approvals, licenses, registrations and permissions required to operate its business. Certain approvals and permissions in relation to the business of the Tower Co. are in the name of RJIL. Pursuant to the Scheme of Arrangement, the tower infrastructure undertaking of RJIL, comprising the business of setting up and maintaining passive tower infrastructure and related assets and providing passive tower infrastructure services was transferred and vested in Tower Co. as of, and with effect from the close of business of March 31, 2019. The Scheme of Arrangement was approved by the National Company Law Board, Ahmedabad ("NCLT"), through its order dated March 20, 2019. The Scheme of Arrangement became effective from the close of business on March 31, 2019.

11.3 Annexure III – Litigations Details

1) The CENVAT credit on the telecommunication tower was disputed by the Service Tax authorities. The Bombay High Court in a different matter had held that telecom tower is immovable in nature and accordingly CENVAT credit on tower is not permitted to be claimed. The decision of the Bombay High Court has been challenged in the Supreme Court.

   In view of the ongoing litigation and also due to the fact that under GST law also the telecom towers have been expressly been excluded from the definition of plant and machinery, the CENVAT credit claimed on telecom towers was reversed under protest and simultaneously a refund claim was filed by Reliance Jio Infocomm Limited ("RJIL"). The amount paid under protest has been transferred to the Tower Co. under the scheme of demerger.

Vide order dated August 30, 2019, the appellate tribunal has rejected the refund claim and an appeal has been filed by RJIL in Mumbai CESTAT against the rejection.

In view of the above the amount of Rs. 2,53.53 crore is presently shown under non-current asset and if the same is decided against RJIL and therefore in effect against the Tower Co. the same would be capitalized.

As confirmed by the management, other than the above, there are no material litigations involving the Tower Co. or regulatory actions pending against the Tower Company requiring a disclosure under this section.

11.4 **Annexure IV – Other Disclosures as required under SEBI InvIT Regulations**

Statement of Assets

The InvIT holds entire outstanding equity share capital in Tower Co. Tower Co. is in the business of setting up and maintaining passive tower infrastructure and related assets and providing passive tower infrastructure services in India to telecommunication service providers. The Tower Infrastructure Business was transferred by way of a slump sale on a going concern basis by RJIL to Tower Co. under a scheme of arrangement that was approved by the National Company Law Tribunal, Ahmedabad with effect from close of business hours March 31, 2019. As per the audited financial statements of Tower Co. as of March 31, 2021, Tower Co. has a gross fixed assets consisting of assets related to Tower Infrastructure Business aggregating INR 417,425.8 Million.

Details of Major Repairs – Past and Proposed

- As per discussions with Management and given the relatively newer portfolio of assets, I understand that no major repairs have been done in the past to the operational Tower Assets
- Going forward, the maintenance (including any major maintenance) costs are to be borne by RPPMSL in terms of the Amended and Restated O&M Agreement and accordingly I understand that there is no major repair costs that Tower Co. would need to incur.

Revenue pendency including local authority taxes associated with the InvIT Asset and compounding charges

The Management has confirmed to me that there are no revenue pendencies including local authority taxes associated with the InvIT Assets and compounding charges

Vulnerability to natural or induced hazards that may not have been covered in town planning/ building control

The Management has confirmed to me that there is no vulnerability to natural or induced hazards that may not have been covered in town planning / building control.

11.5 **Earlier Site Visit Photographs**

Mumbai - Cell on Wheels
Bandra Kurla Complex

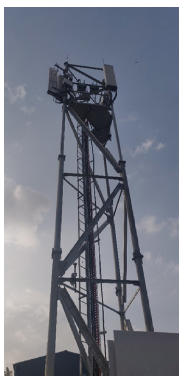
Mumbai – Ground Based
Mast Anik Depot, Wadala

Mumbai - Roof Top Pole
Reliance Jio SRM Office, Worli

Mumbai – Roof Top Pole Zinc Plaza, Dadar West

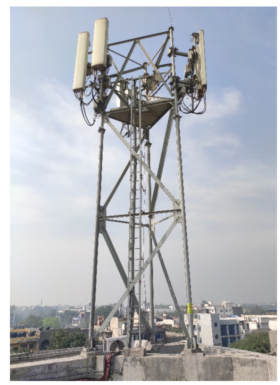
Kolkata - Ground Based Mast Newtown Bus Stand

Kolkata - Ground Based Mast Rajarhat

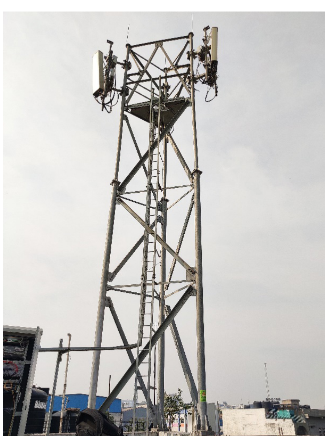


Bangalore - Roof Top TowerRajaji Nagar

Bangalore - Roof Top Tower Tippenahalli



Delhi - Roof Top TowerAjisar Management Pvt Ltd, Okhla Phase II



Delhi - Roof Top TowerG Healthcare, Okhla Phase II

Network Operations Centre – Reliance Corporate Park, Ghansoli

INDEPENDENT AUDITOR'S REPORT

To The Unitholders of Tower Infrastructure Trust
Report on the Audit of Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of Tower Infrastructure Trust ("the Trust"), which comprise the Standalone Balance Sheet as at March 31, 2021, Standalone Statement of Profit and Loss including Statement of Other Comprehensive Loss, Statement of Changes in Unitholders' Equity, Standalone Cash Flow Statement for the year then ended, Standalone Statement of Net Assets at Fair Value as at March 31, 2021 and Standalone Statement of Total Returns at Fair Value, and Net Distributable Cash Flows for the year then ended and a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Securities and Exchange Board of India (Infrastructure Investment Trusts) Regulations, 2014 as amended from time to time including any guidelines and circulars issued thereunder read with the SEBI circular number CIR/IMD/DF/114/2016, dated October 20, 2016 and CIR/IMD/DF/127/2016 dated November 29, 2016 (together referred to as the "InvIT Regulations") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards as defined in Rule 2(1)(a) of the Companies (Indian Accounting Standards) Rules, 2015 (as amended), and other accounting principles generally accepted in India, to the extent not inconsistent with the InvIT Regulations, of the state of affairs of the Trust as at March 31, 2021, and its profit including other comprehensive income, its changes in unitholders' equity, the cash flows for the year ended March 31, 2021, its net assets at fair value as at March 31, 2021, total returns at fair value and net distributable cash flows for the year ended on that date and other financial information of the Trust.

Basis for Opinion

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing (SAs) issued by the Institute of Chartered Accountants of India (ICAI). Our responsibilities under those Standards are further described in the Auditor's Responsibility for the Audit of the Standalone Financial Statements section of our report. We are independent of the Trust in accordance with the Code of Ethics issued by the ICAI and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

Emphasis of Matter

We draw attention to Note 5 which describes the presentation of "Unit Capital" as "Equity" to comply with InvIT Regulations. Our opinion is not modified in respect of this matter.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the standalone financial statements of the current period. We have determined that there are no key audit matters to communicate in our report.

Information Other than the Financial Statements and Auditor's Report Thereon

- Brookfield India Infrastructure Manager Private Limited (formerly known as WIP (India) Private Limited) ('Investment Manager') acting in its capacity as an Investment Manager of the Trust is responsible for the other information. The other information comprises the information and disclosures included in the Annual Report but does not include the standalone financial statements, consolidated financial statements and our auditor's report thereon. The Annual Report is expected to be made available to us after the date of this auditor's report.

- Our opinion on the standalone financial statements does not cover the other information and we will not express any form of assurance conclusion thereon.
- In connection with our audit of the standalone financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.
- If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

Management's Responsibility for the Standalone Financial Statements

The Management of Investment Manager ("the Management"), is responsible for the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, changes in unitholders' equity, cash flows, net assets at fair value, total returns at fair value and net distributable cash flows of the Trust in accordance with the InvIT Regulations, the Indian Accounting Standards as defined in Rule 2(1)(a) of the Companies (Indian Accounting Standards) Rules, 2015 (as amended) and other accounting principles generally accepted in India, to the extent not inconsistent with InvIT Regulations. This responsibility also includes maintenance of adequate accounting records for safeguarding the assets of the Trust and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error which have been used for the purpose of preparation of the standalone financial statements by the Investment Manager of the InvIT, as aforesaid.

In preparing the standalone financial statements, the management is responsible for assessing the Trust's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Trust or to cease operations, or has no realistic alternative but to do so.

The Investment Manager is also responsible for overseeing the Trust's financial reporting process.

Auditor's Responsibility for the Audit of the Standalone Financial Statements

Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on the effectiveness of the Trust's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Trust's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Trust to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the Standalone financial statements of the Trust to express an opinion on the standalone financial statements.

Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the standalone financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the standalone financial statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current year and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

Based on our audit and as required by InvIT Regulations, we report that:

a) We have obtained all the information and explanations which, to the best of our knowledge and belief were necessary for the purpose of our audit;

b) The Standalone Balance sheet, and Standalone Statement of Profit and Loss including Other Comprehensive Income, Standalone Cash Flow Statement, Standalone Statement of Changes in Unitholders' Equity, dealt with by this Report are in agreement with the relevant books of account of the Trust;

c) In our opinion, the aforesaid standalone financial statements comply with the Indian Accounting Standards as defined in Rule 2(1)(a) of the Companies (Indian Accounting Standards) Rules, 2015 (as amended), and other accounting principles generally accepted in India, to the extent not inconsistent with the InvIT Regulations.

For Deloitte Haskins & Sells LLP
Chartered Accountants
(Registration No. 117366W/W-100018)

Varsha A. Fadte
Partner
(Membership No. 103999)
(UDIN: 21103999AAAAGO9728)

Chicalim, Goa, June 07, 2021

Standalone Balance Sheet as at March 31, 2021

(Rs. in Million)

Particulars	Notes	As at March 31, 2021	As at March 31, 2020
ASSETS			
NON-CURRENT ASSETS			
Financial Assets			
Investments	1	2,150	1,097
Loans and advances	2	2,50,000	-
Total Non-Current Assets		**2,52,150**	**1,097**
CURRENT ASSETS			
Financial Assets			
Cash and Cash Equivalents	3	133	15
Other Current Assets	4	3,495	-
Total Current Assets		**3,628**	**15**
Total Assets		**2,55,778**	**1,112**
EQUITY AND LIABILITIES			
EQUITY			
Unit capital	5	2,52,150	-
Contribution	6	240	124
Other Equity	7	1,033	(167)
Total Equity		**2,53,423**	**(43)**
LIABILITIES			
Non - Current Liabilities			
Other financial liabilities	8	**2,215**	-
Current Liabilities			
Financial Liabilities			
Trade Payables due to			
- total outstanding dues of micro enterprises and small enterprises	9	-	40
- total outstanding dues of creditors other than micro enterprises and small enterprises			
Other Financial Liabilities	10	-	1,100
Other Current Liabilities	11	140	15
Total Current Liabilities		**140**	1,155
Total Liabilities		**2,355**	**1,155**
Total Equity and Liabilities		**2,55,778**	**1,112**

Significant Accounting Policies

See accompanying Notes to the Standalone Financial Statements 1 to 27

"0" represents the amount below the denomination threshold.

As per our report of even date.

For Deloitte Haskins & Sells LLP
Chartered Accountants
Firm Regn No: 117366W/W-100018

For and on the behalf of the Board of Director of
Brookfield India Infrastructure Manager Private Limited
(acting in the capacity of Investment Manager of Tower Infrastructure Trust)

Varsha A. Fadte
Partner

Date: June 07, 2021
Place: Chicalim, Goa

Sridhar Rengan
Chairperson of the Board
DIN: 03139082

Date: June 07, 2021
Place: Chennai

Dhananjay Joshi
Member of Tower InvIT Committee
PAN: AASPJ9719K

Date: June 07, 2021
Place: Bangalore

Inder Mehta
Compliance Officer of the Trust
PAN: AAFPM5702N

Date: June 07, 2021
Place: Mumbai

Standalone Statement of Profit and Loss for the year ended March 31, 2021

(Rs. in Million)

	Notes	Year ended March 31, 2021	Year ended March 31, 2020
INCOME			
Revenue from Operations	12	13,860	-
Total Income		**13,860**	-
EXPENSES			
Investment Manager Fee		26	24
Trustee Fee		2	2
Project Manager Fee		24	24
Audit Fees		18	15
Finance Costs	13	41	99
Legal and Professional Fees		2	2
Listing Fee		1	-
Other Expenses	14	196	0
Total Expenses		**310**	**166**
Profit / (Loss) before Tax		**13,550**	(166)
Tax expenses		**-**	-
Profit / (Loss) for the period		**13,550**	(166)
Other Comprehensive Income / (Loss)		-	-
Total Comprehensive Income/(Loss) for the year		**13,550**	(166)
EARNINGS PER UNIT	15		
Basic (in Rupees)		**9.21**	-
Diluted (in Rupees)		**9.21**	**-**
Significant Accounting Policies			
See accompanying Notes to the Standalone Financial Statements	1 to 27		

"0" represents the amount below the denomination threshold.

As per our report of even date.

For Deloitte Haskins & Sells LLP
Chartered Accountants
Firm Regn No: 117366W/W-100018

For and on the behalf of the Board of Director of
Brookfield India Infrastructure Manager Private Limited
(acting in the capacity of Investment Manager of Tower Infrastructure Trust)

Varsha A. Fadte
Partner

Date: June 07, 2021
Place: Chicalim, Goa

Sridhar Rengan
Chairperson of
the Board
DIN: 03139082

Date: June 07, 2021
Place: Chennai

Dhananjay Joshi
Member of Tower
InvIT Committee
PAN: AASPJ9719K

Date: June 07, 2021
Place: Bangalore

Inder Mehta
Compliance Officer
of the Trust
PAN: AAFPM5702N

Date: June 07, 2021
Place: Mumbai

Standalone Cash Flow Statement for the year ended March 31, 2021

(Rs. in Million)

		Year ended March 31, 2021	Year ended March 31, 2020
A	**CASH FLOW FROM OPERATING ACTIVITIES:**		
	Profit / (Loss) as per Statement of Profit and Loss	**13,550**	**(166)**
	Adjusted for		
	Fair Valuation measurement losses on call option	195	
	Finance Costs	41	99
	Interest Income	(13,860)	-
	Interest received	10,365	-
	Operating profit before working capital changes	**10,291**	**(67)**
	Adjusted for :		
	Increase / (Decrease) in Trade Payables	(40)	39
	Increase / (Decrease) in other current liabilities	126	14
		86	**53**
	Cash Generated from Operations (A)	**10,377**	**(14)**
B	**CASH FLOW FROM INVESTING ACTIVITIES:**		
	Acquisition of subsidiary	(1,054)	-
	Loans and advances made	(2,50,000)	-
	Net Cash flow used in Investing Activities (B)	**(2,51,054)**	-
C	**CASH FLOW FROM FINANCING ACTIVITIES:**		
	Repayment of long term Borrowings	(1,100)	-
	Contribution received during the year	116	124
	Issuance of Unit capital	2,52,150	-
	Distribution to unit holders	(10,306)	-
	Unit issuance costs	(24)	-
	Interest paid	(41)	(99)
	Net Cash flow generated from financing activities (C)	**2,40,795**	**25**
	Net increase in Cash and Cash Equivalents (A+B+C)	**118**	**11**
	Opening Balance of Cash and Cash Equivalents	**15**	**4**
	Closing Balance of Cash and Cash Equivalents (Refer Note 3)	**133**	**15**

Notes:

1. The above Statement of Cash Flow has been prepared under the "Indirect Method" as set out in IND AS - 7 "Statement of Cash Flows"
2. Non-cash investing activity -
   Call Option written on shares of subsidiary Rs. 2,020 Mn for year ended March 31, 2021 (Previous year :Nil)

Significant Accounting Policies

"0" represents the amount below the denomination threshold.

See accompanying Notes to the Standalone Financial Statements 1 to 27

As per our report of even date.

For Deloitte Haskins & Sells LLP
Chartered Accountants
Firm Regn No: 117366W/W-100018

For and on the behalf of the Board of Director of
Brookfield India Infrastructure Manager Private Limited
(acting in the capacity of Investment Manager of Tower Infrastructure Trust)

Varsha A. Fadte	**Sridhar Rengan**	**Dhananjay Joshi**	**Inder Mehta**
Partner	Chairperson of the Board	Member of Tower InvIT Committee	Compliance Officer of the Trust
	DIN: 03139082	PAN: AASPJ9719K	PAN: AAFPM5702N
Date: June 07, 2021	Date: June 07, 2021	Date: June 07, 2021	Date: June 07, 2021
Place: Chicalim, Goa	Place: Chennai	Place: Bangalore	Place: Mumbai

Disclosures pursuant to SEBI Circulars

(SEBI Circular No.CIR/IMD/DF/114/2016 dated October 20, 2016 and No. CIR/IMD/DF/127/2016 dated November 29, 2016 issued under InvIT Regulations)

(A) Debt Payment History: (Rs. in Million)

Loan from Others	As at March 31, 2021	As at March 31, 2020
Carrying amount of debt at the beginning of the year	1,100	1,100
Additional borrowing during the year	-	-
Repayments during the year	(1,100)	-
Other adjustments	-	-
Carrying amount of debt at the end of the year	**-**	**1,100**

(B) Statement of Net Assets at Fair Value (Rs. in Million)

	As at March 31, 2021	
	Book Value	Fair Vaue*
A. Assets	2,55,778	4,40,055
B. Liabilities	2,355	1,75,769
C. Net Assets (A-B)	**2,53,423**	**2,64,286**
D. Number of units	**2,52,15,00,000**	**2,52,15,00,000**
C. NAV (C/D)	**100.50**	**104.81**

*Total Assets includes the Fair Value of the Enterprise Value attributable to the InvIT as at March 31, 2021. Assets are valued as per valuation report issued by independent valuer appointed under the InvIT Regulations and relied on by the Statutory Auditors. Total Liabilities includes the Fair Value of the call option with Reliance Industries Limited in respect of SDIPL shares. The liability is valued as per valuation report issued by an independent valuer and relied upon by the Statutory Auditors.

(C) Statement of Total Return at Fair Value (Rs. in Million)

	Year ended March 31, 2021
Total Comprehensive Income (As per Statement of Profit and Loss)	13,550
Add/(Less): Other changes in fair value (e.g. Property, Plant and Equipment)	-
Total Return	**13,550**

Standalone Statement of Changes In Unitholders' equity for the year ended March 31, 2021

(Rs. in Million)

		Year ended March 31, 2021	Year ended March 31, 2020
(A)	**Unit Capital**		
	Balance at the beginning of the year	-	-
	Issuance during the year	2,52,150	-
	Balance at the end of the year	**2,52,150**	-
(B)	**Initial Contribution**		
	Balance at the beginning of the year	124	-
	Contribution during the year	116	124
	Balance at the end of the year	**240**	**124**
(C)	**Other Equity**	**Retained Earnings**	**Total**
	As at March 31, 2020		
	Balance at the beginning of the year	(1)	(1)
	Total Comprehensive Loss for the year	(166)	(166)
	Balance at the end of the year	**(167)**	**(167)**
	As at March 31, 2021		
	Balance at the beginning of the year	**(167)**	**(167)**
	Total Comprehensive Income / (Loss) for the year	13,550	13,550
	Return on Capital distribution#	(10,306)	(10,306)
	Units issuance costs	(24)	(24)
	Other Adjustments (Refer Note 18)	(2,020)	(2,020)
	Balance at the end of the year	**1,033**	**1,033**

#Return on capital distribution during the year as per NDCF duly approved by investment manager. Refer Note 22.

Significant Accounting Policies

See accompanying Notes to the Standalone Financial Statements 1 to 27

"0" represents the amount below the denomination threshold.

As per our report of even date.

For Deloitte Haskins & Sells LLP
Chartered Accountants
Firm Regn No: 117366W/W-100018

For and on the behalf of the Board of Director of
Brookfield India Infrastructure Manager Private Limited
(acting in the capacity of Investment Manager of Tower Infrastructure Trust)

Varsha A. Fadte
Partner

Date: June 07, 2021
Place: Chicalim, Goa

Sridhar Rengan
Chairperson of the Board
DIN: 03139082

Date: June 07, 2021
Place: Chennai

Dhananjay Joshi
Member of Tower InvIT Committee
PAN: AASPJ9719K

Date: June 07, 2021
Place: Bangalore

Inder Mehta
Compliance Officer of the Trust
PAN: AAFPM5702N

Date: June 07, 2021
Place: Mumbai

Notes to Standalone Financial Statements for the year ended March 31, 2021

A CORPORATE INFORMATION

Tower Infrastructure Trust ("Tower InvIT/Trust") was set up by Reliance Industrial Investments and Holdings Limited ("Reliance Sponsor") on January 31, 2019, as a contributory irrevocable trust under the provisions of the Indian Trusts Act, 1882. The Trust was registered as an infrastructure investment trust under Securities and Exchange Board of India (Infrastructure Investment Trusts) Regulations, 2014 ("InvIT Regulations") on March 19, 2019, having registration number IN/InvIT/18-19/0009. It has its Principal place of business at 9th Floor, Maker Chambers IV, 222, Nariman Point, Mumbai 400 021, Maharashtra, India.

Sponsors of the Trust are BIF IV Jarvis India Pte. Ltd, a company registered in Singapore and Reliance Industrial Investments and Holdings Limited, a company incorporated in India.

The Trustee to the Trust is Axis Trustee Services Limited ("Trustee").

Till October, 12, 2020, Infinite India Investment Management Limited ("erstwhile Investment Manager") was the Investment Manager to the Trust. The address of the registered office of the erstwhile Investment Manager was 7th Floor, Cnergy, Appasaheb Marg, Prabhadevi, Mumbai 400025.

With effect from October 13, 2020, Brookfield India Infrastructure Manager Private Limited (formerly known as WIP (India) Private Limited) ("Investment Manager") has been appointed as the Investment Manager to the Trust. The address of the registered office of the Investment Manager is Unit 1, 4th Floor, Godrej BKC, Bandra Kurla Complex, Mumbai-400051, Maharashtra, India.

The investment objectives of the Trust are to carry on the activities of an infrastructure investment trust, as permissible under the SEBI InvIT Regulations and to raise funds and making investments in accordance with the InvIT Regulations and the Trust Deed.

The units of Tower InvIT are listed on BSE Limited w.e.f. September 1, 2020.

The Trust has acquired entire equity share capital of Summit Digitel Infrastructure Private Limited [formerly known as Reliance Jio Infratel Private Limited] ("SDIPL/SPV") on August 31, 2020. SDIPL is engaged in the business of setting up and maintaining passive tower infrastructure and related assets, and providing passive tower infrastructure services ("Tower Infrastructure Business"). SDIPL is the Trust's first and only investment in complete and revenue generating infrastructure projects.

B ACCOUNTING POLICIES

B.1 BASIS OF ACCOUNTING AND PREPARATION OF IND AS FINANCIAL STATEMENTS

The Standalone Financial Statements of the Trust comprises of the Standalone Balance Sheet as at March 31, 2021; the Standalone Statement of Profit and Loss, the Standalone Statement of Cash Flows and the Standalone Statement of Changes in Unitholders' Equity for the year ended March 31, 2021 and a summary of significant accounting policies and other explanatory information. Additionally, it includes the Statement of Net Assets at Fair Value as at March 31, 2021, the Statement of Total Returns at Fair Value and Statement of Net Distributable Cash Flows (NDCFs) for year then ended and other additional financial disclosures as required under the InvIT Regulations. The Standalone Financial Statements were authorized for issue in accordance with resolutions passed by the Board of Directors of the Investment Manager on behalf of the Trust on June 07, 2021. The Standalone Financial Statements have been prepared in accordance with the requirements of InvIT Regulations, as amended from time to time read with the SEBI circular number CIR/IMD/DF/127/2016 dated November 29, 2016 ("SEBI Circular"); Indian Accounting Standards as defined in Rule 2(1)(a) of the Companies (Indian Accounting Standards) Rules, 2015 prescribed under Section 133 of the Companies Act, 2013 ('Ind AS'), to the extent not inconsistent with the InvIT Regulations (refer note 5 on presentation of "Unit Capital" as "Equity" instead of compound instruments under Ind AS 32 – Financial Instruments: Presentation), read with relevant rules issued thereunder and other accounting principles generally accepted in India.

Notes to Standalone Financial Statements for the year ended March 31, 2021

Statement of compliance to Ind AS:

The Standalone Financial Statements for the year ended March 31, 2021 have been prepared in accordance with Indian Accounting Standards as defined in Rule 2(1)(a) of the Companies (Indian Accounting Standards) Rules, 2015 ('Ind AS'), to the extent not inconsistent with the InvIT Regulations as more fully described above and Note 5 to the Standalone Financial Statements.

The Financial Statements have been prepared on the historical cost basis except for certain Financial Assets and Financial Liabilities (including derivative instruments) that are measured at fair values.

The financial statements are presented in Indian Rupees, which is also its functional currency and all values are rounded to the nearest Million (INR 000,000), except when otherwise indicated.

B.2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(a) Current and Non-Current Classification:

The Trust presents assets and liabilities in the Balance Sheet based on Current/ Non-Current classification.

An asset is treated as Current when it is:

i Expected to be realised or intended to be sold or consumed in normal operating cycle;

ii Held primarily for trading;

iii Expected to be realised within twelve months after the reporting period, or

iv Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is current when:

It is expected to be settled in normal operating cycle;

i Held primarily for trading;

ii It is due to be settled within twelve months after the reporting period, or

iii There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The Trust classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

The Trust has considered 12 months as its normal operating cycle.

(b) Finance Cost

Borrowing Costs that are directly attributable to the acquisition or construction of qualifying assets are capitalised as a part of such assets. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use.All other borrowing costs are charged to Statement of Profit and Loss in the period in which they are incurred.

(c) Provisions

Provisions are recognised when the Trust has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

Notes to Standalone Financial Statements for the year ended March 31, 2021

(d) Taxation

The tax expense for the period comprises current and deferred tax. Tax is recognised in Statement of Profit and Loss, except to the extent that it relates to items recognised in the comprehensive income or in equity, in which case, the tax is also recognised in other comprehensive income and equity.

Current tax

Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities, based on tax rates and laws that are enacted or substantively enacted at the Balance sheet date.

Deferred tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the Financial Statements and the corresponding tax bases used in the computation of taxable profit. Deferred income tax assets on carry forward losses is recognised based on convincing evidence where it is reasonably certain that sufficient taxable profits will be available to utilise those losses. Deferred tax assets are recognised to the extent it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax losses can be utilized.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted- by the end of the reporting period. The carrying amount of Deferred tax liabilities and assets are reviewed at the end of each reporting period

(e) Cash and cash equivalents

Cash and cash equivalents includes cash at banks, cash on hand and short term deposits with an original maturity of 3 months or less, which are subject to an insignificant risk of changes in value. For the purpose of the statement of cash flow, cash and cash equivalents consist of cash and short term deposits.

(f) Revenue recognition

The Trust earns revenue primarily from Investments.

Interest income

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Trust and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset’s net carrying amount on initial recognition.

Dividends

Dividends are recognised when the Trust’s right to receive the payment is established.

(g) Financial Instruments

i) Financial Assets

A. Initial recognition and measurement:

All financial assets and liabilities are initially recognized at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities, which are not at fair value through profit or loss, are added to the fair value on initial recognition. Purchase and sale of financial assets are recognised using trade date accounting.

Notes to Standalone Financial Statements for the year ended March 31, 2021

B. Subsequent measurement

a) Financial assets carried at amortised cost (AC)

A financial asset is subsequently measured at amortised cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

b) Financial assets at fair value through other comprehensive income (FVTOCI)

A financial asset is subsequently measured at fair value through other comprehensive income if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

c) Financial assets at fair value through profit or loss (FVTPL)

A financial asset which is not classified in any of the above categories are subsequently fair valued through profit or loss.

ii) Financial liabilities

A. Initial recognition and measurement:

All financial liabilities are recognized initially at far value and in case of loans and borrowings and payables, net of directly attributable cost. Fees of recurring nature are directly recognised in profit or loss as finance cost.

B. Subsequent measurement:

Financial liabilities are subsequently carried at amortized cost using the effective interest method. For trade and other payables including creditors for capital expenditure maturing within one year from the balance sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

(h) Earnings Per Unit (EPU)

Basic earnings per unit is computed using the net profit for the period attributable to the unitholders' and weighted average number of units outstanding during the period.

Diluted earnings per unit is computed using the net profit for the period attributable to unitholder' and weighted average number of units and potential units outstanding during the period including unit options, convertible preference units and debentures, except where the result would be anti-dilutive. Potential units that are converted during the period are included in the calculation of diluted earnings per unit, from the beginning of the period or date of issuance of such potential units, to the date of conversion.

(i) Classification of Unitholders' fund

Under the provisions of the InvIT Regulations, Trust is required to distribute to Unitholders not less than ninety percent of the net distributable cash flows of Trust for each financial period. Accordingly, a portion of the unitholders' funds contains a contractual obligation of the Trust to pay to its Unitholders cash distributions. The Unitholders' funds could therefore have been classified as compound financial instrument which contain both equity and liability components in accordance with Ind AS 32 - Financial Instruments: Presentation. However, in accordance with SEBI Circulars (No. CIR/IMD/DF/1 14/2016 dated October 20, 2016 and No. CIR/IMDDF/127/2016 dated November 29, 2016) issued under the InvIT Regulations, the unitholders' funds have been classified as equity in order to comply with the mandatory requirements of Section H of Annexure A to the SEBI Circular dated October 20, 2016 dealing with the minimum disclosures for key financial statements. In line with the above, the distribution payable to unitholders is recognised as liability when the same is approved by the Investment Manager.

Notes to Standalone Financial Statements for the year ended March 31, 2021

(j) Investment in subsidiaries

Investment in Subsidiary are measured at cost as per Ind AS 27- Separate Financial Statements.Investments in equity instruments of subsidiaries are carried at cost less accumulated impairment losses, if any. Where an indication of impairment exists, the carrying amount of the investment is assessed and written down immediately to its recoverable amount. On disposal of investments in subsidiaries, the difference between net disposal proceeds and carrying amounts are recognised in the Statement of Profit and Loss.

(k) Net distributable cash flows to unit holders

The Trust recognises a liability to make cash distributions to Unit Holders when the distribution is authorised and a legal obligation has been created. As per the InvIT Regulations, a distribution is authorised when it is approved by the Board of Directors of the Investment Manager. A corresponding amount is recognised directly in equity.

(l) Borrowing Costs

Borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that the Trust incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

C Critical accounting judgements and key sources of estimation uncertainty:

The preparation of the Trust's financial statements requires management to make judgement, estimates and assumptions that affect the reported amount of revenue, expenses, assets and liabilities and the accompanying disclosures. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

(a) Determination of Fair Value

Some of the Trust's assets and liabilities are measured at fair value for financial reporting purposes. Management of the Trust determines the appropriate valuation techniques and inputs for fair value measurements. In estimating the fair value of an asset or a liability, the Trust uses market-observable data to the extent it is available. Where Level 1 inputs are not available, the Trust engages third party qualified valuers to perform the valuation. Management works closely with the qualified external valuers to establish the appropriate valuation techniques and inputs to the model.

Standards issued but not effective:

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards. There is no such notification which would have been applicable from April 1, 2021.

Notes to Standalone Financial Statements for the year ended March 31, 2021

1 Investment in Subsidiary Company

(Rs. in Million)

	As at March 31, 2021	As at March 31, 2020
Investments measured at Cost		
In Equity Shares of Summit Digitel Infrastructure Private Limited ("Subsidiary")*(formerly known as Reliance Jio Infratel Private Limited) unquoted, fully paid-up (215,00,00,000 shares of Re. 1 each) (Previous year: 1,09,65,00,000 shares of Re. 1 each)	2,150	1,097
Total	**2,150**	**1,097**
*The Trust holds 100% equity ownership in the Subsidiary as at March 31, 2021		
Additional Information		
Aggregated value of Unquoted Investment	**2,150**	**1,097**
Aggregated value of Quoted Investment	**-**	-
Aggregate provision for increase/diminution in the value of Investments	**-**	-

2 Loans and advances

Loan to Summit Digitel Infrastructure Private Limited(formerly known as Reliance Jio Infratel Private Limited)	2,50,000	-
Total	**2,50,000**	-

Rs. 2,50,000 Million of shareholder loan carrying interest rate of 9.5% repayable in 108 equal consecutive quarterly installments commencing on September 01, 2023. Under the terms of this loan, the rate of interest increases to 15% after certain operational thresholds are met. These thresholds were met in April, 2021 and, accordingly, the rate of interest has increased effective that date. The interest and principal is payable subject to availability of surplus cash in the subsidiary SDIPL.

3 Cash and Cash Equivalents

Balances with Banks in current accounts	133	15
Total	**133**	**15**

4 Other Current Assets

Accrued interest on loan to Summit Digitel Infrastructure Private Limited(formerly known as Reliance Jio Infratel Private Limited)	3,495	-
Total	**3,495**	-

Rs. 2,50,000 Million of shareholder loan carrying interest rate of 9.5% repayable in 108 equal consecutive quarterly installments commencing on September 01, 2023. Under the terms of this loan, the rate of interest increases to 15% after certain operational thresholds are met. These thresholds were met in April, 2021 and, accordingly, the rate of interest has increased effective that date. The interest and principal is payable subject to availability of surplus cash in the subsidiary SDIPL.

Notes to Standalone Financial Statements for the year ended March 31, 2021

5 Unit capital

(Rs. in Million)

		As at March 31, 2021	As at March 31, 2020
	Issued, subscribed and fully paid up unit capital	2,52,150	-
	2,52,15,00,000 (March 31, 2020: Nil) units of ₹ 100 each	-	-
	Total	**2,52,150**	**-**

Note:

Under the provisions of the InvIT Regulations, Trust is required to distribute to Unitholders not less than 90% of the net distributable cash flows of Trust for each financial year. Accordingly, a portion of the Unit Capital contains a contractual obligation of the Trust to pay to its Unitholders cash distributions. Hence, the Unit Capital is a compound financial instrument which contains equity and liability components in accordance with Ind AS 32 - Financial Instruments: Presentation. However, in accordance with SEBI Circulars (No. CIR/IMD/DF/114/2016 dated October 20, 2016 and No. CIR/IMD/DF/127/2016 dated November, 29, 2016) issued under the InvIT Regulations, the Unitholders' funds have been presented as "Equity" in order to comply with the requirements of Section H of Annexure A to the SEBI Circular dated October 20, 2016 dealing with the minimum presentation and disclosure requirements for key financial statements. Consistent with Unit Capital being classified as equity, the distributions to Unitholders is also presented in Statement of Changes in Unitholders' Equity when the distributions are approved by the Board of Directors of Investment Manager.

Rights and Restrictions to Units

5.1 The Trust has only one class of units. Each unit represents an undivided beneficial interest in the Trust . Each holder of unit is entitled to one vote per unit. The Unitholders have the right to receive at least 90% of the Net Distributable Cash Flows of the Trust at least once in each financial year in accordance with the InvIT Regulations. The Investment Manager approves distributions. The distribution will be in proportion to the number of units held by the unitholders. The Trust declares and pays distributions in Indian rupees. The distributions can be in the form of return of capital, return on capital and Miscellaneous income.

A Unitholder has no equitable or proprietary interest in the Trust Assets and is not entitled to transfer Trust Assets (or any part thereof). A Unitholder's right is limited to the right to require due administration of Trust in accordance with the provision of the Trust Deed and the Investment Management Agreement.

The unitholder(s) shall not have any personal liability or obligation with respect to the Trust.

5.2 Information on unitholders holding more than 5% of unit capital

Name of the Unitholders	Relationship	As at March 31, 2021		As at March 31, 2020	
		No of Unit held	Percentage	Name of Unit Hold	Percentage
BIF IV Jarvis India Pte. Ltd.	Sponsor	2,26,41,00,000	89.79	-	-
Anahera Investment Pte. Ltd.	Unitholder	17,90,00,000	7.10	-	-

Notes to Standalone Financial Statements for the year ended March 31, 2021

5.3 Reconciliation of the units outstanding at the beginning and at the end of reporting period:

	As at March 31, 2021		As at March 31, 2020*
	(No. of units)	Amount (Rs.)	(No. of units)
Units at the beginning of the year	-	-	-
Issued during the year	2,52,15,00,000	2,52,15,00,00,000	-
Units at the end of the year	**2,52,15,00,000**	**2,52,15,00,00,000**	**-**

*No units were issued as at March 31, 2020

6 Contribution

(Rs. in Million)

	As at March 31, 2021	As at March 31, 2020
Opening Balance	124	0
Changes in Contribution during the year	116	124
Total	**240**	**124**

7 Other Equity

Retained earning		
Opening Balance	(167)	(1)
Profit / (Loss) for the period / year	13,550	(166)
Return on Capital distribution	(10,306)	-
Units issuance costs	(24)	-
Other Adjustments (Refer Note Below)	(2,020)	-
Total	**1,033**	**(167)**

Note:

This amount represents Call Option written on Shares of Subsidiary. As per the Shareholder and Option Agreement (entered as a part of the acquisition by BIF IV Jarvis India Pte Ltd), Reliance Industries Limited (“RIL”) shall be entitled (but not obligated) to require the Trust to sell to RIL (or the Reliance Nominee, if applicable), the Shares of Summit Digitel Private Limited at lower of Rs. 2,150 Million or fair market value of shares. The Valuation of the option is carried out by independent party as on March 31, 2021.

8 Other financial liabilities

Call Option written on Shares of Subsidiary (Refer Note 18)	2,215	-
	2,215	**-**

9 Trade Payables due to

Other than Micro and Small Enterprises (Refer Note 21)	**-**	40
Total	-	**40**

10 Other Financial Liabilities

Current maturities of Borrowing	-	1,100
Total	-	**1,100**

Notes to Standalone Financial Statements for the year ended March 31, 2021

11 Other Current Liabilities

(Rs. in Million)

	As at March 31, 2021	As at March 31, 2020
Statutory dues	127	15
Accrued liabilities	10	-
Other Payables	3	-
Total	**140**	**15**

12 Revenue from Operations

(Rs. in Million)

	Year ended March 31, 2021	Year ended March 31, 2020
Interest on loan	13,860	-
Total	**13,860**	-

13 Finance Costs

Interest	41	99
Total	**41**	99

14 Other Expenses

Fair value of call option	195	-
General Expenses	1	0
Total	**196**	**0**

15 Earnings Per Unit (EPU)

Rs. in Million except per share data

	Particulars	Year ended March 31, 2021	Year ended March 31, 2020
i)	Net Profit/(loss) as per statement of Profit & Loss attributable to unit (Rs. in Million)	13,550	(166)
ii)	Units used as denominator for calculating Basic (Nos.)	2,52,15,00,000	-
	Reporting Period (In days)	365	-
	Unit allotted (In days)	213	-
iii)	Weighted average number of Potential units	-	-
iv)	Total Weighted Average number of units used as denominator for calculating	1,47,14,50,685	-
v)	**Earnings per unit**		
	- For Basic (Rs.)	9.21	-
	- For Diluted (Rs.)	9.21	-

Notes to Standalone Financial Statements for the year ended March 31, 2021

16 RELATED PARTY DISCLOSURES

As per InvIT Regulations and as per Ind AS 24, disclosure of transactions with related party are as given below:

I List of Related Parties as per the requirements of Ind AS 24 - "Related Party Disclosures"

List of related parties where control exists and related parties with whom transactions have taken place and relationships:

i) Name of Related Party

Entities which exercise control on the Trust w.e.f. August 31, 2020

BIF IV Jarvis India Pte Ltd., Singapore	Immediate Holding Company
BIF IV India Holdings Pte Ltd	Intermediate Holding Company
Brookfield Asset Management Inc.	Ultimate Holding Company

Subsidiary (SPV)

Summit Digitel Infrastructure Private Limited (formerly known as Reliance Jio Infratel Private Limited)

II List of Additional Related Parties as per regulation 2(1)(zv) of the InvIT Regulations

A Parties to Tower Infrastructure Trust

BIF IV Jarvis India Pte Ltd., Singapore (w.e.f. August 31, 2020)	Holding Company/Co-Sponsor
Brookfield India Infrastructure Manager Private Limited (formerly known as WIP (India) Private Limited) (Appointed w.e.f. October 13, 2020)	Investment Manager
Axis Trustee Services Limited	Trustee
Infinite India Investment Management Limited (upto w.e.f. October 12, 2020)	Erstwhile Investment Manager
Jio Infrastructure Management Services Limited	Project Manager
Reliance Industrial Investments and Holdings Limited	Co-Sponsor
Reliance Industries Limited	Promotor of Sponsor

B Director of the Parties specified in II(A) above

Directors of BIF IV Jarvis India Pte Ltd., Singapore w.e.f. August 31, 2020

Aanandjit Sunderaj
Liew Yee Foong
Taswinder Kaur Gill
Ho Yeh Hwa
Walter Zhang Shen

Directors of Brookfield India Infrastructure Manager Private Limited (formerly known as WIP (India) Private Limited) (Appointed w.e.f. October 13, 2020)

Sridhar Rengan
Chetan Rameshchandra Desai
Narendra Aneja
Rishi Tibriwal

Directors of Axis Trustee Services Limited

Rajesh Kumar Dahiya
Ganesh Sankaran
Sanjay Sinha (upto w.e.f. April 30, 2021)
Deepa Rath (w.e.f. April 30, 2021)

Notes to Standalone Financial Statements for the year ended March 31, 2021

Directors of Infinite India Investment Managment Limited

Shailesh Shankarlal Vaidya
Vishal Nimesh Kampani
Rajendra Dwarkadas Hingwala
Dipti Neelakantan

Director of Jio Infrastructure Management Services Limited

Sudhakar Saraswatula
Nikhil Chakrapani Suryanarayana Kavipurapu
Hariharan Mahadevan

Director of Reliance Industrial Investments and Holdings Limited

Hital Rasiklal Meswani
Vinod Mansukhlal Ambani
Mahendra Nath Bajpai
Savithri Parekh
Dhiren Vrajlal Dalal
Balasubrmanian Chandrasekaran

III List of Additional Related Parties as per regulation 19 of the InvIT Regulations

Digital Fibre Infrastructure Trust (upto w.e.f. October 12, 2020)	Common Investment Manager / Common Sponsor
India Infrastructure Trust (w.e.f. October 13, 2020)	Common Investment Manager (Appointed w.e.f. October 13, 2020)

IV Transactions during the year with related parties : (Rs. in Million)

Particulars	Relationship	For the period ended March 31 2021	For the period ended March 31 2020
Trustee Fee			
Axis Trustee Services Limited	Trustee	2	2
Investment Management Fees			
Infinite India Investment Management Limited	Erstwhile Investment Manager	13	24
Brookfield India Infrastructure Manager Private Limited (formerly known as WIP (India) Private Limited) (Appointed w.e.f. October 13, 2020)	Investment Manager	13	-
Reimbursement of Expenses			
Brookfield India Infrastructure Manager Private Limited (formerly known as WIP (India) Private Limited) (Appointed w.e.f. October 13, 2020)	Investment Manager	4	-
Infinite India Investment Management Limited	Erstwhile Investment Manager	5	-

Notes to Standalone Financial Statements for the year ended March 31, 2021

Particulars	Relationship	For the period ended March 31 2021	For the period ended March 31 2020
Acquisition of shares of Summit Digitel Infrastructure Private Limited (formerly known as Reliance Jio Infratel Private Limited)			
Reliance Industries Limited	Promotor of Sponsor	1,054	-
Project Manager Fees			
Jio Infrastructure Management Services Limited	Project Manager	24	24
Issue of units capital to Sponsor			
BIF IV Jarvis India Pte Ltd.	Sponsor	2,26,410	-
Interest Income			
Summit Digitel Infrastructure Private Limited (formerly known as Reliance Jio Infratel Private Limited)	Subsidiary (SPV)	13,860	-
Distribution to Unitholders			
BIF IV Jarvis India Pte Ltd.	Sponsor	9,254	-
Contribution to Corpus			
Reliance Industrial Investments and Holdings Limited	Sponsor	116	124
Loans and Advances given			
Summit Digitel Infrastructure Private Limited (formerly known as Reliance Jio Infratel Private Limited)	Subsidiary (SPV)	2,50,000	-
Shareholder Option Agreement	Refer Note 7	2,020	-

V Balances as at end of the year:

Particulars	Relationship	As at March 31 2021	As at March 31 2020
Professional Fees			
Axis Trustee Services Limited	Trustee	-	2
Infinite India Investment Management Limited	Erstwhile Investment Manager	-	24
Units Capital of Tower trust			
BIF IV Jarvis India Pte Ltd.	Sponsor	2,26,410	-
Contribution to Corpus			
Reliance Industrial Investments and Holdings Limited	Sponsor	240	124

Notes to Standalone Financial Statements for the year ended March 31, 2021

Particulars	Relationship	As at March 31 2021	As at March 31 2020
Interest Receivable			
Interest Receivable on Loan to Summit Digitel Infrastructure Private Limited (formerly known as Reliance Jio Infratel Private Limited)	Subsidiary (SPV)	3,494	-
Loans and Advances given			
Summit Digitel Infrastructure Private Limited (formerly known as Reliance Jio Infratel Private Limited)	Subsidiary (SPV)	2,50,000	-
Other Payables			
Brookfield India Infrastructure Manager Private Limited (formerly known as WIP (India) Private Limited)	Investment Manager	3	-

17 CONTINGENT LIABILITIES AND COMMITMENTS

As on March 31, 2021 - NIL (March 31, 2020: NIL)

18 FINANCIAL INSTRUMENTS

FAIR VALUE MEASUREMENT HIERARCHY:

Particulars	Carrying Amount as at March 31, 2021	Carrying Amount as at March 31, 2020	Level of input used in		
			Level s1	Level 2	Level 3
Financial Assets					
At Amortised Cost					
Cash and Bank balances	133	15	-	-	-
Loan and Advances	2,50,000	-	-	-	-
Financial Liabilities					
At Amortised Cost					
Trade Payable	-	40	-	-	-
Other Financial Liabilities	-	1,100	-	-	-
At FVTPL					
Call Option Written on Susidiaries	2,215	-	-	-	2,215

The financial instruments are categorized into three levels based on inputs used to arrive at fair value measurements as described below:

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities; and

Level 2: Inputs other than the quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.

Level 3: Inputs which are significantly from unobservable market data.

Valuation methodology:

All financial instruments are initially recognized and subsequently re-measured at fair value as described below:

Notes to Standalone Financial Statements for the year ended March 31, 2021

a) The Trust considers that the carrying amount recognised in the financial statements for financial assets and financial liabilities measured at amortised cost approximates their fair value.

b) The fair value of call option written on shares of subsidiary is measured using Black Scholes Formula. Key inputs used in the measurement are:

(i) Stock Price: It is estimated based on the stock price as of the date of the transaction August 31,2020 of INR 2,150 million, as increased for the interim period between August 31,2020 and March 31,2021 by the Cost of Equity as this would be expected return on the investment for the acquirer.

(ii) Exercise Price: Rs. 2,150 Million

(iii) Option Maturity: 30 years from August 31, 2020 i.e., August 31, 2050.

(iv) Risk free rate as on date of valuation - 6.77%.

(v) The fair value on the date of acquisition of Rs. 2,020 Million was recognised as a liability with a corresponding debit to equity as this is part of the acquisition transaction described in Corporate Information.

19 Liquidity Risk

Liquidity risk arises from the Trust's inability to meet its cash flow commitments on the due date. Trust's objective is to, at all times, maintain optimum levels of liquidity to meet its cash and collateral requirements. Treasury monitors rolling forecasts of the Trust's cash flow position and ensures that the Trust is able to meet its financial obligation at all times including contingencies.

The Trust's liquidity is managed centrally with operating units forecasting their cash and liquidity requirements. Treasury pools the cash surplus from across the different operating units and then arrange their to either fund the net deficit or invest the net surplus in the market.

Maturity profile of financial assets as on March 31, 2021

Particulars	3-12 months	1-5 years	More than 5 years	Total
Investments	-	-	2,150	2,150
Loans and advances	-	25,000	2,25,000	2,50,000
Total	-	25,000	2,27,150	2,52,150

Maturity profile of financial assets as on March 31, 2020

Particulars	3-12 months	1-5 years	More than 5 years	Total
Loans and advances	-	-	-	-
Investments	-	-	1,097	1,097
Total	-	-	1,097	1,097

Maturity profile of financial liabilities as on March 31, 2021

Particulars	3-12 months	1-5 years	More than 5 years	Total
Trade Payable	-	-	-	-
Other Financial Liabilities	-	-	2,215	2,215
Total	-	-	2,215	2,215

Notes to Standalone Financial Statements for the year ended March 31, 2021

Maturity profile of financial liabilities as on March 31, 2020

Particulars	3-12 months	1-5 years	More than 5 years	Total
Trade Payable	40	-	-	40
Other Financial Liabilities	1,100	-	-	1,100
Total	**1,140**	**-**	**-**	**1,140**

Credit Risk

Credit risk is the risk that a counter party will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Fund is exposed to credit risk from its investing activities including investments, trade receivables, loans, deposits with banks and other financial instruments. As at March 31, 2021, and As at March 31, 2020 the credit risk is considered low since substantial transactions of the Trust are with its subsidiary.

20 Segment Reporting

The Trust activities comprise of owning and investing in Infrastructure SPVs to generate cashflow for distribution to the beneficiaries. Based on guiding principles given in Ind AS 108 "Operating Segment" this activity falls within a single operating segment and accordingly the disclosures of Ind AS 108 have not separately been provided. The Trust has invested in the subsidiary which has all the business operations in India. Hence, there is only one geographic segment.

21 Details of dues to Micro and small Enterprises as per MSMED Act, 2006

There are no Micro and small Enterprises as defined in the Micro and small Enterprises Development Act 2006 to whom Trust owes dues on account of principal amount together with interest and accordingly no additional disclosures have been made. The above information regarding Micro and small Enterprises has been determined to the extent such parties has been identified on the basis of information available with the trust.

22 Statement of Net Distributable Cash Flows (NDCFs)

(Rs. in Million)

Description	Year ended March 31, 2021	Year ended March 31, 2020
Cash flows received from SPV in the form of interest / accrued interest	10,365	-
Cash flows received from SPV in the form of dividend / buy-back of equity shares / capital reduction of equity shares	-	-
Any other income accruing at the Trust level and not captured above, including but not limited to interest /return on surplus cash invested by the Trust	-	-
Add: Cash flows/ Proceeds from the SPV towards the repayment of the debt issued to the SPV by the Trust	-	-
Total cash flow at the Trust level (A)	**10,365**	**-**
Less: issue expenses payable by Trust including as reimbursements towards expenses of Trust met by the Sponsors	(24)	-

Notes to Standalone Financial Statements for the year ended March 31, 2021

Description	Year ended March 31, 2021	Year ended March 31, 2020
Less: annual expenses of the Trust including audit fees, project manager fees, investment management fees, stock exchange fees, other statutory fees, depository fees, legal expenses, credit rating fees and valuer fees	(73)	(67)
Less: income tax (if applicable) at the standalone Trust level and payment of other statutory dues	-	-
Less: Repayment of external debt (including interest) / redeemable preference shares / debentures, etc., if deemed necessary by the Investment Manager	(1,141)	(99)
Less: net cash set aside to comply with DSRA requirement under loan agreements, if any	-	-
Add: Net proceeds (after applicable taxes) from sale of infrastructure assets adjusted for the following:	-	-
- related debts settled or due to be settled from sale proceeds;	-	-
- directly attributable transaction costs;	-	-
- proceeds reinvested or planned to be reinvested as per Regulation 18(7)(a) of the InvIT Regulations	-	-
Add: Net proceeds (after applicable taxes) from sale of infrastructure assets not distributed pursuant to an earlier plan to re-invest, if such proceeds are not intended to be invested subsequently	-	-
Less: Amount invested in any of the Portfolio Assets for service of debt or interest	(2,50,000)	-
Less: Capital expenditure if any (including acquisition of other infrastructure assets / SPVs)	(1,054)	-
Add: Proceeds from fresh issuance of units	2,52,266	-
Less: Reserve for debentures / loans / capex expenditure in the intervening period till next proposed distribution if deemed necessary by the Investment Manager invested in permitted investments	-	-
Total cash outflows/retention at the Trust level (B)	**(26)**	**(166)**
Net Distributable Cash Flows (C) = (A+B)	**10,339**	**(166)**

(Rs. in Million)

Description	Year ended March 31, 2021	Year ended March 31, 2020
Net Distributable Cash Flows as per above	10,339	(166)
Cash and Cash Equivalents on April 01, 2020 and April 01, 2019	15	4
Total Net Distributable Cash Flows	**10,354**	**(162)**

The Net Distributable Cash Flows ("NDCF") as above is for the year ended March 31, 2021. An amount of Rs.10,306 Million has been distributed to unit holders as follows.

Return on Capital	Miscellaneous Income	Total
10,306	-	10,306

Notes to Standalone Financial Statements for the year ended March 31, 2021

23 Taxes

In accordance with section 10 (23FC) of the Income Tax Act, the income of business trust in the form of interest received or receivable from project SPV is exempt from Tax. Accordingly, the Trust is not required to provide any current tax liability. However, for the income earned by the Trust, it will be required to provide for current tax liability.

(Rs. in Million)

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
Profit/Loss before Tax	13,550	(166)
Tax At Indian tax rate		
Tax effects of amounts which are not deductible/(taxable) in calculating taxable income	5,791	-
Interest received since considered as pass through	(5,924)	-
Expenses Disallowed since related interest income is exempt	133	-
Income Tax expenses	**(0)**	**-**

24 PAYMENT TO AUDITORS

(Rs. in Million)

Particulars	**March 31, 2021**	**March 31, 2020**
Audit Fees	5	15
Tax audit Fee	-	-
For Other Services	13	-
Total	**18**	15

25 CAPITAL MANAGEMENT

The Trust adheres to a disciplined Capital Management framework which is underpinned by the followings guiding Principles:

i) Ensure Financial flexibility and diversify sources of financing and their maturities to minimize liquidity risk while meeting investment requirements.

ii) Leverage optimally in order to maximize unit holder return while maintaining strength and flexibility of the Balance Sheet.

As at March 31, 2021 the gearing ratio is as follows: (Rs. in Million)

Particulars	**Year ended March 31, 2021**	**Year ended March 31, 2020**
Borrowings	-	-
Trade Payables	-	40
Other financial liabilities	2,215	1,100
Cash and Marketable Securities	(133)	(15)
Net Debt (A)	2,082	1,125
Total Equity (As per Balance Sheet) (B)	2,53,423	(43)
Net Gearing (A/B)	0.01	-

Note: Net debt to equity ratio is not calculated as the total equity value is negative.

Notes to Standalone Financial Statements for the year ended March 31, 2021

26 The outbreak of Coronavirus (COVID-19) pandemic globally and in India is causing significant disturbance and slowdown of economic activity. Summit Digitel Infrastructure Private Limited (formerly known as Reliance Jio Infratel Private Limited) ("SPV of the Trust/SDIPL") is the only investment of trust from where trust is generating its revenue. SDIPL is engaged in the business of providing tower infrastructure and related operations in India. SDIPL has executed a long term Master Services Agreement (MSA) with Reliance Jio Infocomm Limited (RJIL) (one of the largest telecommunication service provider in India) as its customer, which results into committed revenues and cash flows for SDIPL, on a long term basis. Moreover, the COVID-19 pandemic has not had a material adverse impact on the operations of the telecommunication industry to which SDIPL currently caters to. Also, SDIPL has completed substantial portion of its planned capital expenditure and for the balance as well as for the operations and maintenance of the tower sites, SDIPL has in place long-term arrangements experienced contractors/service providers. Further, SDIPL has sanctioned unutilised borrowing limits which are available to SDIPL to meet its liquidity requirements. In view of all of the above, SDIPL does not expect any significant challenges on going concern, including emanating out of COVID-19, particularly in the next 12 months.

27 APPROVAL OF FINANCIAL STATEMENTS

The financial statements have been approved by the Tower InvIT Committee and the Board of Directors of the Investment Manager to the Trust at their respective meetings held on June 03, 2021 and June 07, 2021

For and on the behalf of the Board of Director of
Brookfield India Infrastructure Manager Private Limited
(acting in the capacity of Investment Manager of Tower Infrastructure Trust)

Sridhar Rengan	**Dhananjay Joshi**	**Inder Mehta**
Chairperson of the Board	Member of Tower InvIT Committee	Compliance Officer of the Trust
DIN: 03139082	PAN: AASPJ9719K	PAN: AAFPM5702N
Date: June 07, 2021	Date: June 07, 2021	Date: June 07, 2021
Place: Chennai	Place: Bangalore	Place: Mumbai

INDEPENDENT AUDITOR'S REPORT

To The Unitholders of Tower Infrastructure Trust

Report on the Audit of Consolidated Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of Tower Infrastructure Trust ("the Trust") and its subsidiary (together referred to as the "Group"), which comprise the Consolidated Balance Sheet as at March 31, 2021, Consolidated Statement of Profit and Loss including Statement of Other Comprehensive Loss, Consolidated Statement of Changes in Unitholders' Equity, Consolidated Statement of Cash Flow for the year then ended, Consolidated Statement of Net Assets at Fair Value as at March 31, 2021, Consolidated Statement of Total Returns at Fair Value and Net Distributable Cash Flows for the year then ended and a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Securities and Exchange Board of India (Infrastructure Investment Trusts) Regulations, 2014 as amended from time to time including any guidelines and circulars issued thereunder read with the SEBI circular number CIR/IMD/DF/114/2016, dated October 20, 2016 and CIR/IMD/DF/127/2016 dated November 29, 2016 (together referred to as the "InvIT Regulations") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards as defined in Rule 2(1)(a) of the Companies (Indian Accounting Standards) Rules, 2015 (as amended), and other accounting principles generally accepted in India, to the extent not inconsistent with the InvIT Regulations, of the state of affairs of the Trust as at March 31, 2021, and its consolidated loss including other comprehensive loss, its changes in unitholders' equity, the cash flows for the year ended March 31, 2021, its net assets at fair value as at March 31, 2021, total returns at fair value and net distributable cash flows for the year ended on that date and other financial information of the of the Trust.

Basis for Opinion

We conducted our audit of the consolidated financial statements in accordance with the Standards on Auditing (SAs) and other pronouncements issued by the Institute of Chartered Accountants of India (ICAI). Our responsibilities under those Standards are further described in the Auditor's Responsibility for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the Code of Ethics issued by the ICAI and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

Emphasis of Matter

We draw attention to Note 10.1 which describes the presentation of "Unit Capital" as "Equity" to comply with InVIT Regulations. Our opinion is not modified in respect of this matter.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current year. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

Key Audit Matter	Auditors' Response
Assessment of accounting for Restated and Amended Master Services Agreement under Ind AS 115 The Group's contract with its customer is governed by Master Services Agreement (MSA) that contains the terms and conditions relating to the Group's obligations under the Contract with its customers. This key audit matter pertains to accounting for contract modification under Ind AS 115 - *Revenue from Contracts with Customers* (Ind AS 115), wherein the Group entered into a Restated and Amended MSA (Amended MSA) effective August 31, 2020, as stated in Note C (c) of the financial statements. In evaluating the impact of the Amended MSA, the Management of the Group exercised significant judgement in assessing the following: • Determination of the performance obligations of the Group as per the Amended MSA. • Determination of the contract with the customer being in the nature of a service contract. • Assessment of whether the Group controls the services before it is transferred to the customer. The Group considers whether it has the primary obligation to fulfil the contract, inventory risk, pricing discretion and other factors to determine whether it controls the service and therefore, is acting as a principal or an agent. We identified the accounting for contract modification under Ind AS 115 as a key audit matter because this involved significant judgements and estimates in determining appropriate accounting of revenue from contract with customer.	**Principal Audit Procedures Performed** • Our audit procedures relating to the contract modification included procedures for (1) identification of distinct performance obligations (2) determination of whether the Group is acting as a principal or an agent and (3) whether accounting for modification reflects the accounting in accordance with Ind AS 115. • We tested the design and implementation and effectiveness of the controls established by the Group around evaluation of accounting impact of Contract modification. • We evaluated the Group's significant accounting policies on accounting for contract modification under Ind AS 115 for reasonableness and compliance with accounting standards. • Read and evaluated critical terms of the Amended MSA to assess completeness of Management's identification of significant terms and obligations of parties where contractors or vendors are involved in providing services to the customer against the assessment provided by the Group's Management. • For each identified significant terms in the Amended MSA, assessed reasonableness of the management's basis of conclusion for the accounting treatment and • Tested the appropriateness of presentation of revenue and operating costs.

Information Other than the Financial Statements and Auditor's Report Thereon

- Brookfield India Infrastructure Manager Private Limited (formerly known as WIP (India) Private Limited) ('Investment Manager') acting in its capacity as an Investment Manager of the Trust is responsible for the other information. The other information comprises the information and disclosures included in the Annual Report but does not include the standalone financial statements, consolidated financial statements and our auditor's report thereon. The Annual Report is expected to be made available to us after the date of this auditor's report.
- Our opinion on the consolidated financial statements does not cover the other information and we will not express any form of assurance conclusion thereon.
- In connection with our audit of the consolidated financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other

information is materially inconsistent with the consolidated financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

- If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

Management's Responsibility for the Consolidated Financial Statements

The Management of Investment Manager ("the Management"), is responsible for the preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated changes in unitholders' equity, consolidated cash flows of the Group, consolidated Statement of net assets at fair value, total returns at fair value and net distributable cash flows of the Trust and its subsidiary in accordance with the InvIT Regulations, the Indian Accounting Standards as defined in Rule 2(1)(a) of the Companies (Indian Accounting Standards) Rules, 2015 (as amended) and other accounting principles generally accepted in India, to the extent not inconsistent with InvIT Regulations.

The Management and Board of Directors of the subsidiary included in the Group, are responsible for maintenance of adequate accounting records for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error which have been used for the purpose of preparation of the consolidated financial statements by the Investment Manager of the Trust, as aforesaid.

In preparing the consolidated financial statements, the Management and the Board of Directors of the subsidiary included in the Group are responsible for assessing the Trust's and subsidiary entity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Management along with Board of Directors of subsidiary either intends to liquidate the Trust and subsidiary or to cease operations, or has no realistic alternative but to do so.

The Management and the Board of Directors of the subsidiary included in the Group are also responsible for overseeing the financial reporting process of the Group.

Auditor's Responsibility for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on the effectiveness of the Trust's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities within the Group to express an opinion on the consolidated financial statements.

Materiality is the magnitude of misstatements in the consolidated financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the consolidated financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the consolidated financial statements.

We communicate with those charged with governance of the Trust and subsidiary included in the consolidated financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current year and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

Based on our audit and as required by InvIT Regulations, we report that:

a) We have obtained all the information and explanations which, to the best of our knowledge and belief were necessary for the purpose of our audit;

b) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including Other Comprehensive Loss, Consolidated Statement of Changes in Unitholders' Equity, the Consolidated Statement of Cash Flow of the Trust and of its subsidiary dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of consolidated financial statements;

c) In our opinion, the aforesaid consolidated financial statements comply with the Indian Accounting Standards as defined in Rule 2(1)(a) of the Companies (Indian Accounting Standards) Rules, 2015 (as amended), and other accounting principles generally accepted in India, to the extent not inconsistent with the InvIT Regulations.

For Deloitte Haskins & Sells LLP
Chartered Accountants
(Registration No. 117366W/W-100018)

Varsha A. Fadte
Partner
(Membership No. 103999)
(UDIN: 21103999AAAAGQ1955)

Chicalim, Goa, June 07, 2021

Consolidated Balance Sheet as at March 31 2021

(Rs. in Million)

Particulars	Notes	As at March 31, 2021	As at March 31, 2020
ASSETS			
NON-CURRENT ASSETS			
Property, Plant And Equipment	1	3,80,105	3,87,266
Right of Use Assets	2	206	117
Capital Work In Progress	1	18	-
Financial Assets			
Other Financial Assets	3	4,571	3,072
Other Non-Current Assets	4	3,236	3,236
Total Non-Current Assets		**3,88,136**	**3,93,691**
CURRENT ASSETS			
Financial Assets			
Trade Receivables	5	153	153
Cash and Cash Equivalents	6	10,047	461
Other Bank Balances	7	3	3
Other Financial Assets	8	4,531	24,099
Other Current Assets	9	11,589	22,553
Total Current Assets		**26,323**	**47,269**
Total Assets		**4,14,459**	**4,40,960**
EQUITY AND LIABILITIES			
EQUITY			
Unit Capital	10	2,52,150	-
Contribution	10A	240	124
Other Equity	11	(51,462)	(10,402)
Total Equity		**2,00,928**	**(10,278)**
Non-controlling interest	12	**-**	**(9,212)**
LIABILITIES			
Non - Current Liabilities			
Financial Liabilities			
Borrowings	13	1,81,851	2,28,194
Right of use liabilities	2	88	-
Other financial liabilities	14	2,215	-
Provisions	15	11,235	10,854
Total Non-Current Liabilities		**1,95,389**	**2,39,048**

Particulars	Notes	As at March 31, 2021	As at March 31, 2020
Current Liabilities			
Financial Liabilities			
Borrowings	16	-	30,050
Trade Payables due to			
- total outstanding dues of micro enterprises and small enterprises	17	0	-
- total outstanding dues of creditors other than micro enterprises and small enterprises	17	1,958	3,097
Right of use liabilities	2	18	-
Other Financial Liabilities	18	11,213	72,242
Creditors for Capital Expenditure		-	1,14,610
Other Current Liabilities	19	4,949	1,403
Provisions	15	4	-
Total Current Liabilities		**18,142**	**2,21,402**
Total Liabilities		**2,13,531**	**4,60,450**
Total Equity and Liabilities		**4,14,459**	**4,40,960**
Significant Accounting Policies			
See accompanying Notes to the Consolidated Financial Statements	1 to 42		

"0" represents the amount below the denomination threshold.

As per our report of even date.

For Deloitte Haskins & Sells LLP
Chartered Accountants
Firm Regn No: 117366W/W-100018

For and on the behalf of the Board of Director of
Brookfield India Infrastructure Manager Private Limited
(acting in the capacity of Investment Manager of Tower Infrastructure Trust)

Varsha A. Fadte
Partner

Date: June 07, 2021
Place: Chicalim, Goa

Sridhar Rengan
Chairperson of
the Board
DIN: 03139082

Date: June 07, 2021
Place: Chennai

Dhananjay Joshi
Member of Tower
InvIT Committee
PAN: AASPJ9719K

Date: June 07, 2021
Place: Bangalore

Inder Mehta
Compliance Officer
of the Trust
PAN: AAFPM5702N

Date: June 07, 2021
Place: Mumbai

Consolidated Statement of Profit & Loss for the year ended March 31 2021

(Rs. in Million)

Particulars	Notes	Year ended March 31, 2021	Year ended March 31, 2020
INCOME			
Revenue from Operations	20	82,442	74,767
Other Income	21	153	125
Total Income		**82,595**	**74,892**
EXPENSES			
Investment Manager Fee		26	24
Trustee Fee		2	2
Project Manager Fee		24	24
Audit Fees		30	23
Listing Fees		1	-
Network Operating Expenses	22	51,360	45,878
Employee Benefits Expense	23	164	1
Finance Costs	24	20,772	32,039
Depreciation and Amortisation Expense	25	19,560	17,784
Legal and Professional Fees		151	42
Other Expenses	26	335	209
Total Expenses		**92,425**	**96,026**
Loss before Tax		**(9,830)**	**(21,134)**
Tax Expenses		-	-
Loss for the year		**(9,830)**	**(21,134)**
Other Comprehensive Loss		-	-
Total Comprehensive Loss for the year		**(9,830)**	**(21,134)**
Attributable to Owners of the Trust		**(5,681)**	**(10,885)**
Attributable to Non Controlling Interest		**(4,149)**	**(10,249)**
Earnings Per Unit (EPU)	27		
Basic (in Rupees)		**(6.68)**	-
Diluted (in Rupees)		**(6.68)**	-
Significant Accounting Policies			
See accompanying Notes to the Consolidated Financial Statements	1 to 42		

"0" represents the amount below the denomination threshold.

As per our report of even date.

For Deloitte Haskins & Sells LLP
Chartered Accountants
Firm Regn No: 117366W/W-100018

For and on the behalf of the Board of Director of
Brookfield India Infrastructure Manager Private Limited
(acting in the capacity of Investment Manager of Tower Infrastructure Trust)

Varsha A. Fadte
Partner

Date: June 07, 2021
Place: Chicalim, Goa

Sridhar Rengan
Chairperson of the Board
DIN: 03139082

Date: June 07, 2021
Place: Chennai

Dhananjay Joshi
Member of Tower InvIT Committee
PAN: AASPJ9719K

Date: June 07, 2021
Place: Bangalore

Inder Mehta
Compliance Officer of the Trust
PAN: AAFPM5702N

Date: June 07, 2021
Place: Mumbai

Consolidated Statement of Changes in Unitholders' Equity for the year ended March 31 2021

(Rs. in Million)

		Year ended March 31, 2021	Year ended March 31, 2020
(A)	**Unit capital**		
	Balance at the beginning of the year	2,52,150	-
	Changes in equity share capital during the year	-	-
	Balance at the end of the year	**2,52,150**	**-**
(B)	**Initial Contribution**	124	124
	Balance at the beginning of the year	116	-
	Contribution during the year	**240**	**124**
	Balance at the end of the year		
(C)	**Non Controlling Interest**		
	Balance at the beginning of the year	(9,212)	1,037
	1,05,00,000 Equity shares of Re. 1 each fully paid up in Summit Digitel Infrastructure Private Limited (Formerly as Reliance Jio Infratel Private Limited)	(1,054)	-
	Loss for the year	(4,149)	(10,249)
	Acquisition (Refer Note 10.2)	14,415	-
	Balance at the end of the year	**-**	**(9,212)**

(D) Other Equity

	Instrument classified as Equity: 10% Cumulative Optionally Convertible Preference Share Capital Fully paid up	Reserves and Surplus: Retained Earnings	Total
As on March 31, 2020			
Balance at the beginning of the year	500	(17)	483
Total Comprehensive Loss for the year	-	(10,885)	(10,885)
Balance at the end of the year	**500**	**(10,902)**	**(10,402)**
As on March 31, 2021			
Balance at the beginning of the year	500	(10,902)	(10,402)
Total Comprehensive Loss for the year	-	(5,681)	(5,681)
Return on Capital#		(10,306)	(10,306)
Change in non controlling interest during the year		(14,415)	(14,415)
Other adjustments (Refer note 13 (III) and Note 11)	(500)	(10,158)	(10,658)
Balance at the end of the year	**-**	**(51,462)**	**(51,462)**

#Return on capital distribution during the year as per NDCF duly approved by investment manager. Refer Note 39.

Significant Accounting Policies

See accompanying Notes to the Consolidated Financial Statements 1 to 42

"0" represents the amount below the denomination threshold.

As per our report of even date.

For Deloitte Haskins & Sells LLP
Chartered Accountants
Firm Regn No: 117366W/W-100018

For and on the behalf of the Board of Director of
Brookfield India Infrastructure Manager Private Limited
(acting in the capacity of Investment Manager of Tower Infrastructure Trust)

Varsha A. Fadte
Partner
Date: June 07, 2021
Place: Chicalim, Goa

Sridhar Rengan
Chairperson of the Board
DIN: 03139082
Date: June 07, 2021
Place: Chennai

Dhananjay Joshi
Member of Tower InvIT Committee
PAN: AASPJ9719K
Date: June 07, 2021
Place: Bangalore

Inder Mehta
Compliance Officer of the Trust
PAN: AAFPM5702N
Date: June 07, 2021
Place: Mumbai

Consolidated Statement of Cash Flow for the year ended March 31 2021

(Rs. in Million)

	Particulars	Year ended March 31, 2021	Year ended March 31, 2020
A	**CASH FLOW FROM OPERATING ACTIVITIES:**		
	Net Loss before tax as per Profit and Loss Statement	(9,830)	(21,134)
	Adjusted for		
	Fair Valuation measurement losses on call option	195	-
	Depreciation and Amortisation Expense	19,560	17,784
	Gain on Investments (Net)	(49)	(119)
	Interest Income	(64)	-
	Interest on income tax refund	(40)	(6)
	Finance Costs	20,772	32,039
		40,374	**49,698**
	Operating profit before working capital changes	**30,544**	**28,564**
	Adjusted for :		
	Trade and Other Receivables	12,505	(11,182)
	Trade and Other Payables	(40,824)	13,377
		(28,319)	**2,195**
	Cash (Utilised in)/Generated from Operations	**2,225**	**30,759**
	Income taxes refund/(paid)	**488**	**(695)**
	Net Cash (Utilised in)/Generated from Operations (A)	**2,713**	**30,064**
B	**CASH FLOW FROM INVESTING ACTIVITIES:**		
	Acquisition of subsidiary	(1,054)	-
	Purchase of Property, Plant and Equipment	(1,10,631)	(84,639)
	Purchase of Investments	(45,029)	(1,66,930)
	Sale of Investments	45,078	1,67,194
	Investments in bank deposits	(30)	(6)
	Interest received	55	-
	Net Cash flow used in Investing Activities (B)	**(1,11,611)**	**(84,382)**
C	**CASH FLOW FROM FINANCING ACTIVITIES:**		
	Proceeds from Units Issued	2,52,150	-
	Payment of lease liabilities	(4)	-
	Proceeds from Long term Borrowings	3,01,835	50,000
	Repayment of Long term Borrowings	(3,57,820)	(10,000)
	Proceeds from Short term Borrowings	-	38,312
	Repayment of Short term Borrowings	(30,050)	(37,912)
	Deposit Received	-	35,940
	Working capital adjustment (Refer Note 11(i))	(3,824)	-
	Finance Costs Paid	(33,589)	(21,691)
	Distribution to Unitholders	(10,306)	-
	Unit issuance costs	(24)	-
	Contribution received during the year	116	124
	Net Cash flow generated from financing activities (C)	**1,18,484**	**54,773**
	Net Increase in Cash and Cash Equivalents (A+B+C)	**9,586**	**455**
	Opening Balance of Cash and Cash Equivalents	**461**	**6**
	Closing Balance of Cash and Cash Equivalents	**10,047**	**461**

Changes in Liability arising from financing activities (Rs. in Million)

	As at April 1, 2020	Cash Flow	Non Cash	Transfer from Equity	As at March 31, 2021
			Unamortised Prepaid finance charges		
Borrowings (Refer Note - 13)	2,39,294	(55,985)	(1,584)	126	1,81,851
Borrowings - Current (Refer Note - 16)	30,050	(30,050)	-	-	-
Total	**2,69,344**	**(86,035)**	**(1,584)**	**126**	**1,81,851**

(Rs. in Million)

	As at April 1, 2019	Cash Flow	Non Cash	Transfer from Equity	As at March 31, 2020
			Unamortised Prepaid finance charges		
Borrowings (Refer Note - 13 and 18)	1,99,460	40,000	(166)	-	2,39,294
Borrowings - Current (Refer Note - 16)	29,650	400	-	-	30,050
Total	**2,29,110**	**40,400**	**(166)**	**-**	**2,69,344**

Notes:

1 The above Statement of Cash Flow has been prepared under the "Indirect Method" as set out in IND AS - 7 "Statement of Cash Flows"

2 Non-cash investing activity -

Call Option written on shares of subsidiary Rs. 2,215 Mn for year ended March 31, 2021 (Previous year :Nil)

Significant Accounting Policies

"0" represents the amount below the denomination threshold.

See accompanying Notes to the Consolidated Financial Statements

As per our report of even date.

For Deloitte Haskins & Sells LLP
Chartered Accountants
Firm Regn No: 117366W/W-100018

For and on the behalf of the Board of Director of
Brookfield India Infrastructure Manager Private Limited
(acting in the capacity of Investment Manager of Tower Infrastructure Trust)

Varsha A. Fadte
Partner

Date: June 07, 2021
Place: Chicalim, Goa

Sridhar Rengan
Chairperson of the Board
DIN: 03139082

Date: June 07, 2021
Place: Chennai

Dhananjay Joshi
Member of Tower InvIT Committee
PAN: AASPJ9719K

Date: June 07, 2021
Place: Bangalore

Inder Mehta
Compliance Officer of the Trust
PAN: AAFPM5702N

Date: June 07, 2021
Place: Mumbai

Disclosure as required by SEBI Circular no. IMD/DF/114/2016 dated October 20, 2016

(A) Debt Payment History: (Rs. in Million)

		As at March 31, 2021	As at March 31, 2020
i	**Loan from Banks**		
	Carrying amount of debt at the beginning of the year	1,19,834	80,000
	Additional borrowing during the year	65,115	50,000
	Repayments during the year	(1,20,000)	(10,000)
	Other adjustments	(1,584)	(166)
	Carrying amount of debt at the end of the year	**63,365**	**1,19,834**
ii	**Non-convertible debentures (NCD)**		
	Carrying amount of NCD at the beginning of the year	1,18,360	1,48,010
	NCD issued during the year	2,36,720	-
	Repayment during the year	(2,36,720)	(29,650)
	Carrying amount of NCD at the end of the year	**1,18,360**	**1,18,360**
iii	**Loan from others**		
	Carrying amount of debt at the beginning of the year	31,150	1,100
	Additional borrowing during the year	-	30,050
	Repayments during the year	(31,150)	-
	Reclassification of Preference Shares	126	-
	Carrying amount of debt at the end of the year	**126**	**31,150**
iv	**Total (i to iii)**		
	Carrying amount of debt at the beginning of the year	2,69,344	2,29,110
	Additional borrowing during the year	3,01,835	80,050
	Repayments during the year	(3,87,870)	(39,650)
	Other adjustments	(1,584)	(166)
	Reclassification of Preference Shares	126	-
	Carrying amount of debt at the end of the year	**1,81,851**	**2,69,344**

(B) Statement of Net Assets at Fair Value (Rs. in Million)

	As at March 31, 2021	
	Book Value	**Fair Value***
A. Assets	4,14,459	4,40,055
B. Liabilities	1,75,769	1,75,769
C. Net Assets (A-B)	**2,38,691**	**2,64,286**
D. No. of Units	**2,522**	**2,522**
D. NAV(C/D)	**94.66**	**104.81**

*Total Assets includes the Fair Value of the Enterprise Value attributable to the InvIT as at March 31, 2021. Assets are valued as per valuation report issued by independent valuer appointed under the InvIT Regulations and relied on by the Statutory Auditors. Total Liabilities includes the Fair Value of the call option with Reliance Industries Limited in respect of SDIPL shares. The liability is valued as per valuation report issued by an independent valuer and relied on by the Statutory Auditors.

(C) Statement of Total Return at Fair Value (Rs. in Million)

	Year ended March 31, 2021	Year ended March 31, 2020
Total Comprehensive Income (As per Statement of Profit and Loss)	(9,830)	(21,134)
Add/(Less): Other changes in fair value (e.g. Property, Plant and Equipment)	-	-
Total Return	**(9,830)**	**(21,134)**

Notes forming part of Consolidated Financial Statements for the year ended March 31, 2021

A GROUP INFORMATION

The Consolidated Financial Statements comprise Finanicial Statements of Tower Infrastructure Trust ("Tower InvIT/Trust") and its subsidiary "Summit Digitel Private Limited" ("SDIPL or Project SPV") (collectively, the Group) for the year ended March 31, 2021

Trust was set up by Reliance Industrial Investments and Holdings Limited ("Reliance Sponsor") on January 31, 2019, as a contributory irrevocable trust under the provisions of the Indian Trusts Act, 1882. The Trust was registered as an infrastructure investment trust under Securities and Exchange Board of India (Infrastructure Investment Trusts) Regulations, 2014 ("InvIT Regulations") on March 19, 2019, having registration number IN/InvIT/18-19/0009. It has its Principal place of business at 9th Floor, Maker Chambers IV, 222, Nariman Point, Mumbai 400 021, Maharashtra, India

Sponsors of the Trust are BIF IV Jarvis India Pte. Ltd, a company registered in Singapore and Reliance Industrial Investments and Holdings Limited, a company incorporated in India.

The Trustee to the Trust is Axis Trustee Services Limited ("Trustee").

Till October 12, 2020, Infinite India Investment Management Limited ("erstwhile Investment Manager") was the Investment Manager to the Trust. The address of the registered office of the erstwhile Investment Manager was 7th Floor, Cnergy, Appasaheb Marg, Prabhadevi Mumbai 400025.

With effect from October 13, 2020, Brookfield India Infrastructure Manager Private Limited (formerly known as WIP (India) Private Limited) ("Investment Manager") has been appointed as the Investment Manager to the Trust. The address of the registered office of the new Investment Manager is Unit 1, 4th Floor, Godrej BKC, Bandra Kurla Complex, Mumbai-400051, Maharashtra, India.

The investment objectives of the Trust are to carry on the activities of an infrastructure investment trust, as permissible under the SEBI InvIT Regulations and to raise funds and making investments in accordance with the InvIT Regulations and the Trust Deed.

The units of Tower InvIT are listed on BSE Limited w.e.f. September 1, 2020

The Trust has acquired entire equity share capital of Summit Digitel Infrastructure Private Limited [formerly known as Reliance Jio Infratel Private Limited] ("SDIPL") on August 31, 2020. SDIPL is engaged in the business of setting up and maintaining passive tower infrastructure and related assets, and providing passive tower infrastructure services ("Tower Infrastructure Business"). SDIPL is the Trust's first and only investment in complete and revenue generating infrastructure projects.

B ACCOUNTING POLICIES

B.1 BASIS OF ACCOUNTING AND PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS

The Consolidated Financial Statements of Trust comprises the Consolidated Balance Sheet as at March 31, 2021; the Consolidated Statement of Profit and Loss, the Consolidated Statement of Cash Flows and the Consolidated Statement of Changes in Unitholders' Equity for the year ended March 31, 2021 and a summary of significant accounting policies and other explanatory information. Additionally, it includes the Consolidated Statement of Net Assets at Fair Value as at March 31, 2021, the Statement of Total Returns at Fair Value for year then ended and other additional financial disclosures as required under the InvIT Regulations. The Consolidated Financial Statements were authorized for issue in accordance with resolutions passed by the Board of Directors of the Investment Manager on behalf of the Trust on June 07, 2021. The Consolidated Financial Statements have been prepared in accordance with the requirements of InvIT Regulations, as amended from time to time read with the SEBI circular number CIR/IMD/DF/127/2016 dated November 29, 2016 ("SEBI Circular"); Indian Accounting Standards as defined in Rule 2(1)(a) of the Companies (Indian Accounting Standards) Rules, 2015 prescribed under Section 133 of the Companies Act, 2013 ('Ind AS'), to the extent not inconsistent with the InvIT Regulations (Refer Note 11 on presentation of "Unit Capital" as "Equity" instead of compound instruments under Ind AS 32 – Financial Instruments: Presentation), read with relevant rules issued thereunder and other accounting principles generally accepted in India.

Notes forming part of Consolidated Financial Statements for the year ended March 31, 2021

Statement of compliance to Ind AS:

These Consolidated financial statements for the year ended March 31, 2021 have been prepared in accordance with Ind AS, to the extent not inconsistent with the InvIT Regulations as more fully described above.

The Consolidated Financial Statements have been prepared on the historical cost basis except for certain Financial Assets and Financial Liabilities (including derivative instruments) that are measured at fair values.

The financial statements are presented in Indian Rupees, which is also its functional currency and all values are rounded to the nearest Million (INR 000,000), except when otherwise indicated.

B.2 BASIS OF CONSOLIDATION

The Consolidated Ind AS Financial Statements incorporate the Financial Statements of the Trust and entities controlled by the Trust. Control is achieved when the Group:

- has power over the investee;
- is exposed, or has rights, to variable returns from its involvement with the investee; and
- has the ability to use its power to affects its returns.

Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Specifically, income and expenses of a subsidiary acquired or disposed of during the period are included in the consolidated Statement of Profit and Loss from the date the Group gains control until the date when the Group ceases to control the subsidiary.

Profit or loss and each component of other comprehensive income are attributed to the owners of the Group and to the non-controlling interests. Total comprehensive income of subsidiaries is attributed to the owners of the Group and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

Consolidated Financial Statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances. When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with the Group's accounting policies.

The Financial Statements of all entities used for the purpose of consolidation are drawn upto the same reporting date as that of the trust i.e. year ended on March 31, 2021

All intra Group assets and liabilities, equity, income, expenses, and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

Changes in the Group's ownership interests in existing subsidiaries that do not result in the Group losing the control over the subsidiaries are accounted for as equity transactions. The carrying amounts of the Group's interests and the non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiaries. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognised directly in equity and attributed to owners of the Group.

When the Group loses control of a subsidiary, a gain or loss is recognised in Statement of Profit and Loss and is calculated as the difference between (i) the aggregate of the fair value of the consideration received and the fair value of any retained interest and (ii) the previous carrying amount of the assets (including goodwill), and liabilities of the subsidiary and any non-controlling interests. All amounts previously recognised in other comprehensive income in relation to that subsidiary are accounted for as if the Group had directly disposed of the related assets or liabilities of the subsidiary (i.e. reclassified to profit or loss or transferred to another category of equity as specified /permitted by applicable Ind AS). The fair value of any investment retained in the former subsidiary at the date when control is lost is regarded as the fair value on initial recognition for subsequent accounting under Ind AS 109, or, when applicable, the cost on initial recognition of an investment in an associate or joint venture.

Notes forming part of Consolidated Financial Statements for the year ended March 31, 2021

Goodwill

Goodwill arising on an acquisition of a business is carried at cost established at the date of acquisition of the business less accumulated impairment loss if any. For the purpose of impairment testing, goodwill is allocated to each of the Group's cash generating units (CGU) that is expected to benefit from the synergies of the combination. A CGU to which goodwill has been allocated is tested for impairment annually, or more frequently when there is an indication that the CGU may be impaired, if the recoverable amount of the CGU is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the units pro-rata based on the carrying amount of each asset in the unit, any impairment loss or goodwill is not reversed in subsequent period. On disposal of relevant CGU the attributable amount of goodwill is included in the determination of the profit or loss on disposal.

B.3 BUSINESS COMBINATIONS

Acquisitions of businesses are accounted for using the acquisition method. The consideration transferred in a business combination is measured at fair value, which is calculated as the sum of the acquisition date fair values of the assets transferred by the Group, liabilities incurred by the Group to the former owners of the acquiree and the equity interests issued by the Group in exchange of control of the acquiree. Acquisition related costs are generally recognised in Statement of Profit and Loss as incurred.

At the acquisition date, the identifiable assets acquired and the liabilities assumed are recognised at their fair value, except that deferred tax assets or liabilities related to employee benefits arrangements are recognised and measured in accordance with Ind AS 12 Income taxes and Ind AS 19 Employee benefits respectively.

Goodwill is measured as the excess of the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree (if any) over the net of the acquisition date amounts of the identifiable assets acquired and the liabilities assumed.

Non-controlling interests that are present ownership interests and entitle their holders to a proportionate share of the entity's net assets in the event of liquidation may be initially measured either at fair value or at the non-controlling interests' proportionate share of the recognised amounts of the acquiree's identifiable net assets.

When a business combination is achieved in stages, the Group's previously held equity interest in the acquiree is remeasured to its acquisition-date fair value and the resulting gain or loss, if any, is recognised in profit or loss. Amounts arising from interests in the acquiree prior to the acquisition date that have previously been recognised in other comprehensive income are reclassified to profit or loss where such treatment would be appropriate if that interest were disposed of.

B.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(a) Current and Non-Current Classification:

The Group presents assets and liabilities in the Balance Sheet based on Current/ Non-Current classification as per Schedule III Division II of the Companies Act, 2013.

An asset is treated as Current when it is:

i) Expected to be realised or intended to be sold or consumed in normal operating cycle;

ii) Held primarily for trading;

iii) Expected to be realised within twelve months after the reporting period, or

iv) Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

Notes forming part of Consolidated Financial Statements for the year ended March 31, 2021

A liability is treated as Current when:

i) It is expected to be settled in normal operating cycle;

ii) Held primarily for trading;

iii) It is due to be settled within twelve months after the reporting period, or

iv) There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The Group classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

The Group has considered 12 months as its normal operating cycle.

(b) Property, Plant and Equipment:

Property, Plant and Equipment is stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. Such cost includes purchase price, borrowing cost and any cost directly attributable to bringing the assets to its working condition for its intended use.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the entity and the cost can be measured reliably.

Depreciation on Plant and Equipment and building is provided using straight-line method based on estimated useful life of 20 years. The estimated useful life is different from the useful life as prescribed under Schedule II to the Companies Act, 2013 and in the opinion of the Group this represents the best estimate thereof on the basis of technical evaluation and actual usage period. Leasehold land and leasehold improvements are amortised over the period of lease or useful life whichever is less.

The residual values, useful lives and methods of depreciation of Property, Plant and Equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

Gains or losses arising from derecognition of a Property, Plant and Equipment are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the Statement of Profit and Loss when the asset is derecognised.

(c) Leases

A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

As a Lessee

The Group's lease asset classes primarily consist of leases for land and buildings. The Group assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Group assesses whether: (i) the contract involves the use of an identified asset (ii) the Group has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Group has the right to direct the use of the asset.

At the date of commencement of the lease, the Group recognizes a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the Group recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

Notes forming part of Consolidated Financial Statements for the year ended March 31, 2021

Certain lease arrangements includes the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised.

The right-of-use assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses.

The Group's agreements with the landowners for taking land on lease for construction of Towers thereon, read with the stipulations of the Master Service Agreements with its customers have been concluded to be short term lease.

Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. Right of use assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of these leases. Lease liabilities are remeasured with a corresponding adjustment to the related right of use asset if the Group changes its assessment if whether it will exercise an extension or a termination option.

As a Lessor

Leases are classified as finance leases when substantially all of the risks and rewards of ownership transfer from the Group to the lessee. Amounts due from lessees under finance leases are recorded as receivables at the Group's net investment in the leases. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the net investment outstanding in respect of the lease.

Leases where the Group does not transfer substantially all the risks and rewards incidental to ownership of the asset are classified as operating leases. Lease rentals under operating leases are recognized as income on a straight-line basis over the lease term. Contingent rents are recognized as revenue in the period in which they are earned.

(d) Finance Cost

Borrowing costs include exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost. Borrowing costs that are directly attributable to the acquisition or construction of qualifying assets are capitalised as part of the cost of such assets. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use.

Interest income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

All other borrowing costs are charged to Statement of Profit and Loss as per effective interest rate method in the period in which they are incurred.

(e) Provisions

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

Notes forming part of Consolidated Financial Statements for the year ended March 31, 2021

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

Asset Retirement Obligation:

Asset Retirement Obligation (ARO) is provided for where the Group has an obligation to restore the rented premises at the end of the period in a condition similar to inception of the arrangement.

The obligation arising on account of such costs are provided at present value of future restoration and dismantling costs and are recognised as part of the cost of underlying assets. Any change in the present value of the expenditure, other than unwinding of discount on the provision, is reflected as adjustment to the provision and the corresponding asset. The change in the provision due to the unwinding of discount is recognized in the Statement of Profit and Loss.

(f) Impairment of Financial Assets

In accordance with Ind AS 109, the Group uses 'Expected Credit Loss'(ECL) model, for evaluating impairment of Financial Assets other than those measured at Fair Value Through Profit and Loss (FVTPL).

Expected Credit Losses are measured through a loss allowance at an amount equal to:

The 12-months expected credit losses (expected credit losses that result from those default events on the financial instrument that are possible within 12 months after the reporting date); or

Full lifetime expected credit losses (expected credit losses that result from all possible default events over the life of the financial instrument)

For Trade Receivables the Group applies' simplified approach which requires expected life time losses to be recognized from initial recognition of the receivables.

For other assets, the Group uses 12 month ECL to provide for impairment loss where there is no significant increase in credit risk. If there is significant increase in credit risk full lifetime ECL is used.

(g) Taxation

The tax expense for the period comprises current and deferred tax. Tax is recognised in Statement of Profit and Loss, except to the extent that it relates to items recognised in the comprehensive income or in equity. In which case, the tax is also recognised in other comprehensive income and equity.

Current tax

Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities, based on tax rates and laws that are enacted or substantively enacted at the Balance sheet date.

Deferred tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the Financial Statements and the corresponding tax bases used in the computation of taxable profit. Deferred income tax assets on carry forward losses is recognised based on convincing evidence where it is reasonably certain that sufficient taxable profits will be available to utilise those losses. Deferred tax assets are recognised to the extent it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax losses can be utilized.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period. The carrying amount of Deferred tax liabilities and assets are reviewed at the end of each reporting period.

Notes forming part of Consolidated Financial Statements for the year ended March 31, 2021

(h) Cash and cash equivalents

Cash and cash equivalents includes cash at banks, cash on hand and short term deposits with an original maturity of 3 months or less, which are subject to an insignificant risk of changes in value. For the purpose of the statement of cash flow, cash and cash equivalents consist of cash and short term benefits, as defined above, net of outstanding bank overdrafts, if any as they are considered an integral part of the Group's cash management.

(i) Impairment of Non-Financial Assets - Property, Plant and Equipment

The Group assesses at each reporting date as to whether there is any indication that any item of Property, Plant and Equipment or group of assets, called Cash Generating Units (CGU) may be impaired. If any such indication exists the recoverable amount of an asset or CGU is estimated to determine the extent of impairment, if any. When it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the CGU to which the asset belongs.

An impairment loss is recognised in the Statement of Profit and Loss to the extent, asset's carrying amount exceeds its recoverable amount. The recoverable amount is higher of an asset's fair value less cost of disposal and value in use. Value in use is based on the estimated future cash flows, discounted to their present value using pre-tax discount rate that reflects current market assessments of the time value of money and risk specific to the assets.

The impairment loss recognised in prior accounting period is reversed if there has been a change in the estimate of recoverable amount.

(j) Foreign Currencies

Transactions and Translation

Transactions in foreign currencies are recorded at the exchange rate prevailing on the date of transaction. Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date.

Exchange differences arising on settlement or translation of monetary items are recognised in Statement of Profit and Loss except to the extent of exchange differences which are regarded as an adjustment to interest costs on foreign currency borrowings and that are directly attributable to the acquisition or construction of qualifying assets, are capitalized as cost of assets.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e. translation differences on items whose fair value gain or loss is recognised in Other Comprehensive Income (OCI) or profit or loss are also recognised in OCI or Statement of profit or loss, respectively).

In case of an asset, expense or income where an non-monetary advance is paid/received, the date of transaction is the date on which the advance was initially recognized. If there were multiple payments or receipts in advance, dates of transactions are determined for each payment or receipt of advance consideration.

(k) Revenue recognition

The Group earns revenue i.e. infrastructure provisioning fees (IP Fees) and related income primarily from providing passive infrastructure and related services. Revenue is recognized when the Group satisfies the performance obligation by transferring the promised services to the customers. IP Fees are recognized as and when services are rendered on a monthly basis as per the contractual terms prescribed under

Notes forming part of Consolidated Financial Statements for the year ended March 31, 2021

master services agreement entered with customer. Revenue is recognised to the extent it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured, regardless of when the payment is being made. Revenues from fixed-price and fixed-timeframe contracts, where the performance obligations are satisfied over time and where there is no uncertainty as to measurement or collectability of consideration, are recognised to the extent the Group has rendered the services, as per the contractual arrangements. Revenue is measured at the fair value of the consideration received or receivable in exchange for transferring the promised services, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government.

Contracts with customers includes certain services received from third-party contractors or vendors. Revenue from such customer contracts is recorded net of costs when the Group is not the principal. In doing so, the Group evaluates whether it controls the good or service before it is transferred to the customer. In determining control, the Group considers whether it has the primary obligation to fulfil the contract, inventory risk, pricing discretion and other factors to determine whether it controls the goods or service and therefore is acting as a principal.

Unbilled revenue represents revenues recognized after the last invoice raised to customer to the period end. These are billed in subsequent periods based on the prices specified in the master service agreement with the customers, whereas invoicing in excess of revenues are classified as unearned revenues.

Interest income

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Group and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset’s net carrying amount on initial recognition.

Dividends

Dividends are recognised when the Group’s right to receive the payment is established.

(I) Financial Instruments

i) Financial Assets

A. Initial recognition and measurement:

All financial assets and liabilities are initially recognized at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities, which are not at fair value through profit or loss, are added to the fair value on initial recognition. Purchase and sale of financial assets are recognised using trade date accounting.

B. Subsequent measurement

a) Financial assets carried at amortised cost (AC)

A financial asset is subsequently measured at amortised cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

b) Financial assets at fair value through other comprehensive income (FVTOCI)

A financial asset is subsequently measured at fair value through other comprehensive income if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Notes forming part of Consolidated Financial Statements for the year ended March 31, 2021

c) **Financial assets at fair value through profit or loss (FVTPL)**

A financial asset which is not classified in any of the above categories are subsequently fair valued through profit or loss.

ii) **Financial liabilities**

A. **Initial recognition and measurement:**

All financial liabilities are recognized initially at fair value and in case of borrowings, net of directly attributable cost. Fees of recurring nature are directly recognised in profit or loss as finance cost.

B. **Subsequent measurement:**

Financial liabilities are subsequently carried at amortized cost using the effective interest method. For trade and other payables including creditors for capital expenditure maturing within one year from the balance sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

C. **Derivative Financial Instruments and Hedge Accounting**

The Group uses various derivative financial instruments such as forwards to mitigate the risk of changes in interest rates and exchange rates. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are also subsequently measured at fair value. Derivatives are carried as Financial Assets when the fair value is positive and as Financial Liabilities when the fair value is negative.

Hedges that meet the criteria for hedge accounting are accounted for as follows:

D. **Fair Value Hedge**

The Group designates derivative contracts or non derivative Financial Assets / Liabilities as hedging instruments to mitigate the risk of change in fair value of hedged item due to movement in interest rates and foreign exchange rates.

Changes in the fair value of hedging instruments and hedged items that are designated and qualify as fair value hedges are recorded in the Statement of Profit and Loss. If the hedging relationship no longer meets the criteria for hedge accounting, the adjustment to the carrying amount of a hedged item for which the effective interest method is used is amortised to Statement of Profit and Loss over the period of maturity.

(m) **Earnings per Share**

Basic earnings per share is calculated by dividing the net profit / loss after tax by the weighted average number of equity shares outstanding. Diluted earnings per share adjusts the figures used in determination of basic earnings per share to take into account the conversion of all dilutive potential equity shares. Dilutive potential equity shares are deemed converted as at the beginning of the period unless issued at a later date.

(n) **Cash Flow Statement**

Cash flows are reported using indirect method, whereby net profits / loss before tax is adjusted for the effects of transactions of a non-cash nature and any deferrals or accruals of past or future cash receipts or payments and items of income or expenses associated with investing or financing cash flows. The cash flows from regular revenue generating (operating activities), investing and financing activities of the Group are segregated.

Notes forming part of Consolidated Financial Statements for the year ended March 31, 2021

(o) Contingent Liabilities

Contingent liabilities are disclosed in notes to accounts when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made.

(p) Fair Value Measurement

Fair Value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- in the principal market for the asset or liability, or

- in the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

Valuation techniques used are those that are appropriate in the circumstances and for which sufficient data are available to measure fair value.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows,

Level 1: Quoted (unadjusted) market prices in active markets for identical assets or liabilities

Level 2: Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable

Level 3: Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

(q) Retirement Benefits

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees rendered the related services are recognized in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled.

Defined Contribution Plan

A defined contribution plan is a post-employment benefit plan under which the Group pays specified contributions to a separate entity. The Group makes specified monthly contributions towards Provident Fund. The Group's contribution is recognised as an expense in the Statement of Profit and Loss during the period in which the employee renders the related service.

Defined Benefit Plan

The Group provides for gratuity, a defined benefit plan covering eligible employees. The gratuity plans provides lump sum payment to vested employees at retirement, death, incapacitation or termination of employment, of an amount base on the respective employees base salary and the tenure of employment. A provision for gratuity liability to the employee is made on the basis of actuarial valuation determined using the projected unit credit method. The benefits are discounted using the discount rates for Government Securities at the end of the reporting period that have terms approximating to the terms of the related obligation.

Notes forming part of Consolidated Financial Statements for the year ended March 31, 2021

Remeasurements, comprising of actuarial gains and losses, excluding amounts included in net interest on the net defined benefit liability are recognized immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur.

Remeasurement as a result of experience adjustments and changes in actuarial assumptions are recognized in the statement of profit and loss.

C Critical accounting judgements and key sources of estimation uncertainty:

The preparation of the Group's financial statements requires management to make judgement, estimates and assumptions that affect the reported amount of revenue, expenses, assets,liabilities and contingent liabilities and the acGrouping disclosures. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

(a) Depreciation and useful lives of Property, Plant and Equipment

Plant and Equipment are depreciated over their estimated useful life which is based on technical evaluation, actual usage period and operations and maintenance arrangements with a vendor, after taking into account estimated residual value. Management reviews the estimated useful lives and residual values of the assets periodically in order to determine the amount of depreciation to be recorded during any reporting period.

(b) Asset Retirement Obligation

Asset Retirement Obligation created for the cost to dismantle equipment and restore sites at the rented premises upon vacation thereof, which is estimated based on actual quotes, which are reasonable and appropriate under these circumstances.

(c) Revenue from Operations

The Group constructs towers on parcels of land taken on lease to provide tower infrastructure and related operations and maintenance services to multiple parties inter-alia engaged in rendering telecommunication services. The Group's business is predominantly of rendering of services and not providing a right of use of part or whole of the asset to its customers.The Group's contract with its largest customer was amended during the year effective from August 31, 2020 with a corresponding amendment to the O&M contract and other contracts. On account of this, the Group had to exercise significant judgement in evaluating the accounnting for the Contract Modifications under Ind AS 115 during the current year as well as other consequential accounting adjustments such as working capital adjustments pursuant to the amended terms.

(d) Recoverability of trade receivable

Judgements are required in assessing the recoverability of overdue trade receivables and determining whether a provision against those receivables is required. Factors considered include the credit rating of the counterparty, the contractual terms, the amount and timing of anticipated future payments and any possible actions that can be taken to mitigate the risk of non-payment.

(e) Provisions

Provisions and liabilities are recognized in the period when it becomes probable that there will be a future outflow of funds resulting from past operations or events and the amount of cash outflow can be reliably estimated. The timing of recognition and quantification of the liability require the application of judgement to existing facts and circumstances, which can be subject to change. Since the cash outflows can take place many years in the future, the carrying amounts of provisions and liabilities are reviewed regularly and adjusted to take account of changing facts and circumstances.

Notes forming part of Consolidated Financial Statements for the year ended March 31, 2021

(f) Impairment of Non-Financial Assets

The Group assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, the Group estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or Cash Generating Units (CGU's) fair value less costs of disposal and its value in use. It is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or a groups of assets. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account, if no such transactions can be identified, an appropriate valuation model is used.

(g) Leases

As a lessee - Determination of lease term

The Group determines the lease term as the non-cancellable period of a lease, together with both periods covered by an option to extend the lease if the Group is reasonably certain to exercise that option; and periods covered by an option to terminate the lease if the Group is reasonably certain not to exercise that option. In determining the lease term and assessing the length of the non-cancellable period of a lease, an entity shall apply the definition of a contract and determine the period for which the contract is enforceable. A lease is no longer enforceable when the lessee and the lessor each has the right to terminate the lease without permission from the other party with no more than an insignificant penalty. Further, in assessing whether the Group is reasonably certain to exercise an option to extend a lease, or not to exercise an option to terminate a lease, it considers all relevant facts and circumstances that create an economic incentive for the Group to exercise the option to extend the lease, or not to exercise the option to terminate the lease. The Group uses significant judgement in assessing the lease term, including anticipated renewals and the arrangements as per the contract with its customers.

(h) Recognition of Deferred Tax Assets & Liabilities

Deferred tax assets and liabilities are recognised for deductible temporary differences and unused tax losses for which there is probability of utilisation against the future taxable profit. The Group uses judgement to determine the amount of deferred tax that can be recognised, based upon the likely timing and the level of future taxable profits and business developments.

(i) Determination of Fair Value of Call option

Some of the Group's assets and liabilities are measured at fair value for financial reporting purposes. Management of the Group determines the appropriate valuation techniques and inputs for fair value measurements. In estimating the fair value of an asset or a liability, the Group uses market-observable data to the extent it is available. Where Level 1 inputs are not available, the Group engages third party qualified valuers to perform the valuation. Management works closely with the qualified external valuers to establish the appropriate valuation techniques and inputs to the model.

Standards issued but not effective:

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards. There is no such notification which would have been applicable from April 1, 2021.

Notes forming part of Consolidated Financial Statements for the year ended March 31, 2021

1. Property, Plant and Equipment

Note for FY 2020-21

(Rs. in Million)

Description	Gross Block				Accumulated depreciation				Net Block	
Property, Plant and Equipment	**As at April 01, 2020**	**Additions**	**Deductions**	**As at March 31, 2021**	**As at April 01, 2020**	**Additions**	**Deductions**	**As at March 31, 2021**	**As at March 31, 2021**	**As at March 31, 2020**
Tangible Assets :										
Own Assets :										
Freehold Land	96	-	-	96	-	-	-	-	96	96
Leasehold Improvements	110	-	-	110	5	5	-	10	100	105
Buildings	17	-	-	17	1	1	-	2	15	16
Computers	-	6	-	6	-	1	1	5	-	
Plant and Equipments	4,04,821	12,376	-	4,17,197	17,772	19,536	-	37,308	3,79,889	3,87,049
Total	**4,05,044**	**12,382**	**-**	**4,17,426**	**17,778**	**19,543**	**-**	**37,321**	**3,80,105**	**3,87,266**
Capital work in progress									**18**	**-**

Note for FY 2019-20

(Rs. in Million)

Description	Gross Block				Depreciation and Amortisation				Net Block	
	Gross Block April 01, 2019	Additions	Deduction	**As at March 31, 2020**	**As at April 01, 2019**	**Additions**	Deduction	**As at March 31, 2020**	**As at March 31, 2020**	As at March 31, 2019
Tangible Assets :										
Own Assets :										
Land	96	-	-	96	-	-	-	-	96	96
Building	110	-	-	110	-	5	-	5	105	110
Leasehold Improvements	17	-	-	17	-	1	-	1	16	17
Plant and Equipments	2,47,862	1,56,959	-	4,04,821	-	17,772	-	17,772	3,87,049	2,47,862
Office Equipments	-	-	-	-	-	-	-	-	-	-
Total	**2,48,085**	**1,56,959**	**-**	**4,05,044**	**-**	**17,778**	**-**	**17,778**	**3,87,266**	**2,48,085**

Notes

1.1. For properties mortgaged / hypothecated (Refer note 13)

1.2. Title deeds for the Immovable Properties are in the process of being transferred in the name of the Group.

Notes forming part of Consolidated Financial Statements for the year ended March 31, 2021

2 Right of Use (ROU) Assets and Liabilities

2A. Right of Use Assets

Following are the changes in the carrying value of right of use assets ("ROU") for the year ended March 31, 2021:

(Rs. in Million)

Particulars	Buildings	Land	Total
Balance as on March 31, 2019	-	123	123
Additions during the year	-		
Depreciation	-	(6)	(6)
Balance as on March 31, 2020	**-**	**117**	**117**
Additions during the year	106	-	106
Depreciation	(10)	(7)	(17)
Balance as on March 31, 2021	**96**	**110**	**206**

The aggregate depreciation expense on ROU assets is included under depreciation and amortization expense in the statement of Profit and Loss. Lease deeds for leeasehold lands are in process of being transferred in the name of the Group.

2B. Right of Use Liabilities

The following is the break-up of current and non-current lease liabilities as at March 31, 2021

(Rs. in Million)

Particulars	As at March 31, 2021	As at March 31, 2020
Current lease liabilities	18	-
Non-current lease liabilities	88	-
Total	**106**	**-**

The following is the movement in lease liabilities during the year ended March 31, 2021

(Rs. in Million)

Particulars	Total
Balance as on March 31, 2020	-
Additions	106
Finance cost accrued during the year	4
Payment of lease liabilities	(4)
Balance as on March 31, 2021	**106**

The table below provides details regarding the contractual maturities of lease liabilities as at March 31, 2021 on an undiscounted basis:

(Rs. in Million)

Particulars	Total
Less than One year	26
One to five years	100
More than five years	-
Total	126

Notes forming part of Consolidated Financial Statements for the year ended March 31, 2021

3 Other Financial Assets - Non Current

(Rs. in Million)

Particulars (Unsecured and Considered Good)	As at March 31, 2021	As at March 31, 2020
Security Deposits	4,538	3,069
Fixed Deposit with Banks	33	3
Total	**4,571**	**3,072**

3.1 Fixed Deposits with Bank of Rs. 33 million (Previous year Rs. 3 million) have been pledged against bank guarantees issued to Government and other regulatory authorities.

4 Other Non-Current Assets

(Rs. in Million)

Particulars (Unsecured and Considered Good)	As at March 31, 2021	As at March 31, 2020
Advance Income Tax / TDS (Refer note below)	253	701
Amount Paid under Protest - GST	2,944	2,535
Prepaid expenses	39	-
Total	**3,236**	**3,236**
Note: Advance Income Tax:		
At start of year	701	-
Charge for the year - Current Tax	-	-
Income tax refund	(668)	-
Tax Deducted at Source during the year	220	701
At end of year	**253**	**701**
Component of Deferred tax asset / (liabilities)		
Deferred tax asset / (liabilities) in relation to:		
Property, Plant and Equipment	(19,505)	(10,282)
Carried Forward Losses (restricted to the extent of deferred tax liability)	19,505	10,282
Total	**-**	**-**

The recoverability of deferred income tax assets is based on estimates of future taxable income in which the relevant entity operates and the period over which deferred income tax assets will be recovered.

The amount of unused tax losses for which no deferred tax is recognised:

Tax Loss carried Forward (Rs. in Million)

Particulars	March 31, 2021	March 31, 2020
Depreciation Loss (Carried forward indefinetely).	39,667	19,696

The amount of unused tax losses for which deferred tax is recognised

Tax Loss carried Forward (Rs. in Million)

Particulars	March 31, 2021	March 31, 2020
Business Loss (can be c/f till 2027-2028)	2,235	2,235
Business Loss (can be c/f till 2028-2029)	3,820	-
Depreciation Loss (Carried Forward indefinitely)	71,444	38,617
Deferred Tax Assets	19,505	10,282

Notes forming part of Consolidated Financial Statements for the year ended March 31, 2021

4.1 Reconciliation of income tax expenses for the year to the accounting profit: (Rs. in Million)

	March 31, 2021	March 31, 2020
Loss before Tax	(9,830)	**(21,134)**
Applicable Tax Rate	25.17%	**25.17%**
Computed Tax Expense / (Income)	(2,474)	**(5,319)**
Add: Tax effect on disallowance of expenses	-	-
Tax effect of:		
Unused tax losses for which no deferred tax assets is recognised	**(2,474)**	**(5,319)**
Current Tax Provision (A)	-	-
Deferred Tax Provision (B)	-	-
Total Tax Expense / (Income) recognised in Statement of Profit and Loss (A+B)	-	-

In accordance with section 10 (23FC) of the Income Tax Act, the income of business trust in the form of interest received or receivable from project SPV is exempt from Tax. Accordingly, the Trust is not required to provide any current tax liability. However, for the income earned by the Trust, it will be required to provide for current tax liability.

5 Trade Receivables

(Rs. in Million)

Particulars (Unsecured and considered good)	As at March 31, 2021	As at March 31, 2020
Trade Receivables	153	153
Total	**153**	153

6 Cash and Cash Equivalents

(Rs. in Million)

Particulars	As at March 31, 2021	As at March 31, 2020
Balances with Banks in Current Account	2,997	461
Fixed deposits with banks	7,050	-
Total	**10,047**	**461**

7 Bank balances other than covered in Cash and Cash Equivalents

(Rs. in Million)

Particulars	As at March 31, 2021	As at March 31, 2020
Fixed Deposits with Banks	3	3
Total	**3**	3

Fixed Deposits with Bank of Rs. 3 million (Previous year Rs. 3 million) have been pledged against bank guarantees issued to Government and other regulatory authorities.

8 Other Financial Assets - Current

(Rs. in Million)

Particulars	As at March 31, 2021	As at March 31, 2020
Deposit for capital expenditure	-	16,000
Other Receivables*	4,531	8,099
Total	**4,531**	**24,099**

*Balance as on March 31, 2021 includes contractually reimbursable / receivable amount and balance as on March 31, 2020 includes contractually reimbursable / receivable amount and derivative assets.

Notes forming part of Consolidated Financial Statements for the year ended March 31, 2021

9 Other Current Assets

(Rs. in Million)

Particulars (Unsecured and considered good)	As at March 31, 2021	As at March 31, 2020
Balance with GST authorities	9,276	19,624
Advance to vendors	2,313	2,929
Total	**11,589**	**22,553**

10 Unit capital

(Rs. in Million)

Particulars	As at March 31, 2021	As at March 31, 2020
Issued, subscribed and fully paid up unit capital		
2,52,15,00,000 (March 31, 2020: Nil) units of Rs. 100 each	2,52,150	-
Total	**2,52,150**	-

Rights and Restrictions to Units

10.1 The Trust has only one class of units. Each unit represents an undivided beneficial interest in the Trust . Each holder of unit is entitled to one vote per unit. The Unitholders have the right to receive at least 90% of the Net Distributable Cash Flows of the Trust at least once in each financial year in accordance with the InvIT Regulations. The Investment Manager approves distributions. The distribution will be in proportion to the number of units held by the unitholders. The Trust declares and pays distributions in Indian rupees. The distributions can be in the form of return of capital, return on capital and Miscellaneous income.

A Unitholder has no equitable or proprietary interest in the Trust Assets and is not entitled to transfer Trust Assets (or any part thereof). A Unitholder's right is limited to the right to require due administration of Trust in accordance with the provision of the Trust Deed and the Investment Management Agreement.

The unitholder(s) shall not have any personal liability or obligation with respect to the trust.

Under the provisions of the InvIT Regulations, Trust is required to distribute to Unitholders not less than 90% of the net distributable cash flows of Trust for each financial year. Accordingly, a portion of the Unit Capital contains a contractual obligation of the Trust to pay to its Unitholders cash distributions. Hence, the Unit Capital is a compound financial instrument which contains equity and liability components in accordance with Ind AS 32 - Financial Instruments: Presentation. However, in accordance with SEBI Circulars (No. CIR/IMD/DF/114/2016 dated October 20, 2016 and No. CIR/IMD/DF/127/2016 dated November, 29, 2016) issued under the InvIT Regulations, the Unitholders' funds have been presented as "Equity" in order to comply with the requirements of Section H of Annexure A to the SEBI Circular dated October 20, 2016 dealing with the minimum presentation and disclosure requirements for key financial statements. Consistent with Unit Capital being classified as equity, the distributions to Unitholders is also presented in Statement of Changes in Unitholders' Equity when the distributions are approved by the Board of Directors of Investment Manager.

10.2 Information on unitholders holding more than 5% of unit capital

Name of the Unitholders	Relationship	As at March 31,2021	
		Number of units	Percentage
BIF IV Jarvis India Pte. Ltd.	Sponsor	2,26,41,00,000	89.79
Anahera Investment Pte. Ltd.	Unitholder	17,90,00,000	7.10

Note: All the Units were issued during the current year hence no disclosure is required as at March 31, 2020

On 31st August 2020, the Trust issued 2,521,500,000 units at an Issue Price of INR 100 per unit to the subscribers. BIF IV Jarvis India Pte. Ltd. subscribed 89.79% of the units and is the immediate parent company.

Notes forming part of Consolidated Financial Statements for the year ended March 31, 2021

10.3 Reconciliation of the unit and amount outstanding at the beginning and at the end of reporting year:

(Rs. in Million)

Particulars	As at March 31, 2021	
	No. of Units	Amount
Reconciliation of the units		
Units at the beginning of the year	-	-
Issued during the year	2,52,15,00,000	2,52,15,00,00,000
Units at the end of the year	**2,52,15,00,000**	**2,52,15,00,00,000**

Note: All the Units were issued during the current year hence no disclosure is required as at March 31, 2020

10A Contribution (Rs. in Million)

Particulars	As at March 31, 2021	As at March 31, 2020
Opening Balance	124	-
Changes in Contribution during the year	116	124
Balance at end of the year	**240**	**124**

11 Other Equity

(Rs. in Million)

Instrument classified as equity	As at March 31, 2021	As at March 31, 2020
10% Cumulative, Participating, Optionally Convertible Preference Shares Rs. 10 fully paid up (Refer Note 13 (iii), Note iv and v below)	-	500
Reserves and Surplus		
Retained earning		
Opening Balance	(10,902)	(17)
Total Comprehensive loss for the year	(5,681)	(10,885)
Return on Capital#	(10,306)	-
Change in non controlling interest during the year	(14,415)	-
Other adjustments (Refer note 13 (III), Note 35, Note i & ii Below)	(10,158)	-
Balance at end of the year	**(51,462)**	(10,902)

#Return on capital distribution during the year as per NDCF duly approved by investment manager. Refer Note 39.

Notes

(i) The Group has recorded Net current liability of Rs. 8,505 Million towards the working capital adjustment payable to RJIL under Amended and Restated MSA with a corresponding impact to 'other equity' as this relates to aquisition transaction (Refer Note 10.2). As at March 31, 2021, Net current liability of Rs. 4,681 Million was payable to Reliance Jio Infocom Limited ("RJIL").

(ii) These adjustments are in the nature of transaction with owners and will not impact distributions / dividends.

(iii) Debenture Redemption Reserve (DRR) is not required to be created in view of the the MCA Notification GSR574(E) dated August 16, 2019 that specifies Debenture Redemption Reserve (DRR) is not required to be created by a debt listed entity.

Notes forming part of Consolidated Financial Statements for the year ended March 31, 2021

(iv) Terms, rights and restrictions attached to Preference Shares :

5,00,00,000 10% Cumulative, Participating and Optionally Convertible Preference Shares are convertible into 10 (Ten) Equity Shares of Re.1 each for every 1 (One) Preference Share of Rs. 10 each at any time at the option of the SDIPL but in any case not later than March 31, 2039 and in the event the shares are not converted, these will be redeemed at any time at the option of the Company at Rs. 10 each but not in any case later than March 31, 2039. The Preference Shares shall be entitled to the Surplus Assets either on winding up or liquidation or otherwise.

(v) The reconciliation of the number of 10% Cumulative Optionally Convertible Preference Shares is set out below:

(Rs. in Million)

Particulars	As at March 31, 2021		As at March 31, 2020	
	No.of Shares	Amount	No.of Shares	Amount
Preference shares at the beginning of the year	**5,00,00,000**	**500**	**5,00,00,000**	**500**
Add: Issue of Shares	-	**-**	-	**-**
Less: Reclassification due to Modification in terms	(5,00,00,000)	**(500)**	-	**-**
Preference shares at the end of the year	**-**	**-**	**5,00,00,000**	**500**

12 Non Controlling Interest

(Rs. in Million)

Particulars	As at March 31, 2021	As at March 31, 2020
Opening balance as at beginning of the year	(9,212)	1,037
1,05,00,000 Equity shares of Re. 1 each fully paid up in in Summit Digitel Infrastructure Private Limited (Formerly as Reliance Jio Infratel Private Limited)	(1,054)	-
Loss for the year	(4,149)	(10,249)
Acquisition (Refer Note 10.2)	14,415	-
Balance at the end of the year	**-**	**(9,212)**

13 Borrowings

(Rs. in Million)

Particulars	As at March 31, 2021	As at March 31, 2020
(I) Term Loans		
(a) Secured:		
(i) From banks	62,115	53,334
Less Unamortised finance cost	(1,714)	(166)
	60,401	53,168
(ii) From others	3,000	-
Less Unamortised finance cost	(36)	-
	2,964	-
(b) Unsecured:		
From banks	-	56,666
From others	-	-
(II) Redeemable Non Convertible Debentures (Secured)	1,18,360	1,18,360
(III) Noncumulative Redeemable Preference shares	126	-
Total	**1,81,851**	**2,28,194**

Notes forming part of Consolidated Financial Statements for the year ended March 31, 2021

Year ended March 31, 2021

(i) Secured Loans from Banks consist of:

1. Rs. 14,115 million of loan, carrying interest rate of 1Y MCLR + 70bps repayable till September 01, 2032 in 40 equal consecutive quarterly installments starting from December 2022. In additon to the security disclosed in note (v) below, secured by a first charge by way of hypothecation on the Designated Accounts of the Borrower for receipt of Receivables and all proceeds lying to the credit thereof from time to time and deposits maintained utilising funds from the Designated Accounts.
2. Rs. 6,000 million of loan, carrying interest rate of 1Y MCLR + 50bps repayable till September 01, 2032 in 40 equal consecutive quarterly instalments starting from December 2022.
3. Rs. 8,000 million of loan, carrying interest rate of 1Y MCLR + 45 bps repayable till September 01, 2032 in 40 equal consecutive quarterly instalments starting from December 2022.
4. Rs. 3,000 million of loan, carrying interest rate of 1Y MCLR + 75 bps repayable till September 01, 2032 in 40 equal consecutive quarterly instalments starting from December 2022.
5. Rs. 6,000 million of loan, carrying interest rate of 1Y MCLR + 65 bps repayable till September 01, 2032 in 40 equal consecutive quarterly instalments starting from December 2022.
6. Rs. 12,000 million of loan, carrying interest rate of 1Y MCLR + 75 bps repayable till September 01, 2032 in 40 equal consecutive quarterly instalments starting from December 2022 for an amount equal to 2.5% of the total loan drawn down at the end of the Availability Period
7. Rs. 3,000 million of loan, carrying interest rate of 1Y BPLR - 195 bps repayable till September 01, 2032 in 40 consecutive quarterly instalments starting from December 2022.
8. Rs. 6,000 million of loan, carrying interest rate of 1Y MCLR + 35 bps repayable till September 01, 2032 in 40 equal consecutive quarterly instalments starting from December 2022.
9. Rs. 7,000 million of loan, carrying fixed interest rate of 6.15% for next 3 years and floating interest rate of 1Y MCLR + 75 bps thereafter until maturity reyapable till September 01, 2032. The loan is repayable in in 40 equal consecutive quarterly instalments starting from December 2022 for an amount equal to 2.5% of the total loan drawn down at the end of the availability period.

If any of the above facilities is not availed fully then the repayment instalment shall be proportionately reduced.

(ii) Secured Redeemable Non-Convertible Debentures consist of:

118,360(SBI 1Y MCLR + 0.97%) Secured redeemable Non-Convertible Debentures (NCD – Series PPD 5) of face value of Rs.1,000,000 each redeemable at par, on or before August 31, 2032. The debentures are redeemable at par in 40 equal quarterly consecutive instalments of INR 2,950 Million.

With respect to the Listed NCDs, the holders have the ability in certain circumstances to opt for early redemption of all or part of the NCDs at par. This option is available after the expiry of 6 months but prior to 2 years from the date of issue. The terms of the NCD also give an option to the Group for early redemption on maxmium 20,000 NCDs at par and until expiry of 6 months from date of issue.

The proceeds raised from the said issue have been fully utilized for the purpose for which they were issued i.e. the redemption of 118,360 Secured, Unlisted, Redeemable Non-Convertible Debentures (‘Unlisted NCDs’) of Rs. 1,000,000 each aggregating to Rs. 118,360 Million issued on August 31, 2020. This redemption was completed on March 15, 2021.

(iii) The Group had outstanding 50,000,000 Cumulative, Participating, Optionally Convertible Preference Shares of Rs. 10/- each aggregating to Rs. 500,000,000 as on April 1, 2020 held by Reliance Industries limited. With effect from August 21, 2020, the terms of the Cumulative, Participating, Optionally

Notes forming part of Consolidated Financial Statements for the year ended March 31, 2021

Convertible Preference Shares of Rs. 10/- each were amended to Redeemable, Non-Participating, Non-Cumulative, Non-Convertible Preference Shares of Rs. 10/- each. The preference shares are mandatorily redeemable at par for an amount equal to the aggregate par value at the end of 20 years from the date of issuance i.e. March 31, 2039. Accordingly, the Preference Shares have been reclassified as a liability and have been recognised at the present value of redemption of INR 126 Mn as on March 31, 2021.

(iv) All the term loans from banks and financial institutions and the Secured Redeemable Non-convertible Debentures are secured by first ranking pari passu charge by way of hypothecation on the following assets:

(a) All movable fixed assets (present and future) of the borrower;

(b) All current assets (present and future) of the borrower; and

(c) All rights of the borrower under the Material Documents, (The security creation in respect of Secured Redeemable Non-convertible Debentures has been completed subsequent to March 31, 2021.)

Year ended March 31 2020

(i) Secured Loans from Banks consist of:

Rs.6,667 million of loan, (Previous year was Rs. 10,000 Million) of loan, carrying interest rate of 8.75% p.a. repayable in 12 quarterly instalments starting from June 2019, transferred from Reliance Jio Infocomm Limited, pursuant to Composite Scheme of Arrangement approved by NCLT with effect from March 31 2019. The Group is in the process of transferring the assets and liabilities in its name. The registration of charges in respect of the said loan in the name of the Group will be carried out on 30th March 2020. Consequently, the said loan is secured by the floating charge by way of hypothecation of movable property and book debts of the Group.

Loan of Rs.30,000 million carrying interest rate of 8.65% p.a. repayable after 2 years, secured by First Pari Passu Charge by way of hypothecation on all fixed assets and current assets (present and future) of the Group excluding Cash and Investments from non-operating activities. Further Reliance Industries Limited (RIL) has provided an undertaking for the loan.

Loan of Rs.20,000 Million carrying interest rate of 8.75% p.a. repayable over a period of 12 years including moratorium of 2 years, secured by First Pari Passu Charge by way of hypothecation on all fixed assets and current assets (present and future) of the Group. Further Reliance Industries Limited (RIL) has provided an undertaking for the loan.

(ii) Unsecured Loans from Banks consist of:

Loan of Rs.13,333 million carrying interest rate of 8.75% p.a. repayable in 3 equated yearly instalments, starting from September 2019. Loan of Rs.50,000 million carrying interest rate of 8.50% p.a. repayable in 5 years with an option to pay after 2 years.

(iii) Payment obligations under Unsecured Loans referred to in (ii) above to the extent of Rs.50,000 million is guaranteed by Reliance Industries Limited.

(iv) Non-Convertible Debentures consist of:

1,18,360 9.00% Non-Convertible Debentures – Series II (NCD – Series II) of face value of Rs.1,000,000 each, aggregating to Rs.118,360 million redeemable at par on or before March 31, 2029 at the option of the Group.

(v) In absence of profit as per Section 71(4) of Companies Act, 2013, the Group has not created the Debenture Redemption Reserve for cumulative amount of Rs.1,184 Million. The Group shall create the Debenture Redemption Reserve out of Profits, if any in the future years.

Notes forming part of Consolidated Financial Statements for the year ended March 31, 2021

14 Other Non-Current financial Liabilities

(Rs. in Million)

Particulars	As at March 31, 2021	As at March 31, 2020
Call Option written on Shares of Subsidiary (Refer Note 35)	2,215	-
Total	**2,215**	**-**

15 Provisions

(Rs. in Million)

Particulars	As at March 31, 2021		As at March 31, 2020	
	Non-Current	Current	Non-Current	Current
Asset Retirement Obligation (Refer Note 29)	11,234	-	10,854	-
Provision for Leave Encashment	1	4	-	-
Total	**11,235**	**4**	**10,854**	**-**

16 Borrowings - Current

(Rs. in Million)

Particulars	As at March 31, 2021	As at March 31, 2020
Term loans (Unsecured): from others	-	30,050
Total	**-**	**30,050**

17 Trade Payables

(Rs. in Million)

Particulars	As at March 31, 2021	As at March 31, 2020
- Total outstanding dues of micro enterprises and small enterprises (Refer Note 28)	0	-
- Total outstanding dues of creditors other than micro enterprises and small enterprises	1,958	3,097
Total	**1,958**	**3,097**

18 Other Financial Liabilities

(Rs. in Million)

Particulars	As at March 31, 2021	As at March 31, 2020
Current maturities of long term debt (Secured)	-	3,333
Current maturities of long term debt (Unsecured)	-	7,767
Interest accrued but not due	534	11,908
Security Deposit	10,173	13,250
Others*	506	35,984
Total	**11,213**	**72,242**

* The figures of March 31, 2020 includes derivative liability and deposit payable on demand.

Notes forming part of Consolidated Financial Statements for the year ended March 31, 2021

19 Other Current Liabilities

(Rs. in Million)

Particulars	As at March 31, 2021	As at March 31, 2020
Other liabilities payable (Refer Note 11 (i))	4,681	-
Statutory liabilities payable (Provident fund and GST)	268	1,403
Total	**4,949**	**1,403**

20 Revenue from Operations

(Rs. in Million)

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
Sale of Services (Refer Note below and Note 38)	82,442	74,767
Total	**82,442**	**74,767**

During the year ended on March 31 2021, the Group revised the presentation of income from reimbursements of Power & Fuel and Site Rent, to present these as part of Revenue from Operations, as these more appropriately reflect the substance of the transactions wherein the Group provides these services as a principal. Previously, these were presented net as a recovery under Network Operating Expenses. The change in presentation has been applied retrospectively to March 2020 presented and accordingly, an amount of Rs. 41,363 million has been re-presented and included under Revenue from Operations for the year ended year ended March 31 2020. The above change in presentation does not affect Total Loss, Total Comprehensive Loss and the Loss per share for the periods presented.

21 Other Income

(Rs. in Million)

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
Interest on income tax refund	40	6
Interest income on fixed deposits	64	-
Net Gain on sale of investments (net)	49	119
Total	**153**	125

22 Network Operating Expenses

(Rs. in Million)

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
Power and Fuel (Refer Note 20)	33,108	28,628
Rent (Refer Note 20)	13,241	12,735
Repairs and Maintenance	5,011	4,492
Other Network Cost	-	23
Total	**51,360**	**45,878**

Notes forming part of Consolidated Financial Statements for the year ended March 31, 2021

23 Employee Benefits Expense

(Rs. in Million)

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
Salaries and Wages	158	1
Contribution to Provident Fund and Other Funds	4	0
Staff Welfare Expenses	1	0
Gratuity	1	-
Total	**164**	**1**

24 Finance Costs

(Rs. in Million)

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
Interest Expenses	20,013	30,805
Exchange loss (attributable to finance costs)	409	1,073
Other borrowing cost	346	161
Interest on finance lease	4	-
Total	**20,772**	32,039

25 Depreciation and Amortisation Expense

(Rs. in Million)

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
Depreciation on Property, Plant and Equipment	19,543	17,778
Depreciation on Right to use assets	17	6
Total	**19,560**	17,784

26 Other Expenses

(Rs. in Million)

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
Rates and taxes	18	6
Traveling expenses	3	-
Fair value of call option	195	-
General Expenses	119	203
Total	**335**	209

Notes forming part of Consolidated Financial Statements for the year ended March 31, 2021

27 Earnings Per unit (EPU)

Rs. in Million except per share data

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
Net Profit/(loss) as per statement of Profit & Loss attributable to unit	(9,830)	(21,134)
Less: Dividend on Cumulative Preference Shares	-	(50)
Earnings attributable to Unitholders (Rs. in Million)	**(9,830)**	(21,184)
Units used as denominator for calculating Basic	2,522	
Reporting Period (In days)	365	
Unit allotted (In days)	213	
Total Weighted Average number of units used as denominator for calculating	1,471	
Earnings per unit of unit		
- For Basic (Rs.)	(6.68)	
- For Diluted (Rs.)	(6.68)	

28 Dues to micro, small & medium enterprises as defined under the MSMED Act, 2006

The Group does not have any over dues outstanding to the micro small & medium enterprises as defined in Micro, Small and Medium Enterprises Development Act, 2006. The identification of micro and small enterprises is based on information available with the management.

(Rs. in Million)

	Particulars	March 31, 2021	March 31, 2020
a	Principal amount overdue to micro and small enterprises	-	-
b	Interest due on above	-	-
c	The amount of interest paid by the buyer in terms of section 16 of the MSMED Act 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year.	-	-
d	The amount of interest due and payable for the year of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act 2006.	-	-
e	The amount of interest accrued and remaining unpaid at the end of each accounting year.	-	-
f	The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the MSMED Act 2006.	-	-

29 Assets Retirement Obligation (ARO)

Asset Retirement Obligation created for the cost to dismantle equipment and restore sites at the rented premises upon vacation thereof. The provision represents the Group's best estimate of the amount that may be required to settle the obligation. The Provisions are expected to be settled at the end of the respective contact terms. No recoveries are expected in respect of the same.

Notes forming part of Consolidated Financial Statements for the year ended March 31, 2021

Movement in Assets Retirement Obligation (ARO) (Rs. in Million)

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
At beginning of the year	10,854	7,414
Provided during the year	380	3,440
At end of the year	**11,234**	10,854

30 As per Indian Accounting Standard 19 "Employee benefits" the disclosures as defined are given below :

Defined Contribution Plans

Contribution to Defined Contribution Plans, recognised as expense for the year is as under :

(Rs. in Million)

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
Employer's Contribution to Provident Fund	4	-
Employer's Contribution to Pension Fund	-	-

Defined benefit Plan:- The Plan is unfunded hence there are no Planned assets

I) Reconciliation of opening and closing balances of Defined Benefit Obligation

(Rs. in Million)

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
Defined Benefit obligation at beginning of the year	-	-
Add : Transfers	-	-
Current Service Cost	1	-
Interest Cost	-	-
Actuarial (gain) / loss	-	-
Business Transfer	-	-
Defined Benefit obligation at year end	**1**	-

II) Reconciliation of fair value of assets and obligations (Rs. in Million)

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
Fair value of Plan assets	**-**	-
Present value of obligation	1	-
Amount recognised in Balance Sheet	**1**	**-**

III) Expenses recognised during the year (Rs. in Million)

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
Current Service Cost	1	-
Interest Cost	-	-
Expected return on Plan assets	**-**	-
Actuarial (gain) / loss	**-**	-
Net Cost	**1**	**-**

Notes forming part of Consolidated Financial Statements for the year ended March 31, 2021

IV) Actuarial assumptions (Rs. in Million)

Particulars	As at March 31 2021	As at March 31 2020
Mortality Table	**IALM (2012-14) Ultimate**	-
Withdrawal rate	10%	
Retirement age (Years)	65	
Discount rate (per annum)	6.41%	-
Rate of escalation in salary (per annum)	8.00%	-

V) Maturity Profile (Rs. in Million)

Particulars	As at March 31 2021	As at March 31 2020
Average Expected Future Working life (Years)	8.73	-
Expected future cashflows		
Year 1	0.01	-
Year 2	0.01	-
Year 3	0.01	-
Year 4	0.01	-
Year 5	0.43	-
Year 6 to year 10	0.52	-
Above 10 Years	0.56	-

VI) Sensitivity Analysis (Rs. in Million)

Particulars	As at March 31 2021	As at March 31 2020
Discount rate		
a. Discount rate - 100 basis points (Rs. 12,80,361)	1	-
a. Discount rate - 100 basis points impact (%)	9.78%	-
b. Discount rate + 100 basis points (Rs. 10,66,163)	1	-
b. Discount rate + 100 basis points impact (%)	(8.59%)	-
Salary increase rate		
a. rate - 100 basis points	1	-
a. rate - 100 basis points impact (%)	(8.54)%	-
b. rate + 100 basis points	1	-
b. rate + 100 basis points impact (%)	9.53%	-

The estimates of rate of escalation in salary considered in actuarial valuation, take into account inflation, seniority, promotion and other relevant factors including supply and demand in the employment market. The above information is certified by the actuary.

These plans typically expose the Group to actuarial risks such as: interest risk, longevity risk and salary risk.

Notes forming part of Consolidated Financial Statements for the year ended March 31, 2021

Interest risk	Market risk is a collective term for risks that are related to the changes and fluctuations of the financial markets. The discount rate reflects the time value of money. An increase in discount rate leads to decrease in Defined Benefit Obligation of the plan benefits & vice versa. This assumption depends on the yields on the corporate/government bonds and hence the valuation of liability is exposed to fluctuations in the yields as at the valuation date.
Longevity risk	The impact of longevity risk will depend on whether the benefits are paid before retirement age or after. Typically for the benefits paid on or before the retirement age, the longevity risk is not very material.
Salary risk	Actual Salary increase that are higher than the assumed salary escalation, will result in increase to the Obligation at a rate that is higher than expected.

31 RELATED PARTY DISCLOSURES

As per InvIT regulations and as per Ind AS 24, disclosure of transactions with related party are as given below:

I List of Related Parties as per the requirements of Ind AS 24 - "Related Party Disclosures"

List of related parties with whom transactions have taken place and relationships :

i) Name of Related Party

Entities which exercise control on the Group

Brookfield Asset Management Inc.(w.e.f. August 31, 2020)	Ultimate Holding Company
BIF IV India Holdings Pte Ltd	Intermediate Holding Company
BIF IV Jarvis India Pte Ltd., Singapore (w.e.f August 31, 2020)	Immediate Holding Company

Members of same group (w.e.f. August 31, 2020)

Equinox Business Parks Private Limited

Vrihis Properties Private Limited (Brookfield Real Estate)

Schloss Udaipur Private Limited

Schloss Chennai Private Limited

Schloss Chanakya Private Limited

II List of Additional Related Parties as per regulation 2(1)(zv) of the InvIT Regulations

A Parties to Tower Infrastructure Trust

BIF IV Jarvis India Pte Ltd., Singapore (August 31, 2020)	Sponsor
Brookfield India Infrastructure Manager Private Limited (formerly known as WIP (India) Private Limited) (Appointed w.e.f. October 13, 2020)	Investment Manager
Axis Trustee Servicess Limited	Trustee
Infinite India Investment Management Limited (Resigned w.e.f. October 12, 2020)	erstwhile Investment Manager
Jio Infrastructure Management Services Limited (formerly known as Reliance Digital Media Distribution Limited)	Project Manager
Reliance Industrial Investments and Holdings Limited	Sponsor
Reliance Industries Limited	Promotor of Sponsor

Notes forming part of Consolidated Financial Statements for the year ended March 31, 2021

B Director of the Parties specified in II(A) above

Directors of BIF IV Jarvis India Pte Ltd., Singapore

Aanandjit Sunderaj

Liew Yee Foong

Ho Yeh Hwa

Taswinder Kaur Gill

Walter Zhang Shen

Directors of Brookfield India Infrastructure Manager Private Limited (formerly known as WIP (India) Private Limited) (Appointed w.e.f. October 13, 2020)

Sridhar Rengan

Chetan Rameshchandra Desai

Narendra Aneja

Rishi Tibriwal

Directors of Axis Trustee Services Limited

Rajesh Kumar Dahiya

Ganesh Sankaran

Sanjay Sinha (Resigned w.e.f. April 30, 2021)

Deepa Rath (Appointed w.e.f. April 30, 2021)

Directors of Infinite India Investment Management Limited

Shailesh Shankarlal Vaidya

Vishal Nimesh Kampani

Rajendra Dwarkadas Hingwala

Dipti Neelakantan

Director of Jio Infrastructure Management Services Limited

Sudhakar Saraswatula

Nikhil Chakrapani Suryanarayana Kavipurapu

Hariharan Mahadevan

Director of Reliance Industrial Investments and Holdings Limited

Hital Rasiklal Meswani

Vinod Mansukhlal Ambani

Mahendra Nath Bajpai

Savithri Parekh

Dhiren Vrajlal Dalal

Balasubrmanian Chandrasekaran

III List of Additional Related Parties as per regulation 19 of the InvIT Regulations

Digital Fibre Infrastructure Trust (upto w.e.f. October 12, 2020)	Common Sponsor/ Common Investment Manager
India Infrastructure Trust (w.e.f. October 13, 2020)	Common Investment Manager

Notes forming part of Consolidated Financial Statements for the year ended March 31, 2021

IV Transactions during the year with related parties (Rs. in Million)

Particulars	Relationship	Year ended March 31, 2021	Year ended March 31, 2020
Trustee Fee			
Axis Trustee Services Limited	Trustee	2	2
Investment Management Fees			
Infinite India Investment Management Limited	Erstwhile Investment Manager	13	24
Brookfield India Infrastructure Manager Private Limited (formerly known as WIP (India) Private Limited) (Appointed w.e.f. October 13, 2020)	Investment Manager	13	-
Reimbursement of Expenses			
Brookfield India Infrastructure Manager Private Limited (formerly known as WIP (India) Private Limited)	Investment Manager	4	-
Infinite India Investment Management Limited	Erstwhile Investment Manager	5	-
Acquisition of shares of Summit Digitel Private Limited from Reliance Industries Limited (formerly known as Reliance Jio Infratel Private Limited)			
Reliance Industries Limited	Promotor of Sponsor	1,054	-
Project Manager Fees			
Jio Infrastructure Management Services Limited	Project Manager	24	24
Issue of units capital to Sponsor			
BIF IV Jarvis India Pte Ltd.	Sponsor	2,26,410	-
Distribution to Unitholders			
BIF IV Jarvis India Pte Ltd.	Sponsor	9,254	-
Contribution to Corpus			
Reliance Industrial Investments and Holdings Limited	Sponsor	116	124
Deposit paid			
Equinox Business Parks Private Limited	Members of same group	14	-
Working Capital adjustment	Refer Note 11(i)	8,505	-
Shareholder Option Agreement	Refer Note 35(v)	2,020	-

Notes forming part of Consolidated Financial Statements for the year ended March 31, 2021

Particulars	Relationship	Year ended March 31, 2021	Year ended March 31, 2020
Reliance Industries Ltd	Promotor of Sponsor		
Loan Taken		-	5,400
Loans Repaid		5,050	(350)
Interest on Non-Convertible Debenture		5,229	1,145
Interest on Inter-corporate Deposits		195	403
Other Borrowing Cost		91	125
Repayment of Non-Convertible Debentures		1,18,360	29,650
Issuance of Non-Convertible Debentures		1,18,360	-
Trade Payables -Commission on Corporate Guarantee		58	-
Expenses Incurred			
Equinox Business Parks Private Limited	Members of same group	5	-
Vrihis Properties Private Limited (Brookfield Real Estate)	Members of same group	12	-
Schloss Udaipur Private Limited	Members of same group	1	-

V Balance as at end of the year (Rs. in Million)

Particulars	Relationship	As at March 31, 2021	As at March 31, 2020
Schloss Chennai Private Limited	Members of same group	2	-
Schloss Chanakya Private Limited	Members of same group	1	-
Professional Fees			
Axis Trustee Services Limited	Trustee	-	2
Infinite India Investment Management Limited	Erstwhile Investment Manager	-	24
Shares of Tower Trust			
BIF IV Jarvis India Pte Ltd.	Sponsor	2,26,410	-
Contribution to Corpus			
Reliance Industrial Investments and Holdings Limited	Sponsor	240	124
Other Payables			
Brookfield India Infrastructure Manager Private Limited (formerly known as WIP (India) Private Limited)	Investment Manager	3	-

Notes forming part of Consolidated Financial Statements for the year ended March 31, 2021

Particulars	Relationship	As at March 31, 2021	As at March 31, 2020
Receivable/(Payable)			
Equinox Business Parks Private Limited	Members of same group	14	-
Vrihis Properties Private Limited (Brookfield Real Estate)	Members of same group	0	-
Schloss Chennai Private Limited	Members of same group	0	-
Schloss Chanakya Private Limited	Members of same group	0	-
Reliance Industries Ltd	Promotor of Sponsor		
Equity Shares subscribed		-	1,054
10% Convertible preference shares		-	500
0% Non- Convertible Preference Shares		126	-
Borrowing - Non-convertible Debentures		1,18,360	1,18,360
Borrowing - Term Loan (Current)		-	5,050
Borrowing - Non-convertible Debentures (unsecured)		-	5,050
Borrowing - Term Loan (Current)		-	9,587

32 CONTINGENT LIABILITIES AND COMMITMENTS

(i) Contingent Liabilities

Municipal Tax

The Group based on its assessment of the applicability and tenability of certain municipal taxes, which is an industry wide phenomenon, does not consider the impact of such levies to be material.

Further, in the event these levies are confirmed by the respective authorities, the Group would recover these amounts from its customers in accordance with the terms of Master Service Agreement.

(ii) Commitments (Rs. in Million)

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
Estimated amount of contracts remaining to be executed on Capital account not provided for	74,809	11,475
Other Commitments related to bank guarantee	36	-

The Group's network operating expenses include repairs and maintenance for which the Group has entered into an Operations and Maintenance Agreement for 30 years. Costs are recognised as services are rendered.

33 Arrears of fixed cumulative dividend on Optionally Convertible Preference Shares classified as 'Other Equity' Rs. Nil (March 31 2020: Rs. 50 million).

Notes forming part of Consolidated Financial Statements for the year ended March 31, 2021

34 Capital Management

The Group adheres to a Disciplined Capital Management framework, the pillars of which are as follows:

a) Maintain diversity of sources of financing and spreading the maturity across tenure buckets in order to minimize liquidity risk.

b) Maintain AAA rating by ensuring that the financial strength of the Balance Sheet is preserved.

c) Manage financial market risks arising from foreign exchange and interest rates, and minimise the impact of market volatility on earnings.

Gearing Ratio

The net gearing ratio at the end of the year was as follows: (Rs. in Million)

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
Gross Debt	1,81,851	2,69,344
Cash and bank balance	(10,047)	(464)
Net debt (A)	1,71,804	2,68,880
Total Equity (B)	2,00,928	(10,278)
Net debt to equity ratio (A/B)*	**86%**	-

*Net debt to equity ratio is not calculated when the total equity value is negative.

35 FINANCIAL INSTRUMENTS

A. FAIR VALUE MEASUREMENT HIERARCHY: (Rs. in Million)

Particulars	As at March 31, 2021				As at March 31, 2020		
	Carrying Amount	Level of input used in			Carrying Amount	Level of input used in	
		Level 1	Level 2	Level 3		Level 1	Level 2
Financial Assets							
At Amortised Cost							
Trade Receivables	153	-	-	-	153	-	-
Cash and Bank Balances	10,050	-	-	-	464	-	-
Other Financial Assets	9,102	-	-	-	26,472	-	-
At FVTPL							
Other receivables	-	-	-	-	699	-	699
Investments	-	-	-	-	-	-	-
Financial Liabilities							
At Amortised Cost							
Borrowings	1,81,851	-	-	-	2,69,344	-	-
Trade Payables	1,958	-	-	-	3,097	-	-
Other Financial Liabilities	11,213	-	-	-	61,142	-	-
Creditors for Capital Expenditure	-	-	-	-	1,14,610	-	-
At FVTPL							
Call Option written on Shares of Subsidiary	-	-	-	2,215	-	-	-

The financial instruments are categorized into three levels based on inputs used to arrive at fair value measurements as described below:

Notes forming part of Consolidated Financial Statements for the year ended March 31, 2021

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities; and

Level 2: Inputs other than the quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.

Level 3: Inputs which are significantly from unobservable market data.

Valuation methodology:

All financial instruments are initially recognized and subsequently re-measured at fair value as described below:

a) The fair value of investment in Mutual Funds is measured at NAV.

b) The fair value of Forward Foreign Exchange contracts is determined using observable forward exchange rates at the balance sheet date.

c) The Group considers that the carrying amount recognised in the financial statements for financial assets and financial liabilities measured at amortised cost approximates their fair value.

d) The fair value of call option written on shares of subsidiary is measured using Black Scholes Formula. Key inputs used in the measurement are:

(i) Stock Price: It is estimated based on the stock price as of the date of the transaction August 31,2020 of INR 2,150 million, as increased for the interim period between August 31,2020 and March 31,2021 by the Cost of Equity as this would be expected return on the investment for the acquirer.

(ii) Exercise Price: Rs. 2,150 Million

(iii) Option Maturity: 30 years from August 31, 2020 i.e., August 31, 2050.

(iv) Risk free rate as on date of valuation - 6.77%.

(v) The fair value on the date of acquisition of Rs. 2,020 Million was recognised as a liability with a corresponding debit to equity as this is part of the acquisition transaction described in Group Information.

B. Financial Risk Management

The different types of risks the Group is exposed to are market risk, credit risk and liquidity risk. The Group takes measures to judiciously mitigate the above mentioned risks.

i) Market Risk

a) Foreign Currency Risk

Foreign currency risk is the risk that the Fair Value or Future Cash Flows of an exposure will fluctuate because of changes in foreign currency rates. Exposures can arise on account of the various assets and liabilities which are denominated in currencies other than Indian Rupee. The Group uses derivative financial instruments such as forward contracts to minimise any adverse effect on its financial performance. All such activities are undertaken within an approved Risk Management Policy framework.

The following table shows foreign currency exposures in USD on financial instruments at the end of the year.

(Rs. in Million)

Particulars	Foreign Currency Exposure	
	As at March 31, 2021	As at March 31, 2020
Creditors for capital expenditure	-	23,620
Forward	-	23,599
Net Exposure	-	21

Notes forming part of Consolidated Financial Statements for the year ended March 31, 2021

Particulars	Foreign Currency Sensitivity	
	As at March 31, 2021	As at March 31, 2020
1% Depreciation in INR	-	(0)
Impact on Equity	-	-
Impact on P&L	-	(0)
1% Appreciation in INR	-	0
Impact on Equity		
Impact on P&L	-	0

b) Interest Rate Risk

The Group's exposure to the risk of changes in market interest rate relates to the floating rate debt obligations.

The exposure of the Group's borrowings at the end of the year are as follows:

Particulars	Interest Rate Exposure	
	As at March 31, 2021	As at March 31, 2020
Borrowings		
Non-Current - Floating (Includes Current Maturities)*	1,81,725	1,20,000
Non-Current - Fixed (Includes Current Maturities)	126	1,19,460
Current - Fixed	-	30,050
Total	**1,81,851**	**2,69,510**

*Includes Rs.1,750 million (March 31 2020: 166 Million) as Prepaid Finance Charges and Rs. 7,000 Million with a fixed interest rate for next 3 years.

Fair value sensitivity analysis for fixed-rate borrowings:

Sensitivity analysis of 1% (floating rate borrowings) change in Interest rate:

(Rs. in Million)

Particulars	Interest Rate Sensitivity as at			
	March 31, 2021		March 31, 2020	
	Up Move	Down Move	Up Move	Down Move
Total Impact	(1,817)	1,817	(1,200)	1,200
Impact on Equity	-	-	-	-
Impact on P&L	(1,817)	1,817	(1,200)	1,200

ii) Credit risk

Credit risk is the risk that a customer or counterparty to a financial instrument will fail to perform or pay amounts due causing financial loss to the Group. Credit risk arises from Group's activities in investments and outstanding receivables from customers.

The Group has a prudent and conservative process for managing its credit risk arising in the course of its business activities. Credit risk is actively managed through advance payments.

iii) Liquidity Risk

Liquidity risk arises from the Group's inability to meet its cash flow commitments on the due date. The Group accesses global and local financial markets to meet its liquidity requirements. It uses a range of products and a mix of currencies to ensure efficient funding from across well-diversified markets and investor pools. Treasury monitors rolling forecasts of the Group's cash flow position and ensures that the Group is able to meet its financial obligation at all times including contingencies.

Notes forming part of Consolidated Financial Statements for the year ended March 31, 2021

Maturity Profile as at March 31, 2021 (Rs. in Million)

Particulars	0-1 Years	1-3 Years	3-5 Years	Above 5 years	Total
Trade Payable (Refer Note 18)	1,958	-	-	-	**1,958**
Creditors for Capital Expenditure	-	-	-	-	-
Other Current Financial Liabilities	11,213	-	-	-	**11,213**
Other Non-Current Financial Liabilities	-	-	-	2,215	**2,215**
Borrowings* (Refer Note 13 and 16)	-	27,025	36,325	1,18,501	**1,81,851**
Total	**13,171**	**27,025**	**36,325**	**1,20,716**	**1,97,237**

*Includes Rs. 1,750 million as Prepaid Finance Charges.

Maturity Profile as at March 31, 2020 (Rs. in Million)

Particulars	0-1 Years	1-3 Years	3-5 Years	Above 5 years	Total
Trade Payable	3,097	-	-	-	**3,097**
Creditors for Capital Expenditure	1,14,610	-	-	-	**1,14,610**
Other Current Financial Liabilities	61,142	-	-	-	**61,142**
Borrowings* (Refer Note 13 and 16)	41,150	43,000	54,000	1,31,360	**2,69,510**
Total	**2,19,999**	**43,000**	**54,000**	**1,31,360**	**4,48,359**

*Includes Rs. 166 Million as Prepaid Finance Charges.

36 SEGMENT REPORTING

The Group is primarily engaged in setting up, operating and maintaining passive tower infrastructure and related assets and providing passive tower infrastructure related services. Accordingly, the Group has the single segment as per the requirements of Ind AS 108 - Operating Segments. All assets are located in India and revenue of the Group is earned in India hence, there is single geographic segment. Substantially all of the revenues of the Group are from a single customer (Refer note 20). Accordingly, the Group has the single segment as per the requirements of Ind AS 108 - Operating Segment.

37 PAYMENT TO AUDITORS

(Rs. in Million)

Particulars	March 31, 2021	March 31, 2020
Audit Fees	14	20
Tax audit Fee	1	1
For Other Services	15	2
Total	**30**	23

38 REVENUE FROM CONTRACTS WITH CUSTOMERS

A. The Group has recognised following amounts relating to revenue in the Statement of Profit and Loss:

Revenue by nature: (Rs. in Million)

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
Infrastructure Provisioning Fees (Including reimbursement of power and fuel and site rent)	82,442	74,767

Notes forming part of Consolidated Financial Statements for the year ended March 31, 2021

Note: The Group derives its revenue from the transfer of services over time.

The Group has entered into a 30 year master service agreement with its customer pursuant to which the Group provides the Passive Infrastructure and related services. Revenue related to the same will be accrued as services are provided.

B Reconciliation of revenue recognised (Rs. in Million)

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
Contracted price	83,712	74,767
Less: Discounts to customers	(1,270)	-
Net Revenue recognised	**82,442**	**74,767**

C. Requirement under Ind AS 115:

Transaction price allocated to unsatisfied performance obligations as at March 31, 2021 – Rs. Nil.

D. Contract balances (Rs. in Million)

Particulars	As at March 31, 2021	As at March 31, 2020
Unbilled Receivables	4,522	7,400

39 Calculation of Net Distributable Cash Flows:

A. Statement of Net Distributable Cash Flows (NDCFs) of Summit Digitel Infrastructure Private Limited (SPV)

(Rs. in Million)

Description	March 31,2021	March 31,2020
Loss after tax as per profit and loss account (Standalone) (A)	**(23,380)**	**(20,968)**
Add: Depreciation and amortisation as per profit and loss account. In case of impairment reversal, same needs to be deducted from profit and loss.	19,560	17,784
Add: Interest on loan to the SPV from the Trust as per the profit and loss account	13,860	-
Add / less: Loss / gain on sale of infrastructure assets	-	-
Add: Net proceeds (after applicable taxes) from sale of infrastructure assets adjusted for the following:	-	-
• related debts settled or due to be settled from sale proceeds;	-	-
• directly attributable transaction costs;	-	-
• proceeds reinvested or planned to be reinvested as per Regulation 18(7)(a) of the InvIT Regulations	-	-
Add: Net proceeds (after applicable taxes) from sale of infrastructure assets not distributed pursuant to an earlier plan to re-invest, if such proceeds are not intended to be invested subsequently, net of any profit / (loss) recognised in profit and loss account	-	-
Less: Capital expenditure, if any	(1,10,631)	(84,639)
Less: Investments made in accordance with the investment objective, if any	-	-

Notes forming part of Consolidated Financial Statements for the year ended March 31, 2021

Description	March 31,2021	March 31,2020
Add / less: Any other item of non-cash expense / non-cash income charged / credited to profit and loss account, including but not limited to		
• any decrease/increase in carrying amount of an asset or a liability recognised in profit and loss account on measurement of the asset or the liability at fair value;	-	-
• provisions;	-	-
• deferred taxes;	-	-
• any other non-cash item, lease rents recognised on a straight-line basis, etc.	-	-
Add / less: Working capital changes	(55,006)	11,927
Add / less: Provisions made in earlier period and expensed in the current period	-	
Less: Any cash paid to the lease owners not accounted for in the working capital changes or the profit and loss account	-	-
Add: Additional borrowings (including debentures / other securities) (external as well as borrowings from Trust)	5,51,835	1,24,252
Less: Repayment of external debt (principal) / redeemable preference shares / debentures, etc. (Excluding refinancing)/ net cash set aside to comply with reserve requirements (including but not limited to DSRA) under loan agreements.	(3,86,770)	(47,912)
Less: Cash reserved to make due payments to secured lenders and any other transferrable debentures issued by RJIPL	-	-
Add / less: Proceeds from any fresh issuance of preference shares / redemption of any preference shares	-	-
Add: Proceeds from any fresh issuance of equity shares	-	-
Add/ less: Amounts added or retained to make the distributable cash flows in accordance with the Transaction Documents or the loan agreements	-	-
Total Adjustments (B)	**32,848**	**21,412**
Net Distributable Cash Flows (C) = (A+B)	**9,468**	**444**

Notes forming part of Consolidated Financial Statements for the year ended March 31, 2021

B. Statement of Net Distributable Cash Flows (NDCFs) at the Consolidated Trust level:

(Rs. in Million)

Description	March 31,2021	March 31,2020
Cash flows received from SPV in the form of interest / accrued interest	10,365	-
Cash flows received from SPV in the form of dividend / buy-back of equity shares / capital reduction of equity shares	-	-
Any other income accruing at the Trust level and not captured above, including but not limited to interest /return on surplus cash invested by the Trust	-	-
Add: Cash flows/ Proceeds from the SPV towards the repayment of the debt issued to the SPV by the Trust	-	-
Total cash flow at the Trust level (A)	**10,365**	**-**
Less: issue expenses payable by Trust including as reimbursements towards expenses of Trust met by the Sponsors	(24)	-
Less: annual expenses of the Trust including audit fees, project manager fees, investment management fees, stock exchange fees, other statutory fees, depository fees, legal expenses, credit rating fees and valuer fees	(73)	(68)
Less: income tax (if applicable) at the standalone Trust level and payment of other statutory dues	-	-
Less: Repayment of external debt (including interest)/ redeemable preference shares/debentures, etc., if deemed necessary by the Investment Manager	(1,141)	(98)
Less: net cash set aside to comply with DSRA requirement under loan agreements, if any	-	-
Add: Net proceeds (after applicable taxes) from sale of infrastructure assets adjusted for the following:	-	-
- related debts settled or due to be settled from sale proceeds;	-	-
- directly attributable transaction costs;	-	-
- proceeds reinvested or planned to be reinvested as per Regulation 18(7)(a) of the InvIT Regulations	-	-
Add: Net proceeds (after applicable taxes) from sale of infrastructure assets not distributed pursuant to an earlier plan to re-invest, if such proceeds are not intended to be invested subsequently	-	-
Less: Amount invested in any of the Portfolio Assets for service of debt or interest	(2,50,000)	-
Less: Capital expenditure if any (including acquisition of other infrastructure assets / SPVs)	(1,054)	-
Add: Proceeds from fresh issuance of units	2,52,266	-
Less: Reserve for debentures / loans / capex expenditure in the intervening period till next proposed distribution if deemed necessary by the Investment Manager invested in permitted investments	-	-
Total cash outflows/retention at the Trust level (B)	**(26)**	**(166)**
Net Distributable Cash Flows (C) = (A+B)	**10,339**	**(166)**

Notes forming part of Consolidated Financial Statements for the year ended March 31, 2021

(Rs. in Million)

Description	March 31,2021	March 31,2020
Net Distributable Cash Flows as per above	10,339	(166)
Cash and Cash Equivalents on April 01, 2020 and April 01, 2019	15	4
Total Net Distributable Cash Flows	10,354	(162)

40 The outbreak of Coronavirus (COVID-19) pandemic globally and in India is causing significant disturbance and slowdown of economic activity. On March 24, 2020, the Government of India ordered a nationwide lockdown for 21 days, which further was extended up to June 30, 2020, to prevent community spread of COVID-19 in India resulting in significant reduction in economic activities. The Group is engaged in the business of providing tower infrastructure and related operations in India. The Group has executed a long term MSA with RJIL (one of the largest telecommunication service provider in India) as its customer, which results into committed revenues and cash flows for the Group, on a long term basis. Moreover, the COVID-19 pandemic has not had a material adverse impact on the operations of the telecommunication industry to which the Group currently caters to. Also, the Group has completed substantial portion of its planned capital expenditure and for the balance as well as for the operations and maintenance of the tower sites, the Group has in place long-term arrangements with reputed and experienced contractors/service providers. Further, part of its sanctioned borrowings are available to the Group for utilization on need basis to meet its liquidity requirements. In view of all of the above, the Group does not expect any significant challenges, including emanating out of COVID-19, particularly in the next 12 months.

41 Composite Scheme of Arrangement

The Board of Directors of the SDIPL at their meeting held on January 2, 2019 approved a composite scheme of arrangement (herein after referred to as “the scheme”) between RJIL, Jio Digital Fibre Private Limited (JDFPL) and SDIPL and their respective shareholders and creditors, inter-alia for purchase of the Tower Infrastructure undertaking (Transferred undertaking) of RJIL for a lumpsum consideration, with effect from the appointed date March 31, 2019. Consequent to the scheme, SDIPL is in the process of transferring the Freehold Land, Leasehold Land, Land reflected in Right of Use Assets and Building in its name.

42 APPROVAL OF FINANCIAL STATEMENTS

The financial statements have been approved by the Tower InvIT Committee and the Board of Directors of the Investment Manager to the Trust at their respective meetings held on June 03, 2021 and June 07, 2021

For and on the behalf of the Board of Director of
Brookfield India Infrastructure Manager Private Limited
(acting in the capacity of Investment Manager of Tower Infrastructure Trust)

Sridhar Rengan	**Dhananjay Joshi**	**Inder Mehta**
Chairperson of the Board	Member of Tower InvIT Committee	Compliance Officer of the Trust
DIN: 03139082	PAN: AASPJ9719K	PAN: AAFPM5702N
Date: June 07, 2021	Date: June 07, 2021	Date: June 07, 2021
Place: Chennai	Place: Bangalore	Place: Mumbai