DATA INFRA TRUST

Data Infrastructure Trust

2nd Annual Report

2021-22

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CORPORATE INFORMATION

DATA INFRASTRUCTURE TRUST (TRUST)

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

Principal Place of Business

Unit 1, 4th Floor, Godrej BKC,
Plot No C-68, G Block, Bandra Kurla Complex,
Bandra East, Mumbai - 400051
Tel: +91 22 6600 0700
Fax: +91 22 6600 0777
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 - 400070.
Tel: +91 22 6907 5252
E-mail: secretarial@summitdigitel.com

Auditors

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

Valuer

M/s BDO Valuation Advisory LLP,
Registered Valuer
IBBI Registration Number IBBI/RV-E/02/2019/103

Securities Information

BSE Limited: 543225
ISIN: INE0BWS23018

INVESTMENT MANAGER OF THE TRUST

Brookfield India Infrastructure Manager Private Limited (formerly known as WIP (India) Private Limited)

CIN: U67190MH2010PTC202800

Registered Office: Unit 1, 4th Floor, Godrej BKC, Bandra Kurla Complex, Mumbai - 400051, Maharashtra, India

Board of Directors 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

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

REGISTRAR & TRANSFER AGENT OF THE TRUST

KFin Technologies Limited

(formerly KFin Technologies Private Limited)
(Unit: Data Infrastructure Trust)
1st Floor, Selenium Tower B, Plot 31-32,
Financial District, Nankramguda, Serilingampally,
Hyderabad, Rangareddi, Telangana - 500032
Tel: +91 40 7961 5205
Fax: +91 40 2343 1551
E-mail: indiainfrainvit.pp@kfintech.com

REPORT OF THE INVESTMENT MANAGER OF DATA INFRASTRUCTURE TRUST FOR THE YEAR ENDED MARCH 31, 2022

Data Infrastructure Trust (formerly known as Tower Infrastructure Trust) ("Data 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 the 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 unitholders in the manner set out in the Indenture of the Trust dated January 31, 2019.

The Trust 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 investment in complete and revenue generating infrastructure project.

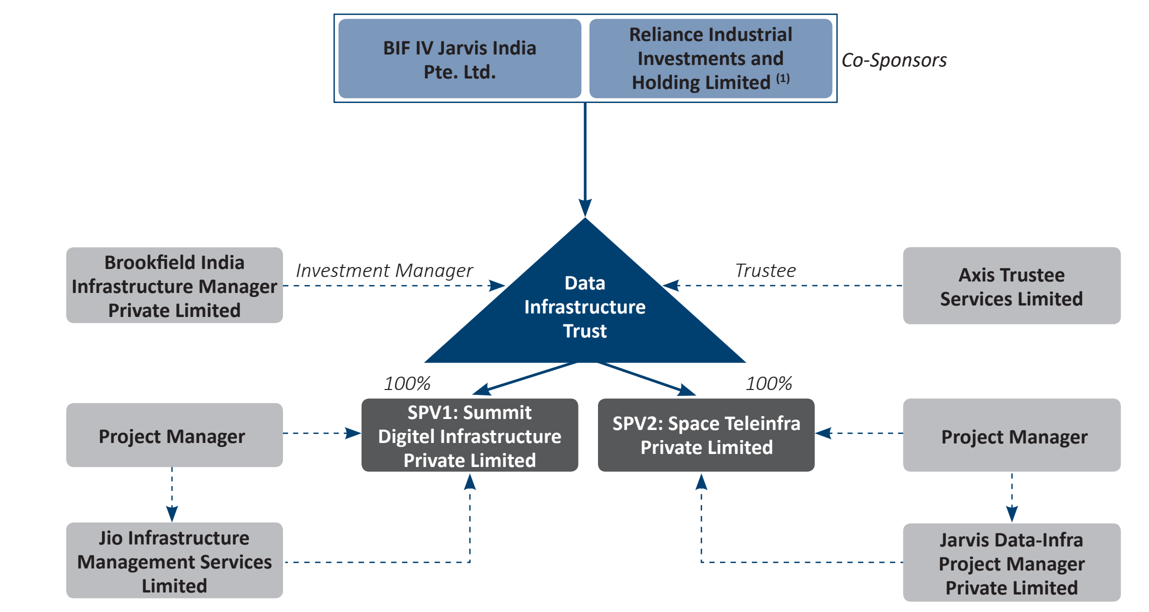
Additionally, Data InvIT has made further investment through acquisition of Space Teleinfra Private Limited ("STPL") as on March 10, 2022, in accordance with the SEBI InvIT Regulations. STPL, a leader in its key markets, is a fast growing shared telecom infrastructure provider for voice and data connectivity. Incorporated in 2011 with a focus on providing telecom infrastructure to Mobile Network Operators ("MNOs") for Outdoor Small Cells ("ODSC"), In-building Solutions ("IBS"), and Roof Top Towers, STPL has grown multifold in a very short span of time.

As on March 31, 2022, the Trust holds two Special Purpose Vehicles i.e. SDIPL and STPL.

The units of the Trust are listed on BSE Limited w.e.f. September 1, 2020. Subsequently, on March 3, 2022 the Trust has issued 2,87,00,000 units on rights basis and 5,28,00,000 units on preferential basis on March 8, 2022, which have also been listed on BSE Limited.

During the year, pursuant to the approval granted by Securities and Exchange Board of India ("SEBI"), w.e.f. October 8, 2021 the name of the Trust has been changed from 'Tower Infrastructure Trust' to 'Data Infrastructure Trust' and the principal place of business of the Trust has shifted from "9th Floor, Maker Chambers IV, 222 Nariman Point, Mumbai 400 021" to "Unit 1, 4th Floor, Godrej BKC, Plot No C-68, G Block, Bandra Kurla Complex, Bandra East, Mumbai - 400 051".

The structure of Data InvIT is as follows:



Note: [1]*Reliance Industrial Investments and Holdings Limited is a Sponsor to Data Infrastructure Trust by virtue of creating it during inception. However, it does not hold any sponsor rights and units of the Trust.*

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

Economic Overview

Global Economy

Even amidst decelerated global growth, 2021 was a year in which we saw mobile network technology advancements taking center stage across the globe.

As the world enters the third year of the COVID-19 crisis, economic developments have been both encouraging and troubling, marred by risk and uncertainty. The good news is that output in many countries rebounded in 2021 after a sharp decline in 2020. Both advanced and middle-income economies have attained substantial vaccination rates. International trade has picked up, and high commodity prices are benefiting many developing countries. Domestic financial crisis and foreign debt restructurings have been less frequent than might have been expected in a time of severe global shocks.

Risks to the global baseline are tilted to the downside. The emergence of new COVID-19 variants could prolong the pandemic and induce renewed economic disruptions. Moreover, supply chain disruptions, energy price volatility, and localized wage pressures mean uncertainty around inflation and policy paths is high.

The war in Ukraine comes at a time when some countries are moving past the acute phase of the pandemic and the global economy is just recovering. As central banks fight persistent and widespread inflation and rising debt vulnerabilities, multilateral efforts to respond to the humanitarian crisis and end of the pandemic remain essential.

Indian Economy

A positive business environment, robust industrial output and rapid vaccination coverage have provided a strong momentum for the growth of India's economy.

Between October and December 2021 (Q3 FY2021–22), GDP grew by ~5.4%, slower than we had earlier estimated. Growth in the July–September quarter was revised up to ~8.4%, which explains the fading recovery in the subsequent quarter. The uneven (modest, at best) recovery in a few sectors, especially agricultural, manufacturing, and contact-intensive services sectors, weighed on the overall growth. Improving investment outlook with private investment, particularly manufacturing, benefiting from the Production-Linked Incentive (PLI) Scheme, and increases in infrastructure investment augurs well for the Indian Economy.

GDP growth is projected to range between 7.5% and 8.0% in FY2022–23.**

There was a visible growth in credit uptake in FY2021-22, with agricultural and industrial sectors and personal loans driving the uptick. Banks and Non-Banking Financial Companies (NBFCs) have healthier balance sheets and provisions compared to the levels seen in 2018.

The successful macroeconomic management of the COVID-19 pandemic has resulted in a strong recovery of India's economy because of which the country is in a better position to face the economic fallout of the current Ukrainian crisis.

The telecom industry globally is a critical economic multiplier that cuts across all industries and is the base of all new-age communications and connectivity. The Indian telecom sector is, by far, the world's second-largest telecommunications market. The rating agency ICRA Limited has revised the telecom sector outlook from `negative' to `stable' as recent prepaid tariff hikes taken by the Big 3 operators - on the back of the reforms package – are likely to boost industry Average Revenue Per User (ARPU) levels and also shore up telco profits. In the Union Budget of 2022, the Government has recognized the telecom sector as an enabler of growth and employment opportunities with emphasis on nationwide 5G rollout and access of affordable services to rural and remote areas.

Asset Overview

Summit Digitel Infrastructure Private Limited

The Trust made its first investment in SDIPL which holds the 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. The Trust acquired entire equity share capital of SDIPL with an initial number of 1,35,671 towers on August 31, 2020, which increased to 1,51,594 towers as on March 31, 2022. As at March 31, 2022, 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. During the year SDIPL signed Master Service Agreement ("MSA") with Bharti Airtel Limited ("Airtel"), one of the largest MNOs in the country and with BSNL, the government owned MNO and telecom service provider. Commercial discussions with Vodafone Idea Limited ("VIL") are underway and the Standard ISP Tenancy Model is also being deliberated upon with various internet service providers, to open the doors for new leasing opportunities on our existing asset base.

Space Teleinfra Private Limited

Towards the end of financial year, the Trust made its second investment and acquired entire equity share capital of STPL as on March 10, 2022. The transaction was funded by way of issuance of units on rights basis and preferential basis in compliance with the SEBI InvIT Regulations. As on March 31, 2022, the Trust has two Special Purpose Vehicles i.e. SDIPL and STPL.

To fund this acquisition, the Trust has issued and allotted 2,87,00,000 units at an Issue Price of ₹ 110.46 each aggregating to ₹ 3,170.20 million, on rights basis, on March 3, 2022, which are listed on BSE Limited w.e.f. March 7, 2022. The Trust has further issued and allotted 5,28,00,000 units at an Issue Price of ₹ 110.46 each aggregating to ₹ 5,832.28 million, on preferential basis, on March 8, 2022, which are listed on BSE Limited w.e.f. March 17, 2022. Also, the Trust has submitted requisite forms/ documents as required under the Foreign Exchange Management Act read with rules and regulations framed thereunder, for ensuring compliance with respect to downstream investment made by it in STPL.

** Source: rbi.org

As the use of wireless services on handsets, tablets and other advanced mobile devices grows and evolves, there is a corresponding increase in the demand for passive infrastructure required to deploy current and future generations of wireless communications technologies. To capture this growing data demand, MNOs are increasingly focusing on ODSC and IBS. With an ever-increasing data consumption and the onset of 5G and greater, seamless indoor coverage has become as essential as outdoor connectivity. The STPL acquisition will open new horizons as a wider platform would now be able to offer solutions to MNOs with best-in-class services for voice & data connectivity.

Operational Performance

Summit Digitel Infrastructure Private Limited

As on March 31, 2022, the portfolio has reached 1,51,594 sites. The flow of service requests for towers is increasing across circles with a good number of deliveries happening within Service Level Agreements ("SLAs") including the site feasibility.

There has been a marked improvement in network performance during the year namely improvement in network uptime and reduction in repeated/frequent failures. Network sustainability factor, a critical parameter for growth and profitability of the organisation is showing a positive trend. SDIPL places a strong focus on performance quality and improvement.

More than 90% of SDIPL's sites have demonstrated 100% performance uptime level. To further facilitate an upward trend in improvement, robust weekly and monthly operations governance mechanisms have been established with service partners and telecom operators.

Energy billing for the sharer is being done on the basis of the Fixed Energy Model (FEM) tariff card.

Site audit findings are being addressed through periodic governance meetings with partners.

During the year various special projects for incremental loading and reduction in cost for Roof Top Tower and Ground Based Towers have been implemented. 'Local – Vocal' initiative of automation of preventive maintenance activities has been initiated in several Indian languages including Tamil, Telugu, Hindi and Malayalam. Focusing on health and safety aspects, development of an online platform for Permit to Work and site audits through a mobile application has been initiated.

Space Teleinfra Private Limited

As on March 31, 2022, STPL has a site count of 1,635 with 2,073 tenancies. This includes 86 metro and airport sites, 440 IBS Retail and Institutional sites and 1,109 Small Cell sites. With a dominant share of the metros, airports and IBS segments, STPL has been a preferred digital connectivity infrastructure partner over the years for all its customers spread across the country offering a high degree of trust and reliability.

Particularly during the pandemic period, STPL's proven ability and focus on building a superior network infrastructure for telecom connectivity proved critical at a time when data connectivity needs along with data uptime became the customer's critical need. Not only did its operations team work around the clock to ensure that the end users had uninterrupted service, but STPL also proved itself as an industry leader by providing value to its customers – both developers as well as MNOs. Nearly 100% of its metro sites had a network uptime performance in the past year which was in line with the customer SLAs; further, >95% of its IBS sites demonstrated 100% performance uptime level.

Executive Overview

Summit Digitel Infrastructure Private Limited

SDIPL's primary business is the leasing of space on telecom sites to wireless services providers and data providers.

The following table details the number of telecom sites SDIPL owned and operated as of March 31, 2022:

Site Tower Type

Particulars	Ground Based Tower	Ground Based Mast	Roof-Top Tower / Pole	Cell on Wheel	Total Sites
Number of towers	1,00,111	17,366	32,839	1,278	1,51,594
Distribution %	66%	11%	22%	1%	100%

The outbreak of COVID-19 pandemic globally and in India is causing significant disturbance and slowdown of economic activity. SDIPL is engaged in the business of providing tower infrastructure and related operations in India. SDIPL 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 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 with experienced contractors/service providers. Further, SDIPL has adequate unutilised borrowing limits available to meet its balance capital expenditure requirements to reach targated portfolio of 1,74,451 towers. In view of the above, SDIPL does not expect any significant challenges on going concern, including emanating out of COVID-19, in the next 12 months.

Due to SDIPL's exclusive telecom tower portfolio, its tenant lease rates vary considerably depending upon factors such as type, position and load of tenant equipment on the tower, remaining tower capacity, tower location etc. It measures the remaining tower capacity by assessing several factors, including tower height, tower type, environmental conditions, existing equipment on the tower and permitting regulations in effect in the jurisdiction where the tower is located. In many instances, tower capacity can be increased with relatively modest tower augmentation capital expenditures.

SDIPL expects existing and potential new tenant demand for its telecom infrastructure will result from

- New technologies including 5G,
- Increased usage of mobile entertainment, mobile internet, and machine-to-machine applications,
- Adoption of other emerging and embedded wireless devices,
- Increasing smartphone penetration,
- Wireless carrier focus on expanding both network quality and capacity, including the use of towers and small cells,
- The adoption of other bandwidth-intensive applications (such as cloud services and video communications),
- The availability of additional spectrum, and
- Increased government initiatives to support connectivity throughout India.

Based on industry research and projections, we expect that a number of key industry trends will result in incremental revenue opportunities for us:

o The deployment of advanced mobile technology, such as 4G and 5G, will provide higher speed data services and further enable fixed broadband. As a result, we expect that our tenants will continue deploying additional equipment across their existing networks.

o Wireless service providers compete based on the quality of their networks, which is driven by capacity and coverage. To maintain or improve their network performance as overall network usage increases, our tenants continue to deploy additional equipment across their existing sites while also adding new cell sites. We anticipate increasing network expansion over the next several years, as existing network density is anticipated to be insufficient to cater rapidly increasing levels of wireless data usage.

o Next generation technologies requiring wireless connectivity have the potential to provide incremental revenue opportunities for us. These technologies may include edge computing functionality, autonomous vehicle networks and a number of other internet-of-things, applications, as well as other potential use cases for wireless services. These technologies may create new and complementary use cases for our sites over time, although these use cases are currently in emerging stages.

o Wireless service providers continue to acquire additional spectrum, and as a result are expected to add additional sites and equipment to their networks as they seek to optimize their network configuration and utilize additional spectrum.

We believe these trends will result in incremental utilization and interconnection demand at our infrastructure facilities.

Space Teleinfra Private Limited

STPL is engaged in the business of providing passive infrastructure / integrated IBS and Small Cell to provide a common shared platform for the purpose of providing additional coverage, fresh coverage and for network connectivity purposes by various MNOs.

The following table details the number of telecom sites that STPL owned and operated as of March 31, 2022:

Site Type	Site Count	Tenancy Count	Tenancy Ratio
IBS			
Retail	315	542	1.72
Metro	72	172	2.39
Airport	14	29	2.07
Institutional	84	153	1.82
Subtotal IBS	**485**	**896**	**1.85**
Small Cell	1,109	1,133	1.02
Roof Top Pole	41	44	1.07

Due to subsequent waves of COVID, work-from-home ("WFH") habits have changed the technology expectations for an indoor network experience. High quality collaboration experience and seamless connectivity are among the top expectations for WFH now. A robust and reliable 4G network is needed to replicate operations seamlessly at home, especially now with the WFH & Work from Office ("WFO") being followed in parallel. This will lead to an increase in demand for IBS in various residential societies as well as deployment of small cells across India especially in dense and congested areas facing network coverage & capacity issues.

Going forward, 5G rollout will further accelerate the small cell deployment across all top cities. The roll out of 5G in India is expected to take place in the second half of this year as the spectrum auction process is planned by Q3 FY2022-23 post which services are expected to be rolled out.

Financial Performance

Our consolidated financial statements have been prepared in accordance with the requirements of the SEBI 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 (''Ind AS''), to the extent not inconsistent with the SEBI InvIT Regulations, read with relevant rules issued thereunder and other accounting principles generally accepted in India. Brief details of financial performance of the Trust for the financial year ended March 31, 2022 is as under:

(₹ in Million)

Particulars	2021-22	2020-21
Revenue from Operations	97,861	82,442
Other Income	331	153
Profit / (Loss) before Tax	**5,477**	**(9,830)**
Less: Current Tax	15	-
Deferred Tax	(7)	-
Profit / (Loss) for the year	**5,469**	**(9,830)**
Add: Other Comprehensive Income (OCI)	(933)	-
Total Comprehensive Income for the year	**4,536**	**(9,830)**
Add: Opening Balance in Retained Earnings and OCI (Adjusted)	(51,462)	(10,402)
Less: Other adjustments	-	(10,658)
Less: Return on Capital	(21,775)	(10,306)
Less: Change in Minority Interest*	-	(10,266)
Less: Unit Issuance Costs	(29)	-
Closing Balance of Retained Earnings and OCI	**(68,730)**	**(51,462)**

**Excluding loss amounting to ₹ 4,149 million attributable to non-controlling interest for the year.*

Consolidated Revenue of the Trust for FY2020-21 was ₹ 82,442 million which has increased to ₹ 97,861 million in FY2021-22.

Consolidated EBITDA of the Trust for FY2020-21 was ₹ 30,502 million which has increased to ₹ 34,895 million in FY2021-22.

During the year, SDIPL has successfully raised USD 500 million through offshore bond issuance pursuant to Rule 144A and Regulation S of the US Securities Act, 1933 at coupon of 2.875% p.a, with bullet repayment after 10 years. The issuance was rated investment grade by global rating agencies, S&P Global Ratings (BBB-) and Fitch Ratings Limited (BBB). This is the first USD bond issuance by any telecom tower entity from India. This brings SDIPL at par with global telecom tower entities and help to diversify its borrowing avenues. For this issuance, SDIPL also won the "Most Innovative Deal" award by The Asset in its annual Triple A Country Awards 2021 – South Asia, India.

SDIPL has also raised ₹ 31,500 million from domestic capital markets during the financial year ended March 31, 2022. These issuances are rated AAA by CRISIL Limited, ICRA Limited and Care Ratings Limited, the three domestic rating agencies.

During the year, STPL has raised fund based and non-fund based facilities aggregating to ₹ 697 million. The term loan facility are rated [ICRA]A- by ICRA Limited.

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

Health, Security, Safety and Environment

Summit Digitel Infrastructure Private Limited

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 22,000 subcontractor personnel everyday.

As on March 31, 2022, SDIPL has achieved 0.162 LWCFR (Lost Workday Case Frequency Rate). Unfortunately, there were two serious safety incidents during the year under review. SDIPL has conducted detailed accident investigation for each incident and has completed implementation of all identified immediate corrective/preventive measures. Actions identified as medium and long-term mitigation measures have been progressively implemented and followed up with its principal contractor.

SDIPL is committed to comply with all HSSE related statutory and regulatory requirements and shall always strive to go beyond the minimum acceptable threshold of compliance with legal obligations. There were no notices nor non-compliance reports from authorities.

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 and mitigation of HSSE risks.

The delivery of customized learning, development and training sessions to its employees and contract workers have helped in reinforcing key HSSE values and life-saving measures. SDIPL believes that increasing awareness on hazard identification and proactive risk mitigation will eventually build a sustained work environment that is rooted in safety. As on March 31, 2022, SDIPL has imparted 2,49,226 manhours of training to its employees, contractors, and field personnel.

Focusing on high-risk mitigation, campaigns such as National Road Safety Month, World Environment Day, National Safety Week, were conducted across the country. Senior functional leaders of company and its prime contractor were trained on the Brookfield approach to safety and job safety planning in a series of training spread over four weeks/80 hours.

SDIPL launched a flagship customized employee training program titled "Summit Safety Program (SSP)" in December 2021. With SSP, each SDIPL employee learns about the HSSE risks associated with his role, gets trained-assessed-certified on the required HSSE mitigation measures, thereby enabling safe work execution each time every time. As of March 31, 2022, 6 out of 8 courses have been delivered to all employees constituting over 1,115 manhours of training.

SDIPL is continually focusing on availability, use and maintenance of compliant personal protective equipment (PPE), bikes and safety harnesses for the 12,000 strong field force under the aegis of "Suraksha Kavach" campaign. Half yearly inspection and certification have been conducted.

SDIPL has implemented a comprehensive process of site HSSE inspection and assurance and has conducted 3,066 site inspections this year involving 67 checkpoints pertaining to key HSSE risks checked at each site and integrated with 30 HSSE processes to systematically identify areas of improvement. Total of 16,469 unsafe acts and conditions were reported during these site inspections, of which, 13,159 (80%) have been monitored, followed up, validated and closed in a time bound manner with prime focus to implement corrective and preventive learnings across the network.

With an intent to drive proactive HSSE performance across circles, SDIPL has developed and launched a comprehensive Safety Scorecard from October 2021. The scorecard has leading and lagging parameters which objectively ascertain clear improvement areas and activities requiring attention. As of March 31, 2022, SDIPL's safety scorecard stood at 71%.

HSSE governance has been working efficiently within company and also with its contractor. Weekly, fortnightly and monthly meetings are conducted for all the key stakeholders.

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

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, thereby conserving resources.

Focus on employee health in the era of COVID-19 has been a key management focus area. SDIPL has developed and implemented a Return to Normal Operations (RNO) process to ensure safe and secure business operations across the country. It has also been releasing a weekly state wise COVID Risk Rating (CRR) score (based on the positivity rate for each state) and a COVID advisory bulletin for the benefit of employees and business operations.

Space Teleinfra Private Limited

STPL firmly believes that all occupational injuries and work-related incidents at sites are preventable and that health, safety, security of human being and protection of environment overrides all other business targets.

STPL is commited to providing a healthy and safe working environment to prevent occupational ill-health and work-related injuries to its employees and business partners.

During the year 2021-22, STPL has achieved the target of ZERO serious safety incidents, ZERO high-risk incidents, and ZERO adverse environment impact.

It had launched seven safety habits in FY2021-22 across the organization with tag line of "Safety rules are the best tools" and "Seven safety habits that could save your life". Its safety habits include:

1. Use of full body harness;
2. Wear riding helmet/seat belt;
3. Use electrical gloves and safety shoes;

4. No mobile while riding;
5. No alcohol/No overspeeding;
6. Don't work if you are not trained; and
7. Assess the risk & take PTW (Permit to Work).

STPL has ensured that all its employees are trained on the safety habits and monthly one training program is conducted for all new employees.

STPL had developed training module for its 95 service partners to make them understand the company values, quality & HSSE requirements while working and monthly one training program conducted.

At site we have ensured, all our sites have electromagnetic fields (EMFs) sign board, proper access ladder and fire extinguisher.

It has further ensured to conduct hazard identification and risk assessment for all the activities being carried out at site, warehouse and office. Existing and additional controls are being clearly specified in the risk assessment.

It is committed to have minimal environmental impact by building and maintaining sites with ZERO diesel consumption.

STPL conducts quarterly mock drill programs at all its offices and warehouses to manage emergencies.

Future Business Outlook

Summit Digitel Infrastructure Private Limited

We expect going forward site lease revenue will continue to grow by tenant additions, as large wireless carrier-tenants continue to focus on meeting the increasing demand for data. At SDIPL, the employees pride themselves on being future-ready with 1,74,000 plus towers spanning the length and breadth of India, ensuring that the growing demand for these technologies is met. In cognizance of the global pursuit of reducing carbon footprints and becoming carbon neutral, 100% of sites are built outdoors with no air conditioned shelters. Aligned to SDIPL's HSSE values, we are committed to run a business with "Zero Harm."

In conclusion, our outlook for the business remains positive, riding on a huge upsurge in data demand and the need for a better-connected nation in the post pandemic world. The introduction of new technologies will further intensify the role of passive infrastructure players like us. SDIPL, with its nationwide presence and several industry best benchmarks stands in good stead to invest and capitalize on these opportunities.

Space Teleinfra Private Limited

The major contributors to STPL's revenue growth are :

1. Acquiring sites which add value to MNOs thus enhancing both coverage and capacity;
2. Adding tenants to the already acquired sites; and
3. Growing Tenancies ie. adding new tenants to the existing billed sites.

In future too the growth will be propelled by acquiring sites that the MNOs seek as also prestigious projects like metros, airports and large Governmental sites spread all across the country. Equally, STPL's acquisition strength can be leveraged for the small cell business where thousands of small landlords need to be engaged for installations on their properties. STPL continues to believe that its site revenue is likely to increase due to the growing use of 4G as also its ability to meet the incremental data demand due to the imminent 5G launch. By adding new tenants and new equipment for existing tenants on its sites, both the site utilization and profitability can increase in tandem. STPL will continue its focus on corporate parks, retail and institutional sites especially hospitals and educational institutes. In addition, STPL intends to continue to supplement its organic growth by selectively developing or acquiring new marquee sites (for both IBS and Small Cells) in the existing and new geographies where it can achieve its projected returns.

Aligned to STPL's HSSE values, we are committed to run a business with "ZERO serious safety incidents, ZERO High-risk incidents, and ZERO adverse Environment impact". STPL pledges to reach the highest levels of environmental performance by sustainably saving energy, eliminating emissions, conserving resources, reducing costs and taking a firm 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 current year FY2021-22, the Trust has acquired 100% equity share of STPL, which is engaged in business of building, maintaining, leasing, renting and otherwise dealing in infrastructure for the telecom sector - Small Cell Sites and IBS.

During the financial year ended March 31, 2022, SDIPL generated a revenue of ₹ 97,651 million from its operations and ₹ 318 million as other income. During the financial year ended March 31, 2022, post acquisition, STPL generated a revenue of ₹ 210 million from its operations and ₹ 13 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, 2022, is as follows:

(₹ in Million)

Particulars	Financial Year ended March 31, 2022		Financial Year ended March 31, 2021	
	Standalone	Consolidated	Standalone	Consolidated
Total Income	39,042	98,192	13,860	82,595
Total Expenditure	463	92,715	310	92,425
Profit / (Loss) before tax	38,579	5,477	13,550	(9,830)
Less: Provision for tax				
Current tax	-	15	-	-
Deferred tax	-	(7)	-	-
Profit/(Loss) for the period	38,579	5,469	13,550	(9,830)
Other comprehensive income	-	(933)	-	-
Total comprehensive income/(loss) for the period	**38,579**	**4,536**	**13,550**	**(9,830)**

Key operating expenses of the Trust for the financial year ended March 31, 2022, are as follows:

(₹ in Million)

Particulars	Financial Year ended on March 31, 2022	Financial Year ended on March 31, 2021
Investment Manager Fees	28	26
Legal, Professional and advisory fees	13	2
Trustee Fee	2	2
Listing fees	3	1
Project Manager Fees	24	24
Payment to Auditors	49	18
Other expenses	344	196
Total	**463**	**269**

Further, the Audited Standalone and Consolidated Financial Information of the Trust for the financial year ended March 31, 2022 along with the Report of Auditors thereon, as approved by the Board of Directors of Brookfield India Infrastructure Manager Private Limited (formerly known as WIP (India) Private Limited) ("BIIMPL/Investment Manager"), acting in its capacity as Investment Manager of the Trust, forms part of this Annual Report.

DETAILS OF UNITS ISSUED BY THE TRUST

Units

The Trust issued 2,52,15,00,000 units at an Issue Price of ₹ 100 each aggregating to ₹ 2,521.5 million on March 31, 2019, which were listed on BSE Limited w.e.f. September 1, 2020.

Pursuant to the approval granted by the Data InvIT Committee of the Board of Directors of BIIMPL, on March 3, 2022 the Trust has issued and allotted 2,87,00,000 units at an Issue Price of ₹ 110.46 each aggregating to ₹ 3170.20 million, on rights basis, which were listed on BSE Limited w.e.f. March 7, 2022.

Pursuant to the approval granted by the unitholders of the Trust, on March 8, 2022 the Trust has further issued and allotted 5,28,00,000 units at an Issue Price of ₹ 110.46 each aggregating to ₹ 5832.28 million, on preferential basis, which were listed on BSE Limited w.e.f. March 17, 2022.

During the year under review and as on the date of this Report, no units have been bought-back by the Trust.

Credit Rating

During the year, the Trust has voluntarily obtained an Issuer Rating ("Is") from CARE Ratings Limited, which has assigned "CARE AAA (1s)/Stable" rating (pronounced as Triple A (Issuer rating) with Stable outlook) to the Trust on January 4, 2022. Further, CARE Ratings Limited has reaffirmed Issuer Rating ("Is") of the Trust at "CARE AAA (Is); Stable" rating on April 29, 2022.

The aggregate consolidated borrowings and deferred payments of the Data InvIT and its Special Purpose Vehicles i.e. SDIPL and STPL (together known as "Group") do not exceed the thresholds specified in the SEBI InvIT Regulations and hence, there is no statutory requirement for obtaining credit rating. Further, the Trust has not issued any debt securities during the year under review.

During the year, SDIPL has obtained credit ratings details of which are mentioned below:

Instrument	Amount	Outstanding amount as on March 31, 2022	Credit Rating Agency	Credit Rating	Credit rating date	Reaffirmation date
Term Loan facilities	₹ 3,00,080 million	₹ 98,183 million	CRISIL Limited	CRISIL AAA/ Stable	August 31, 2022	September 20, 2021
1,18,360 Secured Redeemable Non-Convertible Debentures ("NCDs") PPD series 5	₹ 1,18,360 million	₹ 53,360 million	Care Ratings Limited CRISIL Limited	CARE AAA/ Stable CRISIL AAA/ Stable	March 5, 2021 March 3, 2021	November 12, 2021 September 20, 2021
15,000 NCDs	₹ 15,000 million	₹ 15,000 million	CRISIL Limited	CRISIL AAA/ Stable	June 8, 2021	September 20, 2021
2.875% Senior Secured Notes	USD 500 million	₹ 37,879 million	Fitch Ratings Limited S&P Global Ratings	Investment Grade (IG) Ratings: BBB-/Stable	July 30, 2021	-

Instrument	Amount	Outstanding amount as on March 31, 2022	Credit Rating Agency	Credit Rating	Credit rating date	Reaffirmation date
6,500 NCDs	₹ 6,500 million	₹ 6,500 million	CRISIL Limited	CRISIL/AAA Stable	September 20, 2021	-
10,000 NCDs	₹ 10,000 million	₹ 10,000 million	Care Ratings Limited ICRA Limited	CARE/AAA Stable ICRA/AAA Stable	November 12, 2021 November 12, 2021	-

During the year, STPL has obtained credit rating for Term Loan facility, details of which are mentioned below:

Instrument	Amount	Outstanding amount as on March 31, 2021	Credit Rating Agency	Credit Rating	Credit rating date
Term Loans including sub limits	₹ 500 million	₹ 500 million	ICRA Limited	[ICRA]A-	January 14, 2022

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 Investment Manager, BDO Valuation Advisory LLP, Registered Valuer (IBBI Registration Number: IBBI/RV-E/02/2019/103) ("Valuer"), was appointed as the Valuer of the Trust to carry out the valuation of Trust Assets for FY2021-22 in accordance with the SEBI InvIT Regulations.

First valuation for the financial year was done by the Valuer as on September 30, 2021 for the Rights Issue of the Trust. As per the Valuation Report, Trust Assets have 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 said Valuation Report has been filed with BSE Limited on December 28, 2021 and the same is also available on the website of the Trust at www.towerinfratrust.com. As per the Valuation Report, Trust Assets have been valued at ₹ 4,82,686.6 million, as on September 30, 2021, under Income Approach.

In terms of the provisions of Regulation 10 of the SEBI InvIT Regulations, the Valuation Report dated May 24, 2022 for the financial year ended March 31, 2022, issued by the Valuer of the Trust, has been filed with BSE Limited on May 26, 2022 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 Assets have been valued at ₹ 5,22,267 million under Income Approach. DCF Method has been used to arrive at the enterprise value of the Trust Asset. The Assets valuation as on March 31, 2022 includes both SDIPL and STPL.

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 May 26, 2022 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, 2022 is as under:

(₹ in Million)

Particulars		Financial Year ended March 31, 2022		Financial Year ended March 31, 2021	
		Book Value	Fair Value	Book Value	Fair Value
A.	Assets	285,826	297,825	255,778	266,642
B.	Liabilities at Book value	6,626	6,626	2,355	2,355
C.	Net Assets (A-B)	279,200	291,198	253,423	2,64,286
D.	Number of Units (No. in Million)	2,603	2,603	2,522	2,522
E.	**NAV per Unit (C/D) (₹)**	**107.26**	**111.87**	**100.50**	**104.81**

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

BIIMPL has been appointed as the IM of the Trust with effect from October 13, 2020.

A. Details of Brookfield India Infrastructure Manager Private Limited (formerly known as WIP (India) Private Limited) i.e. IM, as on March 31, 2022

BIIMPL was incorporated on May 5, 2010 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.

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.

BIIMPL was 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.

Considering the above, in order to ensure good governance and clear segregation of the management and operations of both the InvITs being managed by BIIMPL, the 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. The operation and functioning of both the Committees are under the strict supervision of the Board of Directors of BIIMPL.

Further, the Board of Directors of BIIMPL at its meeting held on November 9, 2021, had renamed the 'Tower InvIT Committee' as the 'Data InvIT Committee', pursuant to the change in name of Data InvIT.

There has been no change in the Investment Manager during the financial year ended March 31, 2022 and as on the date of this Report.

Directors of BIIMPL

The Board of Directors of BIIMPL as on March 31, 2022, are mentioned below:

Sr. No.	Name of Director	Designation	DIN	Date of Appointment
1.	Mr. Sridhar Rengan	Non-executive Director & Chairperson	03139082	November 21, 2019
2.	Mr. Chetan Desai	Independent Director	03595319	November 21, 2019
3.	Mr. Narendra Aneja	Independent Director	00124302	April 1, 2020
4.	Ms. Pooja Aggarwal	Additional Non-executive Director*	07515355	September 30, 2021

**Resigned w.e.f. April 6, 2022*

Brief profile of the directors is provided below:

1. Mr. Sridhar Rengan - Non-executive Director (DIN: 03139082)

   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 - Independent Director (DIN: 03595319)

   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 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 - Independent Director (DIN: 00124302)

   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. <u>Ms. Pooja Aggarwal - Additional Non-executive Director (DIN: 07515355) *(resigned w.e.f. April 6, 2022)*</u>

   Ms. Pooja is a Chartered accountant by profession with 23+ years of diversified experience across industries such as Power and energy, infrastructure, IT, ITES across various countries and cultures (US, Latin America, UK, Japan, India and Australia). Her experience includes managing Board relationship, fund raising, equity raise, mergers and acquisitions, business partnering, finance, accounting, reporting, procurement and legal and secretarial.

During the year ended March 31, 2022 and as on the date of this Report, below are the changes in the Directors of BIIMPL:

i) Mr. Rishi Tibriwal (DIN: 08662320) resigned from the Board of BIIMPL w.e.f. June 30, 2021. Accordingly, Mr. Darshan Vora was appointed as a Non-executive Director w.e.f. July 1, 2021;

ii) Mr. Darshan Vora (DIN: 09212155) resigned from the Board of BIIMPL w.e.f. September 30, 2021 and Ms. Pooja Aggarwal (DIN: 07515355) was appointed as a Additional Non-executive Director w.e.f. September 30, 2021; and

iii) Further, Ms. Pooja Aggarwal resigned from the Board of BIIMPL w.e.f. April 6, 2022.

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

As on the date of this Report, neither BIIMPL nor any of its Directors or Members of the Data 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, 2022 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 Investment Manager

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 atleast half of its Directors as Independent Directors having extensive and relevant experience.

Codes/Policies

In line with the requirements of the 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 Data 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 Special Purpose Vehicles to the Trust and the Trust to the Unitholders.

(ii) Code of conduct for prohibition of insider trading

The Policy on unpublished price sensitive information and dealing in units by the parties to the Trust was 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.

Pursuant to the applicability of the SEBI (Prohibition of Insider Trading) Regulations, 2015, the Data InvIT Committee of the Board of Directors of the Investment Manager at its meeting held on August 17, 2021 adopted Code of Conduct for Prohibition of Insider Trading including principles of fair disclosure of unpublished price sensitive information. Accordingly, the Policy on Unpublished Price Sensitive Information and Dealing in Units by the parties to the Trust, adopted by the committee earlier, was repealed and replaced with the above-mentioned code.

(iii) Code of Conduct for the Trust ("Code")

The said Code was 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 Managers, 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 the 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 the Trust

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

(vi) Borrowing Policy of the 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.

B. <u>Representatives on the Board of Directors of SDIPL, Special Purpose Vehicle ("SPV") of the Trust</u>

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 Eighth Annual General Meeting of SDIPL held on September 27, 2021, the voting of the Trust was exercised.

C <u>Representatives on the Board of Directors of STPL, SPV of the Trust</u>

BIIMPL, in consultation with the Trustee, had appointed the majority of the Board of Directors of STPL i.e. SPV of the Trust.

During the period from March 10, 2022 to March 31, 2022 and as on the date of this Report, BIIMPL had ensured that in every general meeting, the voting of the Trust was exercised.

SPONSOR OF THE TRUST

A. <u>Reliance Industrial Investments and Holdings Limited</u>

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 w.e.f. 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, 2022 and a Fortune 500 company. Reliance Sponsor's activities span across hydrocarbon exploration and production, petroleum refining and marketing, petrochemicals, retail and digital services. The equity shares of RIL are listed on BSE Limited and National Stock Exchange of India Limited. The Global Depository Receipts are 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. The foreign currency bonds of RIL are listed on the Singapore Stock Exchange and Luxembourg Stock Exchange.

Directors of Reliance Sponsor

The details of Board of Directors of the Reliance Sponsor as on March 31, 2022 are mentioned below:

Sr. No.	Name of Director	Date of appointment
1.	Shri. Hital Rasiklal Meswani	October 20, 2003
2.	Shri. Vinod Mansukhlal Ambani	June 30, 2005
3.	Shri. Mahendra Nath Bajpai	June 30, 2005
4.	Ms. Savithri Parekh	March 28, 2019
5.	Shri. Dhiren Vrajlal Dalal	March 31, 2015
6.	Shri. Balasubramanian Chandrasekaran	March 31, 2015

Brief profile of the directors is provided below:

1. Shri Hital R. Meswani (DIN: 00001623)

   Shri 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.

   Shri Hital Meswani's overall responsibility spans the Petroleum Refining and Marketing Business, Petrochemicals Manufacturing and several corporate functions of RIL including Human Resources Management, Information Technology, Research & Technology and Capital Projects Execution. 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. Shri Vinod M. Ambani (DIN: 00003128)

   Shri 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. Shri Mahendra N Bajpai (DIN: 00005963)

   Shri 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 Non-Resident 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, Shri 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 (DIN: 00274934)

   Ms. Savithri Parekh is the Director of the Sponsor since March 28, 2019. She is B.Com, LL.B and a fellow member of The Institute of Company Secretaries of India.

   She has over 30 years of experience. Prior to joining Reliance Industries Limited, she was the Sr. Vice President Legal & Company Secretary of Pidilite Industries Limited for over 9 years. She has been a guest faculty at IIM Kolkata for over 10 years and has also authored three books on the Companies Act, 2013 and on Listing Regulations.

5. Shri Dhiren V. Dalal (DIN: 01218886)

   Shri 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. Shri Balasubrmanian Chandrasekaran (DIN: 06670563)

   Shri 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 BIF 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 93 billion as on March 31, 2022. Further, Brookfield's infrastructure group ("Brookfield Infrastructure") owns and operates one of the largest infrastructure portfolios in the world, with approximately USD 182 billion of assets under management as on December 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 35 billion as of March 31, 2022. The Brookfield Sponsor has relied on BAM and BIP for meeting the eligibility criteria under the SEBI InvIT Regulations.

Brookfield Sponsor was 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, 2022 are mentioned below:

Sr. No.	Name of Director	Date of appointment
1.	Mr. Liew Yee Foong	May 31, 2019
2.	Ms. Ho Yeh Hwa	May 31, 2019
3.	Mr. Velden Neo Jun Xiong*	August 13, 2021
4.	Mr. Tang Qichen	September 15, 2021

**Resigned w.e.f. April 29, 2022*

Brief profile of the directors is provided below:

1. Mr. Liew Yee Foong (Identification no.: S8779790B)

    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).

2. Ms. Ho Yeh Hwa (Identification no.: S7838513H)

    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.

3. Mr. Velden Neo Jun Xiong (Identification no.: S8909638C) *[resigned w.e.f. April 29, 2022]*

    Velden is an Investment Professional at Brookfield Singapore where he manages investments in Brookfield's funds, investment programs and analyses potential investments. Prior to joining Brookfield, Velden worked as an Associate for Deutsche Bank AG, Singapore Branch, advising large corporate clients on bond issuances, bilateral and syndicated debt financing and other treasury solutions.

    Velden graduated from Nanyang Technological University, Singapore with degrees in Accountancy [BAcc (Hons.)] and Business Administration [BBA (Hons.)]. He is also a CFA charter holder.

4. Mr. Tang Qichen (Identification no.: S9084721Z)

    Qichen is an Investment Professional at Brookfield Singapore where he plays an instrumental role in managing and supporting investments in Brookfield's funds, investment programs and investment analysis. Qichen's prior experience was in real estate investment, fund management, and portfolio management, including stints with CapitaLand and Perennial Holdings.

    Qichen holds a Bachelor of Science (Real Estate) (Hons) degree from the National University of Singapore.

During the year under review and as on the date of this Report, there have been the following changes in the Directors of the Brookfield Sponsor:

i) Mr. Aanandjit Sunderaj resigned as the Director of the Brookfield Sponsor with effect from June 9, 2021;

ii) Mr. Walter Zhang Shen resigned as the Director of the Brookfield Sponsor with effect from July 1, 2021;

iii) Mr. Velden Neo Jun Xiong was appointed as the Director of the Brookfield Sponsor with effect from August 13, 2021;

iv) Ms. Taswinder Kaur Gill resigned as the Director of the Brookfield Sponsor with effect from September 13, 2021;

v) Mr. Tang Qichen was appointed as the Director of the Brookfield Sponsor with effect from September 15, 2021; and

vi Mr. Velden Neo Jun Xiong resigned as the Director of the Brookfield Sponsor with effect from April 29, 2022;

vii) Mr. Tan Aik Thye Derek was appointed as the Director of the Brookfield Sponsor with effect from April 29, 2022.

There has been no change in the Sponsors of the Trust during the financial year ended March 31, 2022 and as on the date of this Report.

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, 2022 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, 2022 are mentioned below:

Sr. No.	Name of Director	DIN	Date of appointment
1.	Ms. Deepa Rath	09163254	May 1, 2021
2.	Mr. Rajesh Kumar Dahiya	07508488	July 11, 2018
3.	Mr. Ganesh Sankaran	07580955	April 18, 2019

Brief profile of the directors is provided below:

1. <u>Ms. Deepa Rath (DIN: 09163254) *[appointed w.e.f. May 1, 2021]*</u>

   Ms. 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 and relationship management skills which have helped her set up and scale up New Businesses and High Impact Teams across domains. Prior to taking over as MD & CEO of Axis Trustee Services Limited, 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.

2. Mr. Rajesh Kumar Dahiya (DIN: 07508488)

   Mr. 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.

3. Mr. Ganesh Sankaran (DIN: 07580955)

   Mr. 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.

During the year under review, Mr. Sanjay Sinha (DIN: 08253225) retired as the managing director and chief executive officer w.e.f. April 30, 2021 and Ms. Deepa Rath (DIN: 09163254) was appointed in his place w.e.f. May 1, 2021.

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

Today with data growth and the imminent launch of next gen 5G technology taking centre stage, the next decade holds exciting new prospects for tower cos. The business of tower cos is capex intensive and hence sharing these costs can significantly reduce costs to telcos/MNOs. Infrastructure sharing is effective in optimizing the utilization of available resources and helps to bring down the cost. In our experience there is substantial reduction in TCO (Total Cost of Ownership) due to sharing of passive infrastructure. A strong focus on optimization of operational expenses through the outsourcing of noncore areas, process innovation, cost-to-serve alignment and strategic partnerships has also resulted in steady growth of the tower industry.

Further details relating to information or report pertaining to the telecom sector that may be relevant for an investor to invest in units of the Trust have been provided herein above under “Economic Overview” section of Management Discussion and Analysis by the Investment Manager.

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 Data InvIT**

Amendment to the Trust Deed at the Extra-ordinary General Meeting held on May 12, 2021

During the year, there have been few amendments to the Indenture of Trust dated January 31, 2019, which were approved by the Unitholders of the Trust at their Extra-ordinary General Meeting (“EGM”) held on May 12, 2021. The details of the same have been disclosed in the Annual Report of the Trust for the financial year ended March 31, 2021. The Annual Report for the financial year ended March 31, 2021 has been filed with BSE Limited on July 7, 2021 and the same is also available on the website of the Trust at www.towerinfratrust.com.

Execution of Project Management Agreement (“PMA”)

During the year under review, Jarvis Data-Infra Project Manager Private Limited (“JDIPMPL”) has entered into a PMA dated February 16, 2022 with the Trustee (on behalf of the Trust), BIIMPL and STPL effective from the date on which the Trust acquires the entire share capital of the STPL i.e. March 10, 2022, to provide project implementation, execution and operations and maintenance services in relation to STPL (“JDIPMPL-PMA”).

JDIPMPL was incorporated on December 22, 2021 under the Companies Act, 2013. Its registered office is situated at 603, 6th Floor, ‘B’ Wing, Ashok Enclave, Chincholi Road, Kamla Nagar, Malad (West), Mumbai - 400064, Maharashtra, India.

Other agreements entered into pertaining to the activities of the Trust

The Trust has entered into various agreements viz. securities purchase agreement, escrow agreement, security trustee agreement, etc. for the purpose of acquisition of STPL by the Trust.

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

Not Applicable for the year 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**

During the year under review, the Trust has raised ₹ 3,170.20 million through rights issue and ₹ 5,832.28 million through preferential issue. The proceeds were utilised by Trust for acquisition of STPL at a purchase consideration of ₹ 8,997.60 million from the erstwhile shareholders of STPL i.e. Mr. Ankit Goel, Mr. Radhey Raman Sharma, Mr. Ram Gopal Goyal and Westwood Business Consultancy LLP.

As on December 31, 2021, fair value of STPL was estimated at ₹ 8,993.68 million under Income Approach. DCF Method has been used to arrive at the equity value.

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

(₹ in Million)

Transaction	SDIPL Standalone		STPL	Trust Standalone	Consolidated
	Trust	Lenders		Lenders	Lenders
Opening Borrowings as on April 1, 2021	2,50,000	1,81,851	-	-	1,81,851
Add: Issuance during the year					
Term Loan from Banks	-	42,070	-	-	42,070
Loan from Data Infrastructure Trust	-	-	-	-	-
Non-Convertible Debenture Issued	-	31,500	-	-	31,500
External Commercial Borrowings	-	37,110	-	-	37,110
Upfront Fees paid	-	(785)	-	-	(785)
Foreign currency valuation change in External commercial borrowings	-	1,341	-	-	1,341
Addition on account of Business Combination	-	-	442	-	442
Less: Repayment during the year					
Repayment of Loan	-	(9,000)	(113)	-	(9,113)
Repayment of Non-Convertible Debenture	-	(65,000)	-	-	(65,000)
Closing Borrowings as on March 31, 2022	2,50,000	2,18,515	329	-	2,18,884

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

Not Applicable for the year under review.

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

Summit Digitel Infrastructure Private Limited

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 for ₹ 2,535 million and an appeal has been filed by RJIL in Mumbai CESTAT against the rejection. The matter is pending in CESTAT Mumbai. The amount of ₹ 10,196 million (including ₹ 7,660 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.

1. On October 8, 2021, SDIPL has reversed GST input tax credit on Tower & Foundation for FY 2019-20 in all states other than MP and Maharashtra amounting to ₹ 5,640 million. This was done in compliance with the letter issued by DGGI-Maharashtra office (letter no. DGGI/MZU/I&IS 'D'/12(1)27/2021/4908 dated 16.09.2021). The Reversal of GST for MP & Maharashtra pertaining to FY2019-20 amounting to ₹ 953 million, was done in March 2021.

2. On November 30, 2021, SDIPL has reversed GST input tax credit on Tower & Foundation for FY 2020-21 in MP amounting to ₹ 35 million. This was done in compliance with the letter issued by DGGI Bhopal – MP (letter no. 1489 dated November 25, 2021).

3. In February 2022, SDIPL has reversed GST input tax credit on Tower & Foundation for FY 2020-21 in all states other than MP amounting to ₹ 1,032 million. This was done in compliance with the letter issued by DGGI Mumbai – Maharashtra (letter no. DGGI/MZU/I&IS'D'/12(1) 27/2021/6153 dated December 3, 2021).

Space Teleinfra Private Limited

STPL entered into an agreement with Jaipur Center Developer Mall for IBS services in 2010 for a period of 10 years having initial 5 year as lock-in period. At first, VIL was introduced at site as sharing operator and later in 2016 RJIL was introduced as the second sharing operator. As per the terms of the agreement, license fees per operator was already decided and as per terms, Mall authority requires to provide full cooperation for installation of operator equipments; the Mall authority did allow STPL to install the equipment of RJIL but asked for extra amount of License fees beyond the agreed terms of the agreement. Thereby a dispute arose between the parties. HMJ. K. S Rathore was appointed as sole arbitrator by Hon'ble High Court of Rajasthan. STPL filed the claim of ₹ 10.7 million. Opposite party filed a counter claim of ₹ 2.3 million with interest and litigation cost. The matter was awarded on April 26, 2022.

g) Any other material changes during the year

Apart from the details mentioned elsewhere in the Report, the material changes that have occurred during the year under review and as on the date of this Report are mentioned below:

(i) BIIMPL's registered office has been shifted from Unit No. 804, 8th Floor, A Wing One BKC, Bandra Kurla Complex, Bandra (E), Mumbai - 400051 to Unit 1, 4th Floor, Godrej BKC, Bandra Kurla Complex, Mumbai - 400051, Maharashtra w.e.f. May 12, 2021;

(ii) SDIPL has issued 15,000 Secured, Rated, Listed, Redeemable NCDs, of the face value of ₹ 10,00,000 each, aggregating to ₹15,000 million, to identified investors, on private placement basis on June 17, 2021 and have been listed on debt market segment of National Stock Exchange of India Limited w.e.f. June 17, 2021;

(iii) SDIPL has raised USD 500 million through issuance of 2.875% Senior Secured Notes to the eligible investors, on August 13, 2021, pursuant to Rule 144A and Regulation S of the US Securities Act, 1933 and have been listed on the Singapore Exchange Securities Trading Limited;

(iv) SDIPL has issued 6,500 Secured, Rated, Listed, Redeemable NCDs of the face value of ₹ 10,00,000 each, aggregating to ₹6,500 million, to identified investors, on private placement basis on September 28, 2021 and have been listed on debt segment of National Stock Exchange of India Limited w.e.f. September 30, 2021;

(v) SDIPL has issued 10,000 Secured, Rated, Listed, Redeemable NCDs of the face value of ₹ 10,00,000 each, aggregating to ₹10,000 million, to identified investors, on private placement basis on November 22, 2021 and have been listed on debt segment of National Stock Exchange of India Limited w.e.f. November 23, 2021;

(vi) Further, SDIPL has exercised its Call option and redeemed 15,000, 5,000, 18,500, 16,500 and 10,000 Secured, Rated, Listed, Redeemable NCDs, on June 25, 2021, August 24, 2021, September 17, 2021, October 14, 2021 and November 26, 2021, respectively, issued to RIL, on private placement basis, out of the proceeds of the above mentioned NCD issuances;

(vii) SDIPL has shifted its registered office address from "511, Shapath-V, Near Karnavati Club, S G Highway, Ahmedabad, Gujarat-380015" to "Unit-2, 9th Floor, Tower-4, Equinox Business Park, LBS Marg, Kurla (W), Mumbai-400070, Maharashtra" w.e.f. January 25, 2022;

(viii) Pursuant to the recommendation of IM, unitholders of the Trust, at its Extra-ordinary General Meeting held on February 24, 2022, have approved the increase in borrowing limit of the Trust from 49% to the maximum permissible limit of 70% i.e. the aggregate consolidated borrowing and deferred payments of the Trust and/or Hold Co and/or Special Purpose Vehicle as defined under SEBI InvIT Regulations ("Trust Assets"), net of cash and cash equivalent, will not exceed 70% of the aggregate value of the Trust Assets from time to time, on such terms and conditions as the IM may deem fit in the best interest of the Trust and its unitholders; and

(ix) SDIPL Board and shareholders have approved issuance of 10,000 Secured, Rated, Listed, Redeemable NCDs, of the face value of ₹ 10,00,000 each, aggregating to ₹ 10,000 million, 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.

Project-wise revenue of the Trust, since inception, is given below:

Particulars	Year ended March 31, 2022	Year ended March 31, 2021	Year ended March 31, 2020	Period from January 31, 2019 to March 31, 2019
SDIPL	97,651	82,442	74,767	-
STPL*	210	-	-	-
Total Revenue from Operations	**97,861**	**82,442**	**74,767**	**-**

**Revenue of STPL pertains to the amount generated post acquisition.*

UPDATE ON THE DEVELOPMENT OF UNDER-CONSTRUCTION PROJECTS

Summit Digitel Infrastructure Private Limited

SDIPL, Jio Infrastructure Management Services Limited ("SDIPL 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, 2022, SDIPL owns 1,51,594 telecommunication towers and there are 22,857 remaining towers to be acquired so as to achieve the total target of 1,74,451 towers.

Space Teleinfra Private Limited

During the period from March 10, 2022 to March 31, 2022, STPL has acquired 122 new sites which include 13 IBS sites and 107 Small Cell sites.

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 Data InvIT standalone level as on March 31, 2022 and as on the date of this Report, hence, the key gearing ratios are not applicable for the Data InvIT.

Further, the details for the Data InvIT on a consolidated basis for the year ended March 31, 2022 are as under:

a. 118,360 (SBI 1Y MCLR + 0.97%) Secured redeemable NCDs (NCD – Series PPD 5) of face value of ₹ 10,00,000 each redeemable at par issued by SDIPL, on or before August 31, 2032. The NCDs are redeemable at par in 40 equal quarterly consecutive instalments.

   During the year, 65,000 NCDs were redeemed by SDIPL by refinancing option from issuance of other NCDs or term loan drawdown. As at March 31, 2022, 53,360 NCDs are outstanding.

   6.59%, 15,000 Redeemable, Listed and Rated NCDs of a nominal value of ₹ 10,00,000 each redeemable at single instalment at par on June 16, 2026 issued by SDIPL.

7.40%, 6,500 Redeemable, Listed and Rated NCDs of a nominal value of ₹ 10,00,000 each redeemable at single instalment at par on September 28, 2028.

7.62%, 10,000 Redeemable, Listed and Rated NCDs of a nominal value of ₹ 10,00,000 each redeemable at single instalment at par on November 22, 2030.

b. As on March 31, 2022, SDIPL has term loan from various banks and NBFC of ₹ 98,186 million. These term loans are repayable by September 1, 2032.

c. SDIPL has issued offshore 500 million USD bonds listed on Singapore Stock Exchange with INR amount of ₹ 37,110 million. The bonds are repayable on August 12, 2031 in single instalment. This bond carries interest rate of 2.875% payable every six months in August and February. The interest payment of the bond is fully hedged by purchasing option contracts.

d. ₹ 329 million of loan by STPL carrying interest rate of MCLR (currently 7.20%) repayable by October 2026 in 56 equal monthly instalments is secured by exclusive charge on present and future receivable, current assets and moveable fixed assets of subsidiary except assets financed by RJIL for specific project of Delhi Metro Rail Corporation.

- 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: 0.64 times.
- Key Gearing Ratios for STPL:
  - o Debt Equity Ratio: 1.82
  - o Debt Service Coverage Ratio: 2.23 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.

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 ₹ 100 each on August 31, 2020 which were listed on BSE Limited w.e.f. September 1, 2020.

Further, during the period under review, the Trust has issued and allotted 2,87,00,000 units at an Issue Price of ₹ 110.46 each aggregating to ₹ 3170.20 million, on rights basis, on March 3, 2022, which are listed on BSE Limited w.e.f. March 7, 2022.

The Trust has further issued and allotted 5,28,00,000 units at an Issue Price of ₹ 110.46 each aggregating to ₹ 5,832.28 million, on preferential basis, on March 8, 2022, which are listed on BSE Limited w.e.f. March 17, 2022.

Since the date of listing, the units have not been traded and accordingly the aforesaid data is not applicable as on March 31, 2022.

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, IM of the Trust, has made timely distributions to the unitholders.

The details of distributions declared and made as on March 31, 2022 are as under:

Date of distribution	Return on capital (per unit)	Total distribution (per unit)	Date of payment to unitholders
May 26, 2021	1.3881	1.3881	June 9, 2021
August 17, 2021	1.7847	1.7847	August 31, 2021
November 9, 2021	2.5870	2.5870	November 18, 2021
February 7, 2022	1.4527	1.4527	February 17, 2022
February 22, 2022	0.7765	0.7765	March 7, 2022
March 17, 2022	0.6266	0.6266	March 29, 2022

After the closure of the financial year 2021-22 and as on the date of this Report, following distribution was declared and made 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 25, 2022	2.3050	2.3050	To be paid on or before June 8, 2022

Yield for the last 2 years

Year	Weighted Average Unit Price	Total Distribution per unit (Return on capital)	Annual yield (%)
(A)	(B)	(C)	(D)*
FY2020-21	100.0000	4.0871	4.09%
FY2021-22	100.0300	8.6156	8.61%

**Annual Yield (D) = Return on capital (C) / Weighted Average Unit Price (B)*

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 during the year ended March 31, 2022, are as under:

(₹ in Million)

Sr No	Particulars	Relation	Financial Year ended March 31, 2022
1	**Trustee Fee**		
	Axis Trustee Services Limited	Trustee	2
2	**Investment Management Fees**		
	Brookfield India Infrastructure Manager Private Limited *(Appointed w.e.f. October 13, 2020)*	Investment Manager	28
3	**Reimbursement of Expenses**		
	Brookfield India Infrastructure Manager Private Limited *(Appointed w.e.f. October 13, 2020)*	Investment Manager	7
4	**Project Manager Fees**		
	Jio Infrastructure Management Services Limited	Project Manager	24
5	**Issue of units capital to Sponsor**		
	BIF IV Jarvis India Pte Ltd.	Sponsor	2,817

(₹ in Million)

Sr No	Particulars	Relation	Financial Year ended March 31, 2022
6	**Interest Income**		
	Summit Digitel Infrastructure Private Limited	Subsidiary (SPV)	39,042
7	**Distribution to Unitholders**		
	BIF IV Jarvis India Pte. Ltd.	Sponsor	19,523

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, 2022 and as on the date of this Report, the Trust has two SPVs i.e. SDIPL and STPL.

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

BRIEF DETAILS OF MATERIAL AND PRICE SENSITIVE INFORMATION

During the year 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 DATA 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, the Project Managers i.e. SDIPL Project Manager and STPL 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 Manager, the Project Managers and their respective Associates, and the Trustee have been disclosed. Further, details of all regulatory actions and criminal matters that are currently involving the SPVs 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 Manager, the Project Managers, each of their respective Associates, the Trustee, the SPVs has been disclosed.

SPECIAL PURPOSE VEHICLES

Summit Digitel Infrastructure Private Limited

The total income of SDIPL based on the Audited Financial Statements as on March 31, 2022 was ₹ 97,969 million. Accordingly, all outstanding civil litigation (i) involving an amount equivalent to or exceeding ₹ 489 million (being 0.50% of the total income of SDIPL provided as per the Audited Financial Statements as on March 31, 2022), and (ii) wherein the amount involved is not ascertainable but otherwise considered material, have been disclosed.

Space Teleinfra Private Limited

The total income of STPL based on the Audited Financial Statements as on March 31, 2022 was ₹ 1,810 million. Accordingly, all outstanding civil litigation (i) involving an amount equivalent to or exceeding ₹ 90 million (being 5.00% of the total income of STPL provided as per the Audited Financial Statements as on March 31, 2022), and (ii) wherein the amount involved is not ascertainable but otherwise considered material, have been disclosed.

SPONSORS AND THE PROJECT MANAGERS

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, 2021 and ended March 31, 2022 was US$ 249.0 million. Accordingly, all outstanding civil litigation against the Brookfield Sponsor which (i) involve an amount equivalent to or exceeding US$ 12.5 million (being 5.00% of the total income of the Brookfield Sponsor for the period ended March 31, 2022), 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.

SDIPL Project Manager and Associates of the SDIPL Project Manager

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

STPL Project Manager and Associates of the STPL Project Manager

The total income of the STPL Project Manager i.e. JDIPMPL as per the Audited Financial Statements for the financial year ended March 31, 2022 was ₹ 1.2 million. Accordingly, all outstanding civil litigation against the Investment Manager which (i) involve an amount equivalent to or exceeding ₹ 0.06 million (being 5.00% of the total income as per the Audited Consolidated Financial Statements for the financial year ended March 31, 2022), and (ii) wherein the amount is not ascertainable but are considered material, have been disclosed.

INVESTMENT MANAGER

Investment Manager

The total income of the Investment Manager i.e. BIIMPL as per the Audited Financial Statements for the financial year ended March 31, 2022 was ₹ 52.4 million. Accordingly, all outstanding civil litigation against the Investment Manager which (i) involve an amount equivalent to or exceeding ₹ 2.6 million (being 5.00 % of the total income as per the Audited Consolidated Financial Statements for the financial year ended March 31, 2022), and (ii) wherein the amount is not ascertainable but are considered material, have been disclosed.

<u>Associates of the Investment Manager</u>

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 ₹ 10.05 million (being 5.00% of the profit after tax as on March 31, 2022 based on the Audited Standalone Financial Statements of the Trustee for the financial year ended March 31, 2022), 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 March 31, 2022.

(ii) **Litigation involving the SPVs i.e. SDIPL & STPL**

<u>Summit Digitel Infrastructure Private Limited</u>

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 for ₹ 2,535 million and an appeal has been filed by RJIL in Mumbai CESTAT against the rejection. The matter is pending in CESTAT Mumbai. The amount of ₹ 10,196 million (including ₹ 7,660 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.

1. On October 8, 2021, SDIPL has reversed GST input tax credit on Tower & Foundation for FY 2019-20 in all states other than MP and Maharashtra amounting to ₹ 5,640 million. This was done in compliance with the letter issued by DGGI-Maharashtra office (letter no. DGGI/MZU/I&IS 'D'/12(1)27/2021/4908 dated 16.09.2021). The Reversal of GST for MP & Maharashtra pertaining to FY2019-20 amounting to ₹ 953 million, was done in March 2021.

2. On November 30, 2021, SDIPL has reversed GST input tax credit on Tower & Foundation for FY 2020-21 in MP amounting to ₹ 35 million. This was done in compliance with the letter issued by DGGI Bhopal – MP (letter no. 1489 dated November 25, 2021).

3. In February 2022, SDIPL has reversed GST input tax credit on Tower & Foundation for FY 2020-21 in all states other than MP amounting to ₹ 1,032 million. This was done in compliance with the letter issued by DGGI Mumbai – Maharashtra (letter no. DGGI/MZU/I&IS'D'/12(1) 27/2021/6153 dated December 3, 2021).

Space Teleinfra Private Limited

STPL entered into an agreement with Jaipur Center Developer Mall for IBS services in 2010 for a period of 10 years having initial 5 year as lock-in period. At first, Vodafone was introduced at site as sharing operator and later in 2016 RJIL was introduced as the second sharing operator. As per the terms of the agreement, license fees per operator was already decided and as per terms Mall authority requires to provide full cooperation for installation of operator equipments; the Mall authority did allow STPL to install the equipment of RJIL but asked for extra amount of License fees beyond the agreed terms of the agreement. Thereby a dispute arose between the parties. HMJ. K. S Rathore was appointed as sole arbitrator by Hon'ble High Court of Rajasthan. STPL filed the claim of ₹ 10.7 million. Opposite party filed a counter claim of ₹ 2.3 million with interest and litigation cost. The matter was awarded on April 26, 2022.

(iii) **Litigation involving the Brookfield Sponsor**

There are no material litigations and regulatory actions pending against the Brookfield Sponsor as on March 31, 2022.

(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 as on March 31, 2022.

(v) **Litigation involving the Investment Manager**

There are no material litigations and regulatory actions pending against the Investment Manager as on March 31, 2022.

(vi) **Litigation involving the Associates of the Investment Manager**

There are no material litigations and regulatory actions pending against the Associates of the Investment Manager as on March 31, 2022.

(vii) **Litigation involving the STPL Project Manager**

There are no material litigations and regulatory actions pending against the STPL Project Manager as on March 31, 2022.

(viii) **Litigation involving the Associates of the STPL Project Manager**

There are no material litigations and regulatory actions pending against the Associates of the STPL Project Manager as on March 31, 2022.

(ix) **Litigation involving the Trustee**

There are no material litigations and regulatory actions pending against the Trustee as on March 31, 2022.

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 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, 2022, the consolidated non-current borrowings was ₹ 211,456 million and the current borrowings (including current maturity of non-current borrowings) was ₹ 7,388 million. 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 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 STPL's Business and Industry

Key risks that may impact STPL's business include:

- Global supply chain disruption, commodity shortages and macroeconomic downturn in global economies is a reality as economies recover from the COVID-19 pandemic. As a result, rising inflation may continue to adversely affect STPL through increased supply costs. Domestic inflation across our markets is also elevated due to recent geopolitical events such as the war in Ukraine. Chinese Supplies may be impacted, cut off or attract higher Custom duties due to trade embargo resulting from unforeseen factors like geopolitical issues and/or Covid Pandemic etc.

- Opcos wanting to renegotiate existing contracts which could materially and adversely impact our business. Further, changes in our customer's business model or new technologies could make our digital connectivity infrastructure business less desirable thus resulting in lower business returns. Moreover, our business is linked to the Operator's business viability and any factor impacting the Operator including their financial condition, regulatory & policy changes and competitive scenario can impact our business as well.

- Competition from National IBS players and National/local Small Cell players - Our industry is highly competitive, and our customers have numerous alternatives in leasing communications infrastructure assets. Competition due to pricing or alternative contractual arrangements from other IP-1 players could impact our market share and profitability.

- STPL's operations are subject to various national, state, and local environmental and occupational safety and health laws and regulations in India. Failure to conform with them might adversely affect the business. Further, any change in the telecom regulatory framework or policy may impact our business.

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

- SDIPL, the Sponsors, the Project Managers, 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.

- 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

<u>Summit Digitel Infrastructure Private Limited</u>

- 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.

Space Teleinfra Private Limited

- STPL's business is dependent on the Indian economy 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.
- STPL's performance is linked to the stability of policies and the political situation in India.
- Terrorist attacks or a war could adversely affect STPL business, operational results and financial condition.
- Infrastructure where it operates is subject to the risk of earthquakes, floods, tsunamis, storms, pandemics and other natural and manmade disasters.
- Climate change risks are increasingly manifesting in its business as strategic risks, physical risks and transitional (market and compliance) risks, which if not managed adequately can affect its operations and profitability.

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
Address: Unit 2, 9th Floor, Tower 4, Equinox Business Park, LBS Marg,
Kurla (W), Mumbai - 400070.
Tel: 022 69075252
Email: secretarial@summitdigitel.com
Date: May 25, 2022

Annexure A

VALUATION REPORT

Data 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

May 2022

Ref: LM/May24-19/2022

Date: May 24, 2022

To,

Data 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

We refer to engagement letter appointing BDO Valuation Advisory LLP (hereinafter referred to as "BDO VAL", or "Valuer" or "we," or "our," or "us"), to provide professional services to the Data Infrastructure Trust ("Trust") with respect to determination of Enterprise Value of Summit Digitel Infrastructure Private Limited ("Tower Co." or "SDIPL") and Space Teleinfra Private Limited ("STPL") (together referred as "InvIT Assets") 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. The Trust acquired the entire equity share capital of STPL pursuant to Share Purchase Agreement dated July 20, 2021.

We thereby, enclose our independent valuation report dated May 24, 2022 ("the Report" or "this Report") providing our opinion on the fair enterprise value of the InvIT Assets 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., STPL, and the Investment Manager ("Management"). We have considered the cut-off date for the current valuation exercise to be March 31, 2022 ("Valuation Date") and market factors, have been considered up to March 31, 2022.

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 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, we hereby confirm and declare that:

- We are competent to undertake the valuation;
- We are 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
- We comply with the responsibilities as stated in regulation 13(1) and regulation 21 of the SEBI InvIT Regulations.

We further confirm that the valuation of InvIT Asset is carried out as per internationally accepted valuation methodologies and in cognizance of international valuation standards and ICAI Valuation Standards 2018 issued by the Institute of Chartered Accountants of India.

We have no present or planned future interest in InvIT Assets, the Sponsors or the Investment Manager or the Trustee, except to the extent of our appointment as an independent valuer for this Report.

A summary of the analysis is presented in the accompanying Report, as well as description of the methodology and procedure used, and the factors considered in formulating our 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 us by the Management. The projections provided by the Management are only the best estimates of growth and sustainability of revenue and cash flows. We have reviewed the financial forecast for consistency and reasonableness; however, we have not independently verified the data provided.

Regards,

BDO Valuation Advisory LLP
IBBI No.: IBBI/RV-E/02/2019/103

Lata Gujar More
Partner & Leader
IBBI No.: IBBI/RV/06/2018/10488

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.
BDO Val	BDO Valuation Advisory LLP
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
DLOF	Draft Letter of Offer
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) at the time of Initial Offer of Units and 3,17,02,00,000 (INR three hundred and seventeen crore) (excluding issue related expenses) at the time of right issue
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	1,51,594 Macro Towers of Tower Co. including 32,839 Macro Towers that are under-construction and under-development as of March 31, 2022, proposed to be constructed as per the Project Execution Agreement. STIPL has 1,635 sites as of March 31, 2022
Right Issue	The subsequent offer of units by the Trust by way of right issue to existing shareholders in accordance with the SEBI InvIT Regulations and circulars issued thereunder. The allotment of 28,700,000 units were made on March 3, 2022
InvIT Assets	Tower Co. and STPL
LOF	Letter of Offer dated February 18, 2022 for Right Issue of Units
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	PM Placement Memorandum dated August 31, 2020
Preferential Allotment	Trust issued 52,800,000 units on preferential basis to the erstwhile promoters/ shareholders of STPL at an issue price of INR 110.46 per unit
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
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
STPL	Space Teleinfra Private Limited
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	Data 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, 2022
WACC	Weighted Average Cost of Capital

2 Executive Summary

2.1 Brief Background and Purpose

2.1.1 The Data 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 The Trust acquired the entire equity share capital in Space Teleinfra Private Limited ("STPL") as on March 10, 2022. STPL was incorporated in 2011 and is based in Gurugram, India. It is a neutral host provider (IP-1), owns and operates shared in-building communications infrastructure that provides 2G/3G/4G network through a common shared infrastructure used by wireless carriers, broadcasters, and other communication companies to provide services to end users in India. STPL offers built-to-suit solutions specializing in passive DAS (distributed antenna system), outdoor connectivity, and small cells infrastructure for institutional, commercial and residential buildings.

2.1.5 Brookfield India Infrastructure Manager Private Limited (formerly known as WIP (India) Private Limited) ("Investment Manager") is the 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".

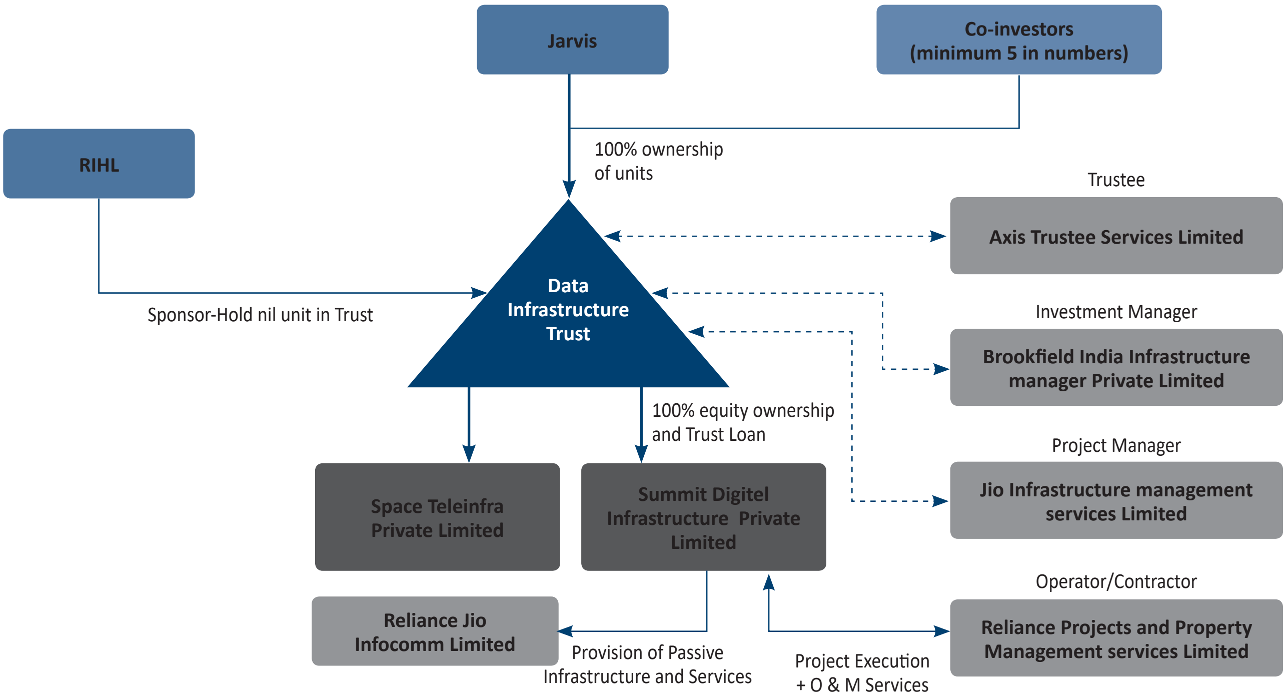
2.1.7 Reliance Industrial Investments and Holdings Limited ("RIIHL" or "Reliance Sponsor") is a wholly owned subsidiary of Reliance Industries Limited ("RIL") which is engaged in the business of petroleum refining and marketing, petrochemicals, textiles, exploration and production of oil and gas, retail, 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"). The Trust raised INR 25,215.0 crore from the initial issue of units. The proceeds were used to acquire the remaining 49.0% of the outstanding equity shares of Tower Co. held by RIL (INR 105.35 crore), repayment of loan taken by the Trust (INR 109.65 crore) and to extend loan to Tower Co. of INR 25,000 crore 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 Trust further issue 28,700,000 units at a price of INR 110.46 per unit, raising INR 317.0 crore on right basis. The proceeds of the issue excluding issue related expenses were used to partly fund the acquisition of STPL.

2.1.14 The Trust also issued 52,800,000 units on a preferential basis to the erstwhile promoters/shareholders of STPL at INR 110.46 per unit to complete the acquisition of STPL.

2.1.15 The Investment Manager has appointed BDO VAL to undertake the valuation of the InvIT Assets (Tower Co. and STPL) for annual compliance requirements of the SEBI InvIT Regulations as well as for submission to Securities and Exchange Board of India ("SEBI") or any other regulatory or statutory authority as may be required.

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 Assets 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 Assets.

2.3 **Valuation Conclusion**

2.3.1 The enterprise value of InvIT Assets as on March 31, 2022 is arrived as follows:

InvIT Assets	Enterprise Value (INR Mn)
Summit Digitel Infrastructure Private Limited	5,09,039.6
Space Teleinfra Private Limited	13,227.7

3 Introduction

3.1 **Terms of Engagement**

3.1.1 We, BDO Valuation Advisory LLP, Registered Valuer vide Registration Number IBBI/RV-E/02/2019/103, have been appointed by the Investment Manager of the Trust to determine the enterprise value of InvIT Assets on a going concern basis as on March 31, 2022, as per SEBI InvIT Regulations.

3.1.2 This Report has been prepared by us pursuant to the terms of engagement letter between BDO Val and the Investment Manager including the terms and conditions set out therein.

3.2 **Background and Purpose of Valuation**

3.2.1 The Trust carried out initial offer of units on August 31, 2020 and raised INR 25,215.0 crore. The proceeds were used to acquire remaining 49% of the outstanding equity share capital in Tower Co., repayment of loan taken by the Trust and extend loan to Tower Co. of INR 25,000 crore.

3.2.2 The Trust further raised INR 317 crore by way of rights issue of Units on March 03, 2022, the proceeds of which were used to complete the acquisition of Space Teleinfra Private Limited.

3.2.3 The Trust also issued 52,800,000 units on a preferential basis to the erstwhile promoters/shareholders of STPL at INR 110.46 per unit to complete the acquisition of STPL.

3.2.4 The Investment Manager has appointed Valuer to undertake the valuation of InvIT Assets to comply with the SEBI InvIT Regulations for determination of the enterprise value of Fibre Co for annual compliance requirements of the SEBI InvIT Regulations as well as for submission to SEBI 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”).

3.2.5 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 us.

3.3 **Source of Information**

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

i. Background of the Tower Infrastructure Business;

ii. Background of business of Space Teleinfra Private Limited;

iii. Background of the Telecom industry;

iv. Audited Financial Statements of Tower Co. for the Financial Year (“FY”) 2020, 2021 and Provisional Financial Statement of Tower Co. for FY 2022;

v. Provision Financial Statement of STPL for FY 2022;

vi. Income Tax Return of Tower Co. and STPL for FY 2021;

vii. Projections of Tower Co. from April 1, 2022 to August 31, 2051, with the underlying assumptions;

viii. Projections of STPL from April 1, 2022 to March 31, 2026;

ix. Summary of Towers as on March 31, 2022 vide Infra Availability – Site Count Reco Statement in excel;

x. Summary of sites operated by STPL as on March 31, 2022 vide Infra Availability – Site Count Reco Statement in excel;

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

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

xiii. Management Representation Letter.

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 our written consent. It can however be relied upon and disclosed in connection with presentation to the investors 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 our consent, we 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, we 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 us or used by us up to, the date hereof, which are dynamic in nature and may change in future, thereby impacting the valuation of InvIT Assets. Subsequent developments in the aforementioned conditions may affect this Report and the assumptions made in preparing this Report and we shall not be obliged to update, review or reaffirm this Report if the information provided to us 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 we have provided an assessment of the value based on an analysis of information available to us and within the scope of our engagement, others may place a different value on the business.

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. Our work did not constitute a validation of the financial projections of the Company under consideration and accordingly, we do not express any opinion on the same. Although, we have reviewed the financial projections provided by Management for consistency and reasonableness our 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. We have assumed that the parties involved have furnished to us all information, which they are aware of concerning the financial statements and respective liabilities, which may have an impact on Report. We have ignored some data provided to us which we believe may not be material for the purpose of assignment.

4.2.9 We have not done any independent technical valuation or appraisal or due diligence of the assets or liabilities of the Trust or Tower Co. or STPL 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 us. Nothing has come to our knowledge to indicate that the material provided to us was misstated or incorrect or would not afford reasonable grounds upon which to base our Report.

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

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

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 our standard practice to make sure that factual inaccuracies/ omissions are avoided in our 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 we 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, we have not provided any legal, regulatory, tax, accounting, actuarial advice and accordingly we do not assume any responsibility or liability in respect thereof.

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

4.2.17 In the particular circumstances of this case, we shall be liable only to the Investment Manager, Sponsors and the Trust. We 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 of us, nor any of professional associates who worked as team member shall in any way be responsible for the contents stated herein. Accordingly, we make no representation or warranty, express or implied, in respect of the completeness, authenticity or accuracy of such statements. We 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 finalization of report, for confirmation of facts and other companies' representations.

5 Assignment Approach

The overall approach followed to arrive at value of InvIT Assets 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 visits were conducted as below:

Sr. No.	Location	Company Name	Date of Visit
1	Bangalore – RTT, RTP & GBT	Summit Digitel	May 17, 2022
2	Gurugram - IBS & ODSC	Space Teleinfra	May 12, 2022
3	Bangalore – IBS & ODSC	Space Teleinfra	May 16, 2022
4	Mumbai, Navi Mumbai & Thane – IBS & ODSC	Space Teleinfra	May 12, 2022
5	Pune - IBS & ODSC	Space Teleinfra	May 12, 2022

iv. Analysis of additional information received post preliminary discussions. Valuer and its professional associates had various meetings/virtual 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 Assets 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 Organization.

6 Overview of Tower Infrastructure Business and business of Space Teleinfra Private Limited

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, 2022, the Initial Tower Sites consisted of 1,51,594 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, 2022, 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, 2022:

State Name	Tower Type				Total
	GBM	GBT	RTP / RTT	COW	
Andhra Pradesh	348	3561	1369	46	5324
Arunachal Pradesh		265	26		291
Assam	1	3259	473	10	3743
Bihar	94	6238	1166	12	7510
Chhattisgarh	270	3689	203	47	4209
Delhi	779	252	3845	277	5153
Goa	143	42	78	2	265
Gujarat	5040	4857	1342	24	11263
Haryana	100	2112	494	69	2775
Himachal Pradesh	21	1702	97	7	1827
Jammu	34	751	157	19	961
Jharkhand	277	3739	639	34	4689
Karnataka	342	4734	2045	37	7158
Kashmir	42	1343	103	33	1521
Kerala	33	1922	638	61	2654
Kolkata	119	1021	2673	14	3827
Madhya Pradesh	1533	7984	794	23	10334
Maharashtra	679	7367	2674	32	10752
Manipur		399	45		444
Meghalaya		677	10	3	690
Mizoram		209	23	1	233
Mumbai	695	419	2500	35	3649
Nagaland		310	32	1	343
Odisha	135	4482	506	43	5166
Punjab	863	1486	1391	81	3821

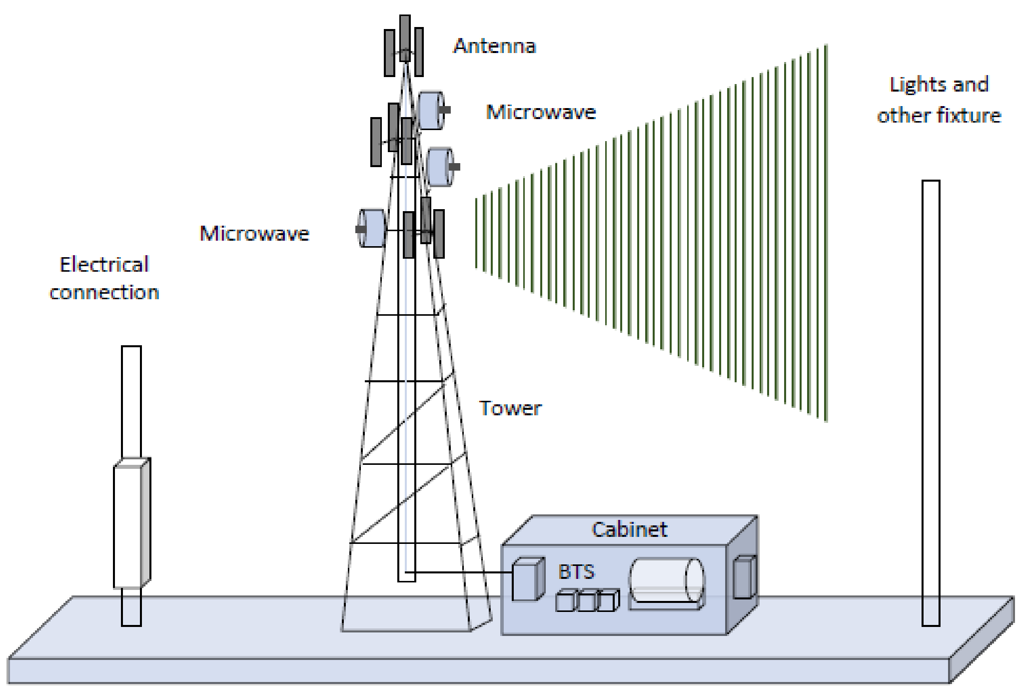
State Name	Tower Type				Total
	GBM	GBT	RTP / RTT	COW	
Rajasthan	2146	6387	806	77	9416
Tamil Nadu	995	5067	2892	31	8985
Telangana	514	2735	2002	100	5351
Tripura		564	43		607
Uttar Pradesh (East)	1634	9007	1480	67	12188
Uttar Pradesh (West)	397	5008	1172	26	6603
Uttarakhand	67	1845	421	25	2358
West Bengal	65	6678	700	41	7484
Grand Total	**17,366**	**100,111**	**32,839**	**1,278**	**1,51,594**

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 174,452 in accordance with the terms of the relevant Transaction Documents.

6.3 **Tower Infrastructure**

6.3.1 As of March 31, 2022, Tower Co.'s Initial Tower Sites consisted of 1,51,594 Macro Towers across India.

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



The tower sites comprise of various 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, 2022:

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 **Space Teleinfra Private Limited**

6.4.1 STPL owns and operates shared in-building communications infrastructure that provides 2G/3G/4G network through a common shared infrastructure used by wireless carriers, broadcasters, and other communication companies to provide services to end users in India.

6.4.2 STPL deploys passive telecom infrastructure for telecom operators such as Airtel, Vodafone, Rjio etc. in areas of low network connectivity to enhance network for end users.

6.4.3 STPL offers built-to-suit solutions specializing in passive DAS (distributed antenna system), outdoor connectivity, and small cells infrastructure for institutional, commercial and residential buildings. STPL offers following solutions:

a) IBS - Inbuilding Solutions

- IBS means In-Building solutions.
- As the name indicates, this technology is deployed to provide network within 'Buildings'.
- Generally large commercial complexes like Malls, Offices, Hospitals, Airports, Metro stations etc don't get enough network coverage.
- Antennas and cables are installed within the building. These antennas are connected to Operator's BTS.
- This provides network coverage within the building or complex.

b) Small Cell Solutions

- Small cells are used to provide/enhance network coverage in areas where a Macro site is not feasible.
- Small cells could be wall-mounted, pole mounted (roof-top) or installed indoor at densely populated indoor areas.
- Small cell technology deploys a smaller setup as compared to IBS.

6.4.4 The table below sets forth operational Sites of STPL by type as of March 31, 2022:

In-Building Solutions

Circle	Site Count	Tenancy
Andhra Pradesh	21	35
Delhi	137	267
Gujarat	104	161
Haryana	5	7
Himachal Pradesh	9	14
Jammu & Kashmir	1	3
Karnataka	24	29
Kerala	9	16
Kolkata	26	57
Maharashtra & Goa	46	80
MPCG	4	6
Mumbai	58	116
Northeast	4	5
Punjab	2	2
Rajasthan	24	30
Tamil Nadu	35	91
Uttar Pradesh (East)	13	14
Uttar Pradesh (West)	2	4
West Bengal	2	3
Grand Total	**526**	**940**

Small Cells

Circle	Site Count	Tenancy
Andhra Pradesh	24	25
Delhi	299	301
Gujarat	98	98
Haryana	2	2
Karnataka	65	65
Kolkata	112	119
Maharashtra & Goa	162	170
Mumbai	209	215
Punjab	17	17
Rajasthan	34	34
Tamil Nadu	25	25
Uttar Pradesh (East)	34	34
Uttar Pradesh (West)	20	20
West Bengal	8	8
Grand Total	**1109**	**1133**

6.5 **Visit Details**

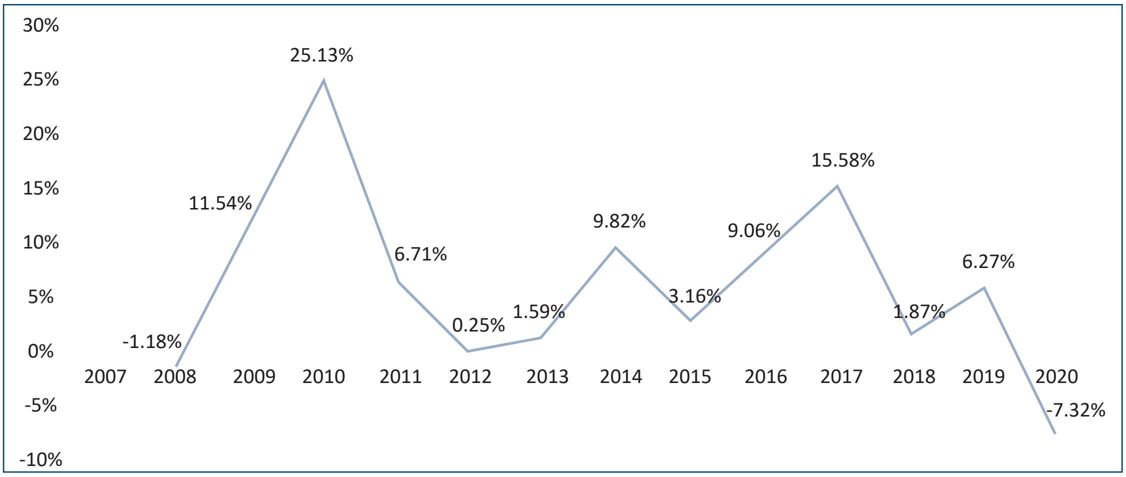
6.5.1 Our team has visited the Macro Towers in case of Tower Co and the small cell and other sites of STIPL located near Mumbai, Navi Mumbai, Delhi, Pune and Bangalore in May 2022 for undertaking physical inspection of the towers as required under the SEBI InvIT Regulations. We have not been able to visit tower control room located at Reliance Corporate Park in Navi Mumbai, Maharashtra due to access controls being a sensitive site as a result of Covid-19 protocol.

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

7 Industry Overview

7.1.1 India is the fastest growing economy in the world and the third largest economy when its gross domestic product ("GDP") is compared in terms of purchasing power parity (PPP). India's total GDP size was USD 2.62 trillion in 2020 according to the World Bank. India's GDP per capita has consistently grown between 5% and 7% between year 2013 and 2018, according to the World Bank. However, GDP growth rate contracted by 8% in 2020 due to pandemic.

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

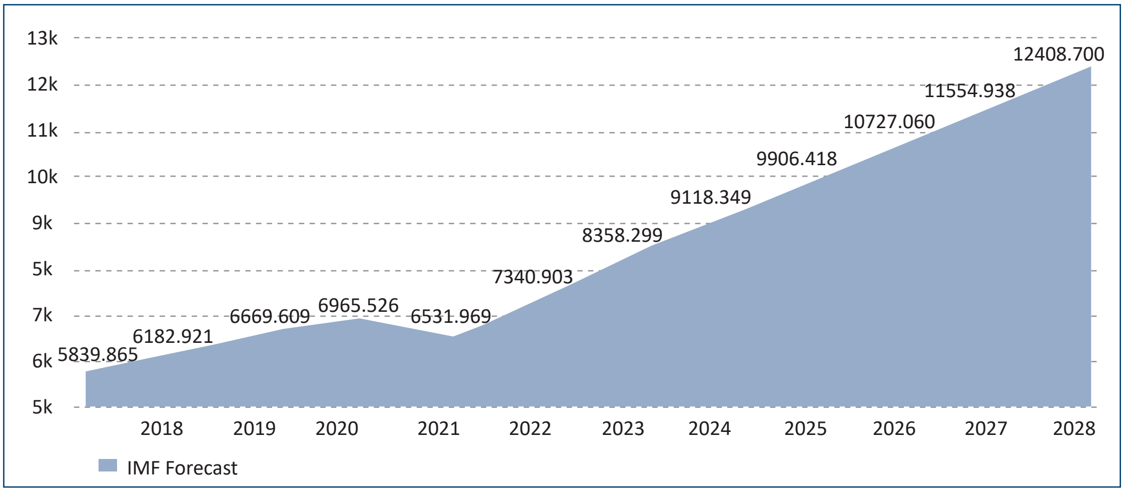


(Source: World Bank, accessed on November 21, 2021 at https://data.worldbank.org/indicator/NY.GDP.PCAP.KD.ZG?locations=IN)

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 2022 was estimated to be USD 2,520. (Source: International Monetary Fund, accessed on May 16, 2022 at: http://www.imf.org/external/datamapper/NGDPDPC@WEO/OEMDC/ADVEC/WEOWORLD/IND

7.1.3 India is becoming increasingly urbanized. In 2020, India's urban population increased to approximately 481.9 million representing 35% of India's population. (Source: World Bank, accessed on May 16, 2022 at https://data.worldbank.org/indicator/SP.URB.TOTL.IN.ZS?view=map).

7.1.4 The CEIC expects that India's economy will continue to grow rapidly. India's GDP per capita on PPP basis is forecasted to be USD 12,408.7 in 2028. This records an increase from the last reported number of USD 7,340.9 in 2022.



7.1.5 *(Source: CEIC Data, accessed on May 16, 2022)*

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.

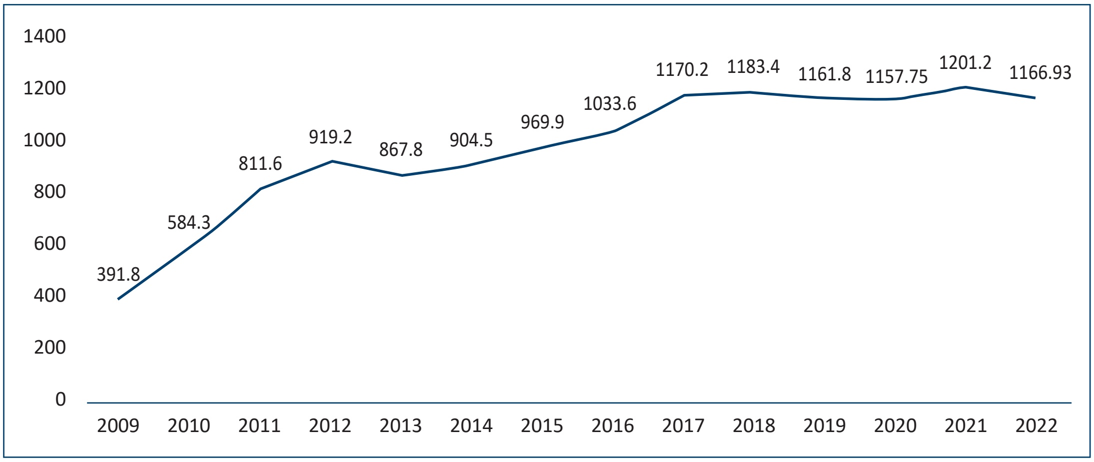
7.2.2 India is currently the world's second-largest telecommunications market by subscribers and strong customer demand has led to a rapid growth in this sector, according to Deloitte. As of March 31, 2022, India had a total reported subscriber base (including wireless and wireline subscribers) of 1,166.93 million, 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.

(In millions)	Wireless	Wireline	Total
Total Telephone Subscribers as of March 31, 2022	1,142.09	24.84	1,166.93
Urban Telephone Subscribers as of March 31, 2022	624.23	22.88	647.11
Rural Telephone Subscribers as of March 31, 2022	517.86	1.96	519.82
Broadband Subscribers (in millions) as of March 31, 2022	761.05	27.25	788.30

(Source : - Telecom Regulatory Authority of India (TRAI)

The chart below illustrates the annual subscriber base from March 31, 2009 to March 31, 2022:



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 March 31, 2022 are provided below:

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

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

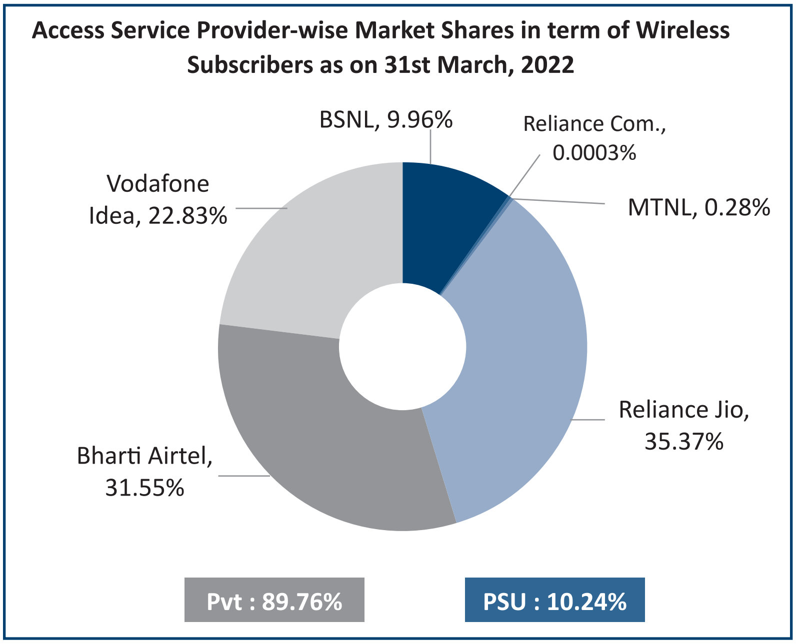
Subscribers as of March 31, 2022	Bharti Airtel	Vodafone Idea	Reliance Jio
Circle		(In millions)	
Andhra Pradesh	31.37	13.69	28.76
Assam	10.04	2.50	8.29
Bihar	37.41	10.19	33.28
Delhi	16.24	16.13	17.75
Gujarat	11.98	23.79	25.95
Haryana	5.92	7.83	8.53
Himachal Pradesh	3.32	0.56	3.52
Jammu & Kashmir	5.63	0.43	4.57
Karnataka	30.66	7.64	19.51
Kerala	7.73	15.95	9.17
Kolkata	5.71	6.08	9.73
Madhya Pradesh	15.08	19.98	35.67
Maharashtra	20.27	28.71	36.65
Mumbai	9.69	11.84	11.64
North East	5.63	1.10	3.83
Orissa	11.07	1.83	13.37
Punjab	11.91	8.55	11.23
Rajasthan	21.82	11.07	23.75
Tamil Nadu (incl. Chennai)	27.40	17.93	23.80
Uttar Pradesh (East)	37.15	20.54	31.86
Uttar Pradesh (West)	18.50	18.76	20.87
West Bengal	15.78	15.66	22.28
Total	360.33	260.77	403.99

(Source: TRAI)

7.2.6 The wireless telecommunication industry in India has undergone a massive transformation since 2016 with the launch of services by RJIL. RJIL brought about a change in the fundamental tenet of the industry with entire growth being driven by affordable data services. As of March 31, 2022, RJIL has 403.99 million subscribers.

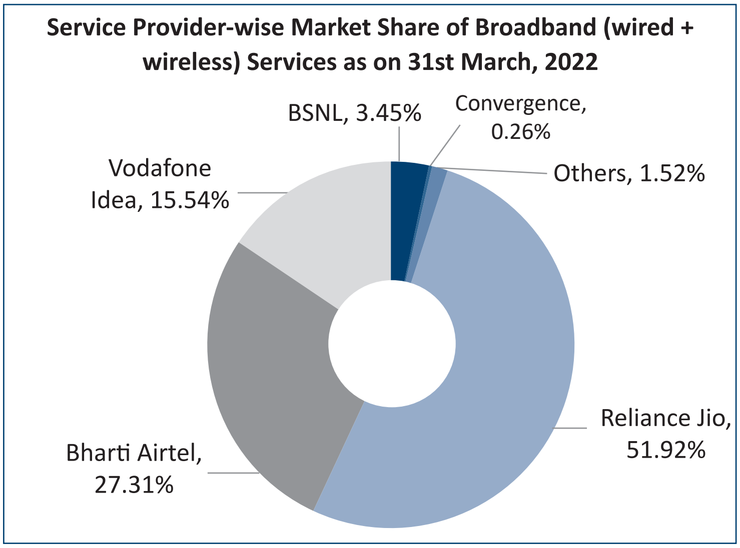
7.2.7 As of March 31, 2022, according to TRAI, private access service providers held an 89.76% market share in terms of wireless subscribers, whereas BSNL and MTNL, the two public service undertaking access service providers, held a combined market share of 10.24%. Among private access service providers, notable companies include Vodafone Idea (with a market share of 22.83%), Bharti Airtel (with a market share of 31.55%) and RJIL (with a market share of 35.37%).

The following diagrams show the graphical representation of access service provider-wise market share based on wireless subscribers as of March 31, 2022:



(Source: TRAI)

7.2.8 On the other hand, within the subset of broadband service providers, RJIL holds the largest market share with 51.92% as of March 31, 2022 based on the number of subscribers. This is followed by Bharti Airtel with 27.31% and Vodafone Idea with 15.54% of market share.



(Source: TRAI)

Recent updates on Telecom Industry:

7.2.9 In Union Budget 2022-23 the Department of Telecommunications was allocated INR 84,587 crore out of which INR 30,436 crore was revenue expenditure which was 36% of the total expenditure and INR 54,150 crore was capital expenditure which is 64.01% of total expenditure.

7.2.10 The Department of Telecommunications stated that it is working on a package to reduce the revenue share licence fee to 6% of adjusted gross revenue (AGR) of the operators from the current 8%. This would be done by reducing the 5% universal service obligation levy by two percentage points. The reduction in the licence fee would provide a relief of around INR 3,000 crore annually to the operators.

7.2.11 The Union Cabinet approved INR 12,195 crore production-linked incentive (PLI) scheme for telecom & networking products under the Department of Telecom. On October 14, 2021, 31 companies comprising 16 MSMEs and 15 Non-MSMEs (eight domestic and seven global companies) have been approved under the Production-linked Incentive (PLI) Scheme. DOT has shortlisted Nokia India, HFCL, Tejas Networks, Flextronics, Foxconn, Coral Telecom, VVDN Technologies, Frog Cellsat, Syrma, Resolute, GX India, Dixon Technologies etc among others for the PLI scheme.

7.2.12 In January 2022, Google invested US$ 1 billion in Bharti Airtel to jointly develop India-specific network domain use cases for 5G, to grow the cloud ecosystem in India to accelerate digital adoption of enterprises, especially small and medium ones and to bring down the cost of smartphones for 350 million feature phone users to provide them online access.

7.2.13 British satellite operator Inmarsat Holdings Ltd got approval from the Indian Government to sell high-speed broadband to planes and shipping vessels. The company had struck deals with Indian airline SpiceJet Ltd and the Shipping Corp of India Ltd.

7.2.14 Dixon Technologies is planning to invest INR 200 crore under production linked incentive scheme which includes acquiring a Ludhiana-based manufacturing unit of Bharti Group to start making telecom gears.

7.2.15 Bharti Airtel will invest INR 50 billion to expand its data centre business to meet customer demand in and around India and to boost its enterprise and consumer offering as the company plans to launch 5G services. The investment will triple its installed capacity to more than 400 MW.

7.2.16 Tata group company Nelco is in advanced talks with Canadian firm Telesat to ink a commercial pact for launching fast satellite broadband services in India under the latter's Lightspeed brand, which will pit the combine against Bharti Enterprises-backed OneWeb, Elon Musk's SpaceX and Amazon.

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 ICAI 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. Break Up Value Method

- 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. Discounted Cash Flow Method

- 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. Market Price Method

- Under this approach, the market price of an equity shares 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. Comparable Companies Multiple Method

- 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. Comparable Transactions Multiple Method

- 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 and STPL derives its true value from the potential to earn income in the future. Hence, we 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, we 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, we 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., We 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 Tower Co. and STPL. Under the DCF method, we have used Free Cash Flow to Firm ("FCFF") model for valuation.

9 Valuation of InvIT Assets

9.1 **Valuation of Tower Co.**

9.1.1 The unaudited balance sheet position of Tower Co. as on March 31, 2022, has been considered as the opening balance sheet of Tower Co. for the purpose of valuation.

9.1.2 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 28.5 years starting from April 1, 2022 till August 31, 2050 which has been considered for valuation. The financial forecast provided by the Management were reviewed by us for consistency and reasonableness, however we have not independently verified the data provided.

9.1.3 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
As of March 31, 2022	151,594
September 1, 2022 to August 31, 2050	174,451

The number of Tower Sites are expected to increase from 151,594 as of March 31, 2022 to 174,451 as of August 31, 2022. Currently, RJIL is the anchor tenant of operational Tower Sites, and it will be the anchor tenant on all of the current and the proposed Tower Sites. Tower Co. has other tenants as on March 31, 2022 on sharer basis. Further, other tenants are estimated to increase in the projected period. Therefore, for the purpose of the current valuation exercise we have considered additional external tenants/sharers being added to the towers. The tenancy ratio is estimated to increase to 1.49 in August 2028 gradually from 1.03 in FY22 in the projected period considering the same.

ii. **Monthly Site Premium:**

We 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 have 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 302 with an average salary p.a. of INR 3.0 million with escalation of 5.0% p.a. has been assumed. Additionally, fixed administration expenses of INR 700.0 million with escalation of 3% p.a. are considered.

v. **Capital Expenditure**

Tower Co. projects a total capex of INR 46,947.2 Mn from Valuation Date till August 31, 2022 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. Further growth capex is considered in projected period till August 31, 2028 on account of other tenants.

vi. **Discounted Cash Flow**

- The explicit period has been considered from April 1, 2022, 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 11.3% 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 is considered.
- The enterprise value ("Enterprise Value") of Tower Co. is arrived at INR 5,09,039.6 Mn, determined as an aggregate of the present value of forecast period.

vii. **Discounting Factor**

- 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, 2022, is provided below:

Particulars	As of March 31, 2022, in INR Million	As of March 31, 2022, adjusted for additional External Loan in INR Million
Long term loans (including current maturity of long-term borrowings) – External	218,360.0	275,415.0
Trust Loan	250,000.0	250,000.0
0% Redeemable Non-Cumulative, Non-Participating, Non-Convertible Preference Shares	131.0	131.0
Total	**4,68,491**	**5,25,546**

- The Tower Co. is proposing to raise additional loan of INR 104,397.6 Mn to fund construction/ inorganic acquisition of additional towers.
- 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, 2022 (including additional loan for additional towers) + Cost of Trust Loan * (1-tax rate) * Trust Loan + Cost of Equity * Equity Share Capital) / (External Debt as of March 31, 2022 (including additional loan for additional towers) + Trust Loan + Equity Share Capital + Preference Share Capital)

- 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 7.1% is based on yields of 10-year zero coupon bond yield as on March 31, 2022 having and as listed on www.ccilindia.com.
  - Expected market premium of 7.9% has been calculated on the expected market return of 15.0% as prevalent in India based on historical market returns and our 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 SDIPL considering the distinct nature of asset and capital structure, we have considered a market beta of 1.0 for determination of CoE.
- Based on above, the base cost of equity is arrived at 15%.
- 0% Redeemable Non-Cumulative, Non-Participating, Non-Convertible Preference Shares carries nil dividend. Therefore, the cost of Preference Share Capital is considered as nil.
- Further, we have considered post tax cost of external debt of 5.5% and post-tax cost of trust loan of 11.2% to arrive at WACC of 8.3%.
- We have considered the risk premium given the construction or inorganic acquisition of additional towers to 174,451 towers by August 31, 2022 and to account for risk involved in getting other tenants onboard in projected period and the estimated revenues therefrom. We have considered an additional risk premium of 3%.
- We have hence considered a WACC of 11.3% after rounding off for the current valuation.

9.2 **Valuation of Space Teleinfra Private Limited ("STPL")**

9.2.1 The unaudited balance sheet position of STPL as on March 31, 2022, has been considered as the opening balance sheet for the purpose of valuation.

9.2.2 The financial projections, as provided by the Management, from April 1, 2022 to March 31, 2026 has been considered for valuation. The financial forecast provided by the Management were reviewed by us for consistency and reasonableness, however we have not independently verified the data provided.

9.2.3 Following are the key assumptions considered in the financial projections while determining the operating cash flows of STPL:

i. Revenue

STPL charges IP fee for providing passive telecom infrastructure services to Telecom Operators and other customers. In addition to IP Fees, STPL charges land rent and electricity charges from the customers on actual basis.

Particulars (INR Mn)	FY22 (A)	FY23	FY24	FY25	FY26	CAGR
IP Fees						
Metro	677.6	1,534.1	2,377.9	3,329.1	4,494.3	60%
Airport	33.6	52.5	68.3	88.8	106.5	33%
IBS	327.0	725.1	1,015.2	1,319.7	1,649.7	50%
Small Cell	44.1	432.2	756.4	1,225.3	1,960.5	158%
RTP	-	135.8	238.1	392.8	588.5	63%
IP Fees	**1,082.3**	**2,879.8**	**4,455.9**	**6,355.7**	**8,799.5**	**69%**

- IP Fee from Metro stations are estimated to grow at CAGR of 60% from INR 677.6 Mn in FY22 to INR 4,494.3 Mn in FY26 on account of increase in number of metro stations from 472 in FY21 to 946 by FY 26 in Tier I cities. STPL is in advanced stage of negotiation with Delhi Metro Rail Corporation, Mumbai Metro, Kolkata Metro, Gujarat Metro and Hyderabad Metro.

- IP Fee from Airports are estimated to grow at CAGR of 33% from INR 33.6 Mn in FY22 to INR 106.5 Mn in FY26 considering STPL's substantial market share in this segment.
- IP Fee from IBS is expected to increase to INR 1,649.7 Mn in FY26 from INR 327.0 Mn in FY22. The overall IBS market is expected to increase to 2,961 million square feet by FY30 from 1,519 million square feet in FY21.
- With the launch of 5G services in India in few months, Telecom operators are investing heavily in Outdoor Small Cells sites. The market of Small Cells is expected to grow at CAGR of 19% between FY21 to FY30. IP Fees from Small Cells are estimated to grow at CAGR of 158% by FY26 on account of increase in overall Small Cells market and market share of STPL.

ii Expenses

- The expenses consist of rent, electricity charges, employee expenses and other administrative expenses. Rent and electricity charges are reimbursable on actual basis from Telecom operators and other customers. Employee expenses are fixed in nature and are estimated to grow at CAGR of 10% from INR 389.5 Mn in FY22 to INR 568.1 Mn in FY26. Other expenses are semi-fixed and are estimated to increase at CAGR of 56% from INR 171.4 Mn in FY22 to INR 1,018.1 Mn in FY26.

Particulars (INR Mn)	FY22 (A)	FY23	FY24	FY25	FY26	CAGR
Expenses						
Rent	327.1	1,243.3	1,947.4	2,835.9	4,008.9	87%
Electricity	248.0	432.0	668.4	953.4	1,319.9	52%
Employee Expenses	389.5	392.2	469.5	516.5	568.1	10%
Other Expenses	171.4	283.0	460.9	695.0	1,018.1	56%

iii Capital Expenditure

STPL projects a total capex of INR 11,301.5 Mn excluding GST in the projected period as follows:

Particulars (INR Mn)	FY22 (A)	FY23	FY24	FY25	FY26
Capex	565.4	3,166.3	2,302.1	2,474.2	3,358.9

The capex is majorly towards additional bool sites to provide passive telecom infrastructure services.

iv Security Deposits and Advances

STPL receives security deposits and advances for all sites from operators. The security deposits and advances are based on 3-6 months of total charges. The capex and working capital requirement are funded through security deposits and advances.

v Discounted Cash Flow

- The explicit period has been considered from April 1, 2022, to March 31, 2026.
- 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 STPL.
- In FCFF, the free cash flows available to the company are discounted by WACC to derive the net present value. WACC of 18% 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.
- The terminal year growth is considered at 4% to calculate cash flows arising post explicit period.

- Tax rate of 25.17% being the tax rate prevailing in India is considered.
- The enterprise value ("Enterprise Value") of STPL is arrived at INR 13,227.7 Mn, determined as an aggregate of the present value of forecast period and terminal year.

vi Discounting Factor

- The WACC is arrived at after considering the cost of equity and the post-tax cost of debt and their respective weights in the capital structure of STPL.

  WACC = (Cost of External Debt * (1-tax rate) * Target Debt to Equity ratio + Cost of Equity * (1-* Target Debt to Equity ratio)

- 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 7.1% is based on yields of 10-year zero coupon bond yield as on March 31, 2022 having and as listed on www.ccilindia.com.
  - Expected market premium of 7.9% has been calculated on the expected market return of 15.0% as prevalent in India based on historical market returns and our 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 STPL, we have considered a market beta of 1.0 for determination of CoE.
- Based on above, the base cost of equity is arrived at 15%. We have considered risk premium of 3% to account for factors inter-alia, risk of achieving projections, growth in turnover and margins.
- Further, as per the audited financial statements of STPL for FY22, the debt amount is not very significant given the size of balance sheet and as discussed with the Management, the requirement of external borrowings to fund the operations and the growth is limited. Therefore, the target debt-equity ratio is considered as 0.
- Based on the above, the WACC is arrive at 18.0%.

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. We 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.

10.1. The enterprise value of InvIT Assets is arrived at INR 5,22,267.3 Mn as on March 31, 2022 as follows:

InvIT Assets	Enterprise Value (INR Mn)
Tower Co. (corresponding to asset base of 151,594 towers as on March 31, 2022)	5,09,039.6
STPL	13,227.7

11 Annexures

11.1 Annexure I

A. Valuation of InvIT Asset as per DCF Method

Summit Digital Infrastructure Private Limited

Valuation as per Discounted Cash Flow Method as on March 31, 2022 (INR Mn)											
WACC	11.30%										
Year Ending		31 August 2022	31 August 2023	31 August 2024	31 August 2025	31 August 2026	31 August 2027	31 August 2028	31 August 2029	31 August 2030	31 August 2031
Revenue		8,794.1	85,446.2	93,143.0	98,592.7	1,03,970.7	1,08,670.2	1,12,263.3	1,15,402.3	1,18,286.5	1,21,249.3
EBITDA		5,182.1	53,597.3	60,223.7	64,620.2	68,949.7	72,608.8	75,190.0	77,410.5	79,422.9	81,485.6
EBITDA Margins		*59%*	*63%*	*65%*	*66%*	*66%*	*67%*	*67%*	*67%*	*67%*	*67%*
Less : Outflows											
(Less): Capital Expenditure		(46,902.2)	(4,886.2)	(3,634.6)	(3,453.9)	(2,598.3)	(2,180.7)	(1,300.9)	-	-	-
Add/(Less): Change in GST block		(2,254.4)	2,142.8	225.3	32.5	154.0	75.2	158.4	234.2	-	-
Add/(Less): Incremental Working Capital		4,007.3	(681.5)	(792.7)	(554.0)	(527.1)	(445.7)	(358.0)	(194.2)	(92.1)	(95.0)
Less: Taxation		-	-	-	-	(2,843.5)	(11,573.2)	(13,162.1)	(14,560.5)	(15,805.2)	(16,951.8)
Free Cash Flows (FCF)		**(39,967.1)**	**50,172.5**	**56,021.8**	**60,644.9**	**63,134.8**	**58,484.4**	**60,527.4**	**62,889.9**	**63,525.6**	**64,438.8**
Present Value Factor		0.98	0.91	0.81	0.73	0.66	0.59	0.53	0.48	0.43	0.38
Present Value of Cash Flows		**(39,085.5)**	**45,482.6**	**45,629.0**	**44,379.6**	**41,510.9**	**34,549.3**	**32,125.9**	**29,990.9**	**27,218.4**	**24,806.5**
NPV of Explicit Period	5,08,027.7										
Working Capital Release	1,011.9										
Enterprise Value (EV)	**5,09,039.6**										

Valuation as per Discounted Cash Flow Method as on March 31, 2022 (INR Mn)										
Year Ending	31 August 2032	31 August 2033	31 August 2034	31 August 2035	31 August 2036	31 August 2037	31 August 2038	31 August 2039	31 August 2040	31 August 2041
Revenue	1,24,291.3	1,27,411.6	1,30,610.9	1,33,891.3	1,37,254.7	1,40,703.4	1,44,239.5	1,47,865.2	1,51,582.9	1,55,394.9
EBITDA	83,597.9	85,761.0	87,975.9	90,244.0	92,566.3	94,944.1	97,378.7	99,871.3	1,02,423.3	1,05,035.9
EBITDA Margins	*67%*	*67%*	*67%*	*67%*	*67%*	*67%*	*68%*	*68%*	*68%*	*68%*
Less : Outflows										
(Less): Capital Expenditure	-	-	-	-	-	-	-	-	-	-
Add/(Less): Change in GST block	-	-	-	-	-	-	-	-	-	-
Add/(Less): Incremental Working Capital	(97.7)	(100.3)	(102.8)	(105.4)	(108.0)	(110.7)	(113.5)	(116.3)	(119.2)	(122.2)
Less: Taxation	(18,016.8)	(19,014.5)	(19,957.4)	(20,855.7)	(21,718.7)	(22,553.8)	(23,367.7)	(24,166.0)	(24,953.7)	(25,734.8)
Free Cash Flows (FCF)	**65,483.4**	**66,646.2**	**67,915.8**	**69,282.9**	**70,739.6**	**72,279.6**	**73,897.5**	**75,589.0**	**77,350.4**	**79,178.9**
Present Value Factor	0.35	0.31	0.28	0.25	0.23	0.20	0.18	0.16	0.15	0.13
Present Value of Cash Flows	**22,649.3**	**20,711.1**	**18,962.8**	**17,380.5**	**15,944.3**	**14,637.4**	**13,445.7**	**12,357.1**	**11,361.2**	**10,449.0**

Valuation as per Discounted Cash Flow Method as on March 31, 2022 (INR Mn)									
Year Ending	31 August 2042	31 August 2043	31 August 2044	31 August 2045	31 August 2046	31 August 2047	31 August 2048	31 August 2049	01 August 2050
Revenue	1,59,303.6	1,63,311.6	1,67,421.3	1,71,635.4	1,75,956.5	1,80,387.5	1,84,931.1	1,89,590.3	1,94,368.0
EBITDA	1,07,710.6	1,10,448.6	1,13,251.5	1,16,120.7	1,19,057.6	1,22,063.7	1,25,140.5	1,28,289.7	1,31,512.7
EBITDA Margins	*68%*	*68%*	*68%*	*68%*	*68%*	*68%*	*68%*	*68%*	*68%*
Less : Outflows									
(Less): Capital Expenditure	-	-	-	-	-	-	-	-	-
Add/(Less): Change in GST block	-	-	-	-	-	-	-	-	-
Add/(Less): Incremental Working Capital	(125.2)	(128.4)	(131.6)	(134.9)	(138.2)	(141.7)	(145.2)	(148.9)	(152.6)
Less: Taxation	(26,513.0)	(27,291.4)	(28,072.7)	(28,859.3)	(29,653.3)	(30,456.5)	(31,270.5)	(32,096.8)	(32,936.6)
Free Cash Flows (FCF)	**81,072.3**	**83,028.9**	**85,047.3**	**87,126.5**	**89,266.0**	**91,465.5**	**93,724.8**	**96,044.1**	**98,423.6**
Present Value Factor	0.12	0.11	0.10	0.09	0.08	0.07	0.06	0.06	0.05
Present Value of Cash Flows	**9,612.7**	**8,845.2**	**8,140.3**	**7,492.7**	**6,897.3**	**6,349.7**	**5,845.9**	**5,382.4**	**4,955.7**

*Represent period ending as on August 31, 2050

Space Teleinfra Private Limited

Valuation as per Discounted Cash Flow Method as on March 31, 2022 (INR Mn)						
WACC	18.00%					
Terminal Growth Rate	4.00%					
Year Ending		FY 23	FY 24	FY 25	FY 26	TY
Revenue		4,555.1	7,071.7	10,145.0	14,128.3	14,693.4
Growth Rate			*55%*	*43%*	*39%*	*4%*
EBITDA		2,204.6	3,525.5	5,144.3	7,213.3	6,814.6
EBITDA Margins		*48%*	*50%*	*51%*	*51%*	*46%*
Less : Outflows						
(Less): Capital Expenditure		(3,166.3)	(2,302.1)	(2,474.2)	(3,358.9)	(2,900.0)
Add/(Less): Incremental Working Capital		(120.8)	327.9	294.3	441.5	72.4
Less: Taxation		(345.3)	(614.4)	(971.3)	(1,422.4)	(1,267.6)
Free Cash Flows (FCF)		**(1,427.8)**	**936.9**	**1,993.0**	**2,873.5**	**2,719.5**
Terminal Value						19,424.8
Present Value Factor		0.92	0.78	0.66	0.56	0.56
Present Value of Cash Flows		**(1,314.4)**	**730.9**	**1,317.7**	**1,610.0**	**10,883.5**
NPV of Explicit Period	2,344.2					
Present Value of TV	10,883.5					
Enterprise Value (EV)	**13,227.7**					

1.1 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 fibers, 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.

11.2 **Annexure III – Litigations Details**

- 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 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 Summit Digitel Infrastructure Private Limited [formerly known as Reliance Jio Infratel Private Limited] ("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 INR 2,944 million (includes INR 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.

  During the quarter ended September 30, 2021, SDIPL received Notice from DGGI-Maharashtra (vide reference No. DGGI/MZU/I&IS 'D' /12(1)27/2021 dated 08.09.2021) and under protest SDIPL reversed GST Credit of INR 545 million. The amount presently shown under non-current assets towards this stand increased from Rs. 2,944 million as on June 30, 2021 to Rs. 3,489 million as on September 30, 2021. If the matter is finally decided against RJIL and therefore in effect against SDIPL, these amounts would be capitalized.

  Further, DGGI-Maharashtra office (vide Notice No. DGGI/MZU/I&IS 'D'/12(1)27/2021/4908 dated 16.09.2021) has instructed SDIPL to reverse GST Credit of Rs. 5,635 million pertaining to all other states and the same is under discussions with Reliance for suitable response.

- 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.

1.2 **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, 2022, Tower Co. has a gross block of fixed assets consisting of assets related to Tower Infrastructure Business aggregating INR 4,54,641 million.

As per the audited financial statements of Space Teleinfra Private Limited, as of March 31, 2022, it has a gross block of fixed assets of INR 2,549 million.

INR Mn

Particulars	Net Tangible Assets	Intangible Assets	Capital Work in Process	Non Current Assets	Current Assets
SDIPL	4,04,514.0	16.0	29.0	19,376.0	15,413.5
STPL	2,156.9	8.5	489.6	277.1	549.2

Summary of Enterprise Value Changes over Valuation Dates

INR Mn

Particulars	March 31, 2022	September 30, 2021	March 31, 2021	March 31, 2020
SDIPL	5,09,039.6	4,82,686.6	4,40,055.1	4,36,555.0
STPL	13,227.7	NA	NA	NA

Details of Major Repairs – Past and Proposed

- As per discussions with Management and given the relatively newer portfolio of assets, we 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 We 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 us 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 us that there is no vulnerability to natural or induced hazards that may not have been covered in town planning / building control.

Visit Photos - Summit Digitel Infrastructure Private Limited

Tilak Nagar, Bengaluru

Jaya Nagar Block 3, Bengaluru

BTM 1st Stage, Bengaluru

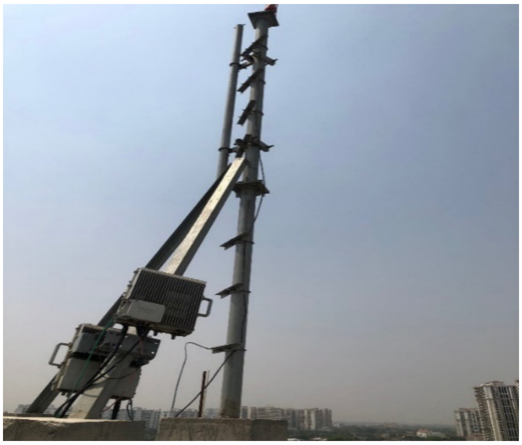
3rd Phase Banashankari, Bengaluru

Kattrigupe Post, Bengaluru

BSK 6th Stage, Bengaluru

OCUS Medley, Sector-99, Gurugram

H No 1808 P, Sector-23, Gurugram



Silver Streak Hospital, Sector-87, Gurugram

Bestech Cyber Park, Gurugram

JMD Suburbio 67, Sector-67, Gurugram

Ocus 24K, Sector-68, Gurugram

Visit Photos - Space Teleinfra Private Limited

H No 85, Sector-47, Gurugram

Block P, South City 1, Gurugram

DLF Shopping Mall, Gurugram

Space Palazo, Gurugram

Ramaiah Medical College Hospital, Bengaluru

UAS Layout, Boopasandra, Bengaluru

Chinmaya Mission Hospital, Bengaluru

Novel MSR Office Park, Bengaluru

Bren Optimus, Hosur, Bengaluru

Jalakanteshwara Nagar, Bengaluru

One International Centre, Mumbai

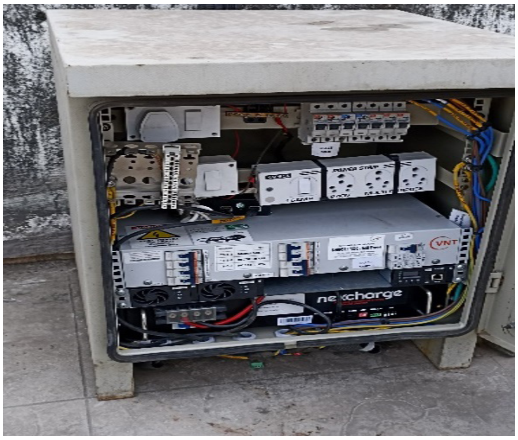
Nathani Heights, Mumbai

Trade View Tower, Mumbai

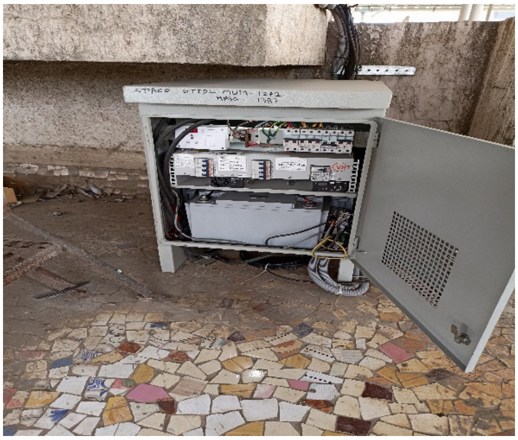
Raheja Artesia, Mumbai

Lodha World View, Mumbai

Marathon Icon, Mumbai



Space Sai Ansh, Navi Mumbai



Annirudh Tower, Navi Mumbai

Vijay Gupta House, Navi Mumbai

Mayuresh Square, Navi Mumbai

Ramachandra House, Navi Mumbai

Satara Plaza, Navi Mumbai

West End Mall, Pune

West End Mall, Pune

Suratwala Mark Plazo, Pune

Suratwala Mark Plazo, Pune

Hotel Orchid, Pune

Holiday Inn (Ramada), Pune

INDEPENDENT AUDITOR'S REPORT

To The Unitholders of Data Infrastructure Trust (formerly known as Tower Infrastructure Trust)

Report on the Audit of Standalone Financial Statements

OPINION

We have audited the accompanying standalone financial statements of Data Infrastructure Trust (formerly known as Tower Infrastructure Trust)("the Trust"), which comprise the Standalone Balance Sheet as at March 31, 2022, Standalone Statement of Profit and Loss including Statement of Other Comprehensive Income, Statement of Changes in Unitholders' Equity, Standalone Statement of Cash Flows for the year then ended, Standalone Statement of Net Assets at Fair Value as at March 31, 2022 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 (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, 2022, and its profit including other comprehensive income, its changes in unitholders' equity, its cash flows for the year ended March 31, 2022, its net assets at fair value as at March 31, 2022, its 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 2.2 (i) 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 standalone financial statements of the current year. These matters were addressed in the context of our audit of the standalone 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.

INDEPENDENT AUDITOR'S REPORT (Contd.)

Sr. No.	Key Audit Matter	Auditor's Response
1	**Fair Value of Net Assets of the Trust:** In accordance with InvIT Regulations, the Trust discloses Statement of Net Assets at Fair Value which requires fair valuation of net assets. As at March 31, 2022, fair value of net assets was ₹ 291,198 million.	**Principal audit procedures performed among others:** Our audit procedures relating to the determination of the fair value of net assets included the following, among others: • Tested design, implementation and operating effectiveness of the internal control related to determination of fair value of assets and review of Statement of Net Assets at Fair Value.
	The fair value of net assets of the Trust is determined by an independent valuer using discounted cash flow method. While there are several assumptions that are required to determine the fair value of net assets of the Trust, assumptions with the highest degree of estimate, subjectivity and impact on fair value are the valuation methodology used in determining the fair value, future performance of business and discount rate. Auditing this assumption required a high degree of auditor judgment as the estimate made by the independent external valuer contain significant measurement uncertainty. Refer Standalone Statement of Net assets at fair value in the standalone financial statements.	• Reviewed the independent external valuer's valuation reports to obtain an understanding of the source of information used by the independent external valuer in determining the fair valuation. • Tested the reasonableness of the future cash flows shared by management with external valuer by comparing it to source information used in preparing the forecasts and with historical forecasts and actual performance to support any significant expected future changes to the business. • Evaluated the Trust's independent external valuer's competence to perform the valuation. • Involved our internal fair valuation specialists to independently determine fair value of the Net Assets of the Trust as at the balance sheet date, which included assessment of reasonableness of the discount rate used by management in valuation and the methodology used in determining the fair value. • Compared the fair value determined by the Trust with that determined by our internal fair valuation specialist to assess the reasonableness of the fair valuation. • Tested the arithmetical accuracy of computation in the Standalone Statement of Net Assets at Fair Value and evaluated adequacy of disclosures in the standalone financial statements as per requirement of InvIT Regulation.

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.
- Our opinion on the standalone financial statements does not cover the other information and we will not express any form of assurance conclusion thereon.

INDEPENDENT AUDITOR'S REPORT (Contd.)

- In connection with our audit of the standalone financial statements, our responsibility is to read the other information 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. We have nothing to report in this regard.

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 for the year ended March 31, 2022, net assets at fair value as at March 31, 2022, total returns at fair value and net distributable cash flows for the yar ended on that date 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 Trust, 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.

INDEPENDENT AUDITOR'S REPORT (Contd.)

- 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, Statement of Changes in Unitholders' Equity, Standalone Statement of Cash Flows, dealt with by this Report are in agreement with the relevant books of account of the Trust;

INDEPENDENT AUDITOR'S REPORT (Contd.)

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
(Firm's Registration No. 117366W/ W100018)

Mohammed Bengali
Partner

Place: Mumbai
Membership No. 105828

Date: May 26, 2022
UDIN: 22105828AJQICM9108

STANDALONE BALANCE SHEET

AS AT MARCH 31, 2022

(₹ in Million)

Particulars	Notes	As at March 31, 2022	As at March 31, 2021
ASSETS			
NON-CURRENT ASSETS			
Financial assets:			
Investments	3	14,979	2,150
Loans	4	2,50,000	2,50,000
Total non-current assets		**2,64,979**	**2,52,150**
CURRENT ASSETS			
Financial assets:			
Cash and cash equivalents	5	253	133
Other bank balance	6	16	-
Other financial assets	7	16	-
Other current assets	8	20,562	3,495
Total current assets		**20,847**	**3,628**
Total assets		**2,85,826**	**2,55,778**
EQUITY AND LIABILITIES			
EQUITY			
Unit capital	9	2,61,152	2,52,150
Contribution	9A	240	240
Other equity	10	17,808	1,033
Total equity		**2,79,200**	**2,53,423**
LIABILITIES			
Non - current liabilities			
Other financial liabilities	11	2,780	2,215
Total Non-Current Liabilities		**2,780**	**2,215**
Current liabilities			
Financial liabilities:			
Trade Payables			
- total outstanding dues of micro enterprises and small enterprises	12	-	-
- total outstanding dues of creditors other than micro enterprises and small enterprises		24	-
Other financial liabilities	11	3,610	-
Other current liabilities	13	212	140
Total current liabilities		**3,846**	**140**
Total liabilities		**6,626**	**2,355**
Total equity and liabilities		**2,85,826**	**2,55,778**
See accompanying notes to the Standalone Financial Statements	1 to 33		

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 Data Infrastructure Trust (formerly known as Tower Infrastructure Trust))

Mohammed Bengali
Partner

Date: May 26, 2022
Place: Mumbai

Sridhar Rengan
Chairperson of the Board
DIN: 03139082

Date: May 26, 2022
Place: Mumbai

Dhananjay Joshi
Member of Data InvIT Committee
PAN: AASPJ9719K

Date: May 26, 2022
Place: Mumbai

Inder Mehta
Compliance Officer of the Trust
PAN: AAFPM5702N

Date: May 26, 2022
Place: Mumbai

STANDALONE STATEMENT OF PROFIT & LOSS
FOR THE YEAR ENDED MARCH 31, 2022

(₹ in Million)

Particulars	Notes	Year ended March 31, 2022	Year ended March 31, 2021
INCOME			
Revenue from operations	14	39,042	13,860
Total Income		**39,042**	**13,860**
EXPENSES			
Investment Manager fee		28	26
Trustee fee		2	2
Project Manager fee		24	24
Audit fees		49	18
Finance costs	15	0	41
Legal and professional fees		13	2
Listing fee		3	1
Other expenses	16	344	196
Total expenses		**463**	**310**
Profit before tax		**38,579**	**13,550**
Tax expenses		-	-
Profit for the year		**38,579**	**13,550**
Other Comprehensive Income		-	-
Total Comprehensive Income for the year		**38,579**	**13,550**
EARNINGS PER UNIT	17		
Basic per unit (in Rupees)		**15.27**	**9.21**
Diluted per unit (in Rupees)		**15.27**	**9.21**

See accompanying Notes to the Standalone Financial Statements 1 to 33

As per our report of even date.
For **Deloitte Haskins & Sells LLP**
Chartered Accountants
Firm Regn No: 117366W/W-100018

Mohammed Bengali
Partner

Date: May 26, 2022
Place: Mumbai

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 Data Infrastructure Trust (formerly known as Tower Infrastructure Trust))

Sridhar Rengan
Chairperson of the Board
DIN: 03139082

Date: May 26, 2022
Place: Mumbai

Dhananjay Joshi
Member of Data InvIT Committee
PAN: AASPJ9719K

Date: May 26, 2022
Place: Mumbai

Inder Mehta
Compliance Officer of the Trust
PAN: AAFPM5702N

Date: May 26, 2022
Place: Mumbai

STANDALONE STATEMENT OF CHANGES IN UNITHOLDERS' EQUITY

FOR THE YEAR ENDED MARCH 31, 2022

(₹ in Million)

Particulars		Year ended March 31, 2022	Year ended March 31, 2021
(A)	**Unit Capital**		
	Balance at the beginning of the year	**2,52,150**	-
	Issued during the year	9,002	2,52,150
	Balance at the end of the year	**2,61,152**	**2,52,150**
(B)	**Initial Contribution**		
	Balance at the beginning of the year	240	124
	Contribution during the year	-	116
	Balance at the end of the year	**240**	**240**

(C) Other Equity (₹ in Million)

Particulars	Reserves and Surplus: Retained Earnings	Total
Balance at the beginning of the year i.e. April 1, 2020	(167)	(167)
Total Comprehensive Income for the year	13,550	13,550
Return on Capital#	(10,306)	(10,306)
Units issuance costs	(24)	(24)
Other Adjustments (Refer Note 10)	(2,020)	(2,020)
Balance at the end of the year i.e. March 31, 2021	**1,033**	**1,033**
Balance at the beginning of the year i.e. April 1, 2021	**1,033**	**1,033**
Total Comprehensive Income for the year	38,579	38,579
Return on Capital#	(21,775)	(21,775)
Units issuance costs	(29)	(29)
Balance at the end of the year i.e. March 31, 2022	**17,808**	**17,808**

#Return on capital distribution during the year as per Net distributable Cash Flows (NDCFs) duly approved by the Investment Manager. Refer note 24.

See accompanying Notes to the Standalone Financial Statements 1 to 33

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 Data Infrastructure Trust
(formerly known as Tower Infrastructure Trust)

Mohammed Bengali
Partner

Date: May 26, 2022
Place: Mumbai

Sridhar Rengan
Chairperson of the Board
DIN: 03139082

Date: May 26, 2022
Place: Mumbai

Dhananjay Joshi
Member of Data InvIT Committee
PAN: AASPJ9719K

Date: May 26, 2022
Place: Mumbai

Inder Mehta
Compliance Officer of the Trust
PAN: AAFPM5702N

Date: May 26, 2022
Place: Mumbai

STANDALONE STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED MARCH 31, 2022

(₹ in Million)

	Particulars	Year ended March 31, 2022	Year ended March 31, 2021
(A)	**CASH FLOW FROM OPERATING ACTIVITIES:**		
	Net profit before tax as per Statement of Profit and Loss	**38,579**	**13,550**
	Adjustments for :		
	Fair value loss on call option	344	195
	Finance Costs	0	41
	Interest Income	(39,042)	(13,860)
	Interest received	21,975	10,365
	Operating profit before working capital changes	**21,856**	**10,291**
	Adjustments for :		
	Increase in other assets	(16)	-
	Increase / (decrease) in trade payables	24	(40)
	Increase in other current liabilities	72	126
	Cash Generated from Operating Activities	**21,936**	**10,377**
	Income tax paid	**-**	**-**
	Net cash generated from operating activities (A)	**21,936**	**10,377**
(B)	**CASH FLOW FROM INVESTING ACTIVITIES:**		
	Acquisition of subsidiary (refer note 2(a) below)	(3,166)	(1,054)
	Loans given	-	(2,50,000)
	Investments in bank deposits	(16)	-
	Net Cash flow used in investing activities (B)	**(3,182)**	**(2,51,054)**
(C)	**CASH FLOW FROM FINANCING ACTIVITIES:**		
	Repayment of long term borrowings	-	(1,100)
	Contribution received during the year	-	116
	Issuance of Unit capital (refer note 2 (a) below)	3,170	2,52,150
	Distribution to unit holders	(21,775)	(10,306)
	Unit issuance costs	(29)	(24)
	Interest paid	-	(41)
	Net Cash flow (used in) / from financing activities (C)	**(18,634)**	**2,40,795**
	Net increase in Cash and Cash Equivalents (A+B+C)	**120**	**118**
	Opening Balance of Cash and Cash Equivalents	**133**	**15**
	Closing Balance of Cash and Cash Equivalents (Refer Note 5)	**253**	**133**

(₹ in Million)

Reconciliation of cash and cash equivalents	Year ended March 31, 2022	Year ended March 31, 2021
Cash and cash equivalents comprises of		
Balances with banks in current accounts	253	133
Cash and cash equivalents (Refer note 5)	**253**	**133**

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 -
   a) Issuance of Units aggregating ₹ 5,832 million for acquisition of STPL. Refer note 3.
   b) Call Option written for shares of subsidiary ₹ Nil for year ended March 31, 2022 (Previous year : ₹ 2,020 million). Refer note 10.

See accompanying Notes to the Standalone Financial Statements 1 to 33

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 Data Infrastructure Trust
(formerly known as Tower Infrastructure Trust)

Mohammed Bengali
Partner

Sridhar Rengan
Chairperson of the Board
DIN: 03139082

Dhananjay Joshi
Member of Data InvIT Committee
PAN: AASPJ9719K

Inder Mehta
Compliance Officer of the Trust
PAN: AAFPM5702N

Date: May 26, 2022
Place: Mumbai

Date: May 26, 2022
Place: Mumbai

Date: May 26, 2022
Place: Mumbai

Date: May 26, 2022
Place: Mumbai

NOTES TO STANDALONE FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2022

1. CORPORATE INFORMATION

Data Infrastructure Trust ("Data 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 ("SEBI InvIT Regulations") on March 19, 2019, having registration number IN/InvIT/18-19/0009. Pursuant to the approval granted by SEBI and upon issuance of fresh Certificate of Registration, the name of the Trust has changed from 'Tower Infrastructure Trust' to 'Data Infrastructure Trust' and the Principal place of Business of the Trust has shifted from '9th Floor, Maker Chambers IV, 222 Nariman Point, Mumbai 400 021' to 'Unit 1, 4th Floor, Godrej BKC, Plot No C-68, G Block, Bandra Kurla Complex, Bandra East, Mumbai - 400 051 w.e.f. October 8, 2021.

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").

W.e.f. October 13, 2020, Brookfield India Infrastructure Manager Private Limited (formerly known as WIP (India) Private Limited) ("Investment Manager") is the Investment Manager to the Trust. The registered office of the Investment Manager has been changed from Unit no. 804, 8th Floor, One BKC, Bandra Kurla Complex, Bandra (East), Mumbai, Maharashtra - 400051, India to Unit 1, 4th Floor, Godrej BKC, Bandra Kurla Complex, Mumbai, Maharashtra - 400051, India w.e.f. May 12, 2021.

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 SEBI InvIT Regulations and the Trust Deed.

The units of Data 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").

The Trust has acquired entire equity share capital of Space Teleinfra Private Limited ("STPL") as on March 10, 2022. The transaction was funded by way of issuance of units on rights basis and preferential basis in compliance with the SEBI InvIT Regulations. STPL is engaged in the business of providing telecom infrastructure to mobile network operators for Outdoor Small Cells, In-building solutions (IBS), and Roof Top Towers.

As on March 31, 2022, the Trust has two Special Purpose Vehicles i.e. SDIPL and STPL.

2. ACCOUNTING POLICIES

2.1 BASIS OF ACCOUNTING AND PREPARATION OF STANDALONE FINANCIAL STATEMENTS

The standalone financial statements of the Trust comprises of the Standalone Balance Sheet as at March 31, 2022; 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, 2022 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, 2022, 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 SEBI InvIT Regulations. The standalone financial statements were authorized for issue in accordance with resolutions passed by

NOTES TO STANDALONE FINANCIAL STATEMENTS (Contd.)

FOR THE YEAR ENDED MARCH 31, 2022

the Board of Directors of the Investment Manager on behalf of the Trust on May 26, 2022. The standalone financial statements have been prepared in accordance with the requirements of SEBI 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 ('Ind AS'), to the extent not inconsistent with the InvIT Regulations (refer note 10 below 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.

Statement of compliance to Ind AS:

The standalone financial statements for the year ended March 31, 2022 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 SEBI InvIT Regulations as more fully described above and note 9 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.

2.2 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:

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 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.

NOTES TO STANDALONE FINANCIAL STATEMENTS (Contd.)

FOR THE YEAR ENDED MARCH 31, 2022

(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.

(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 income-tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities in accordance with the Income-tax Act, 1961. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting 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 tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date. Deferred tax assets are recognised for all deductible temporary differences and the carry forward of any unused tax losses. Deferred tax assets are recognised to the extent that 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 assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

(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 as defined above.

(f) Revenue recognition

The Trust earns revenue primarily from Investments.

NOTES TO STANDALONE FINANCIAL STATEMENTS (Contd.)

FOR THE YEAR ENDED MARCH 31, 2022

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.

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.

NOTES TO STANDALONE FINANCIAL STATEMENTS (Contd.)

FOR THE YEAR ENDED MARCH 31, 2022

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 SEBI 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/lMDDF/127/2016 dated November 29, 2016) issued under the SEBI 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.

(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 SEBI 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.

NOTES TO STANDALONE FINANCIAL STATEMENTS (Contd.)

FOR THE YEAR ENDED MARCH 31, 2022

(m) 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 Trust are segregated.

(n) 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 Trust 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.

(o) 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 market 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.

(p) Impairment of non-financial assets

The Trust assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, the Trust 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

NOTES TO STANDALONE FINANCIAL STATEMENTS (Contd.)

FOR THE YEAR ENDED MARCH 31, 2022

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.

2.3 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.

New Standards issued but not effective:

New Standards and interpretations issued but not yet applicable: Amendments in the following existing accounting standards which are applicable to the Trust from April 1, 2022.

(i) Ind AS 101 – First time adoption of Ind AS

(ii) Ind AS 103 – Business Combination

(iii) Ind AS 109 – Financial Instrument

(iv) Ind AS 16 – Property, Plant and Equipment

(v) Ind AS 37 – Provisions, Contingent Liabilities and Contingent Assets

(vi) Ind AS 41 - Agriculture

Application of above standards are not expected to have any significant impact on the standalone financial statements of the Trust.

NOTES TO STANDALONE FINANCIAL STATEMENTS (Contd.)

FOR THE YEAR ENDED MARCH 31, 2022

3. INVESTMENTS

(₹ in Millions)

Particulars	As at March 31, 2022	As at March 31, 2021
Investment in subsidiary company		
Investments measured at Cost		
In Equity Shares of Summit Digitel Infrastructure Private Limited (SDIPL)* (formerly known as Reliance Jio Infratel Private Limited) unquoted, fully paid-up (215,00,00,000 shares of Re. 1 each)	2,150	2,150
In Space Teleinfra Private Limited (STPL)* (refer note below)		
- in 37,10,000 Equity Shares (Previous year: nil) of ₹ 10 each	9,219	-
- contingent consideration to acquire Optionally Convertible Redeemable Preference Shares ("OCRPS")	3,610	-
Total	**14,979**	**2,150**
*The Trust holds 100% equity ownership in SDIPL and STPL as at March 31, 2022		
Additional Information		
Aggregated value of Unquoted Investment	**14,979**	**2,150**
Aggregated value of Quoted Investment	**-**	-
Aggregate provision for increase/diminution in the value of Investments	**-**	-

Note: On March 10, 2022, the Trust, acquired 100% equity shares in STPL, a Company engaged in business of building, maintaining, leasing, renting and otherwise dealing in infrastructure for telecom sector for total purchase price of ₹ 12,829 million. The Trust entered into a Share Purchase Agreement (“SPA”) providing the Trust the right to direct the relevant activities of the STPL, thereby providing the Trust with full control. Accordingly, effective March 10, 2022, STPL became Subsidiary (SPV) of the Trust.

Total purchase price includes upfront consideration paid in cash ₹ 3,166 million, 52,800,000 units of the Trust aggregating ₹ 5,832 million issued on a preferential basis to the sellers of STPL, deferred working capital refunds ₹ 221 million and a contingent consideration linked to achievement of revenues for eligible contracts as specified in the SPA. The range of contingent consideration payable is between ₹ nil and ₹ 5,000 million. The fair value of the contingent consideration is estimated based on the method to acquire OCRPS of STPL held by the sellers of STPL, prescribed in the SPA. The estimated fair value of the contingent consideration, as at March 31, 2022, is ₹ 3,610 million which can be paid either in cash or through a combination of cash and units of the Trust.

4. LOANS

(₹ in Millions)

Particulars	As at March 31, 2022	As at March 31, 2021
Loan to Summit Digitel Infrastructure Private Limited (formerly known as Reliance Jio Infratel Private Limited)	2,50,000	2,50,000
Total	**2,50,000**	**2,50,000**

Note: ₹ 250,000 Million of loan carrying interest rate of 9.5% p.a. and under the terms of this loan, the rate of interest increases to 15% p.a. after certain operational thresholds are met. These thresholds were met in April, 2021 and, accordingly, the rate of interest has increased effective that date.

NOTES TO STANDALONE FINANCIAL STATEMENTS (Contd.)
FOR THE YEAR ENDED MARCH 31, 2022

The interest and principal is payable by the borrower (Subsidiary - SDIPL) subject to availability of surplus cash.

If any amount due and receivable from the borrower is not received on the respective due date, interest shall accrue on the unpaid sum from the respective due date up to the date of actual receipt at a rate of 0.5% p.a. and the applicable interest rate, at the option of the Trust.

All outstanding amounts under the loan and all other obligations and liabilities of the borrower under the loan agreement constitute subordinated obligations and will be subordinated to its Senior Obligations in right of payment and upon liquidation.

5. CASH AND CASH EQUIVALENTS

(₹ in Millions)

Particulars	As at March 31, 2022	As at March 31, 2021
Balances with Banks in current accounts	253	133
Total	**253**	**133**

6. OTHER BANK BALANCE

(₹ in Millions)

Particulars	As at March 31, 2022	As at March 31, 2021
Fixed deposits with banks	16	-
Total	**16**	**-**

6.1 Bank deposits of ₹ 16 million (Previous year ₹ Nil) have been pledged against bank guarantees issued to BSE Limited.

7. OTHER FINANCIAL ASSETS

(₹ in Millions)

Particulars	As at March 31, 2022	As at March 31, 2021
Security deposit	16	-
Total	**16**	**-**

8. OTHER CURRENT ASSETS

(₹ in Millions)

Particulars	As at March 31, 2022	As at March 31, 2021
Accrued interest on loan to Summit Digitel Infrastructure Private Limited	20,562	3,495
Total	**20,562**	**3,495**

Refer note 4 above.

9. UNIT CAPITAL

(₹ in Millions)

Particulars	As at March 31, 2022	As at March 31, 2021
Issued, subscribed and fully paid up unit capital	2,61,152	2,52,150
2,60,30,00,000 units (March 31, 2021: 2,52,15,00,000 units)		
Total	**2,61,152**	**2,52,150**

NOTES TO STANDALONE FINANCIAL STATEMENTS (Contd.)

FOR THE YEAR ENDED MARCH 31, 2022

Note: refer note 2.2 (i)

9.1 Terms, rights and restrictions attached to units

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 SEBI 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.

9.2 The details of unit holders holding more than 5% of unit capital:

Name of the Unitholders	Relationship	As at March 31, 2022		As at March 31, 2021	
		No of Unit held	Percentage	No of Unit held	Percentage
BIF IV Jarvis India Pte. Ltd.	Sponsor	2,28,96,00,000	87.96	2,26,41,00,000	89.79
Anahera Investment Pte. Ltd.	Unitholder	18,10,00,000	6.95	17,90,00,000	7.10

On August 31, 2020, the Trust issued 2,521,500,000 units at an Issue Price of ₹ 100 per unit to the subscribers. BIF IV Jarvis India Pte. Ltd. subscribed 89.79% of the units and is the immediate parent company.

During the year, the Trust acquired 100% equity shares in STPL. The acquisition was funded through issuance of 28,700,000 units of the Trust at an Issue Price of ₹ 110.46 per unit by way of rights issue and issuance of 52,800,000 units of the Trust at an Issue Price of ₹ 110.46 per unit on a preferential basis.

9.3 Reconciliation of the units outstanding at the end of reporting period:

Name of the Unitholders	As at March 31, 2022		As at March 31, 2021	
	No of Unit held	Amount (₹)	No of Unit held	Amount (₹)
Units at the beginning of the year	2,52,15,00,000	2,52,15,00,00,000	-	-
Issued during the year	8,15,00,000	9,00,24,90,000	2,52,15,00,000	2,52,15,00,00,000
Units at the end of the year	**2,60,30,00,000**	**2,61,15,24,90,000**	**2,52,15,00,000**	**2,52,15,00,00,000**

9A Contribution

(₹ in Millions)

Particulars	As at March 31, 2022	As at March 31, 2021
Opening balance	240	124
Changes in contribution during the year	-	116
Total	**240**	**240**

NOTES TO STANDALONE FINANCIAL STATEMENTS (Contd.)

FOR THE YEAR ENDED MARCH 31, 2022

10. OTHER EQUITY

(₹ in Millions)

Particulars	As at March 31, 2022	As at March 31, 2021
Reserves and surplus		
Retained earning		
At the beginning of the year	1,033	(167)
Profit for the year	38,579	13,550
Return on Capital distributed	(21,775)	(10,306)
Units issuance costs	(29)	(24)
Other Adjustments (refer note below)	-	(2,020)
Balance at the end of the year	**17,808**	**1,033**

Note: On August 31, 2020, the Trust acquired balance 49% of the equity shares of Summit Digitel Infrastructure Private Limited ("SDIPL") from Reliance Industries Limited ("RIL") by entering into a Shareholder and Option Agreement (entered as part of the aforesaid acquisition by Trust). As per the Shareholder and Option Agreement, RIL shall be entitled (but not obligated) to require the Trust to sell to RIL (or RIL nominee, if applicable), the shares of SDIPL at lower of ₹ 2,150 million or fair market value of shares. This call option liability was recognised on the date of acquisition by Trust amounting to ₹ 2,020 million with a corresponding debit to Retained earnings. The valuation of the option is carried out by independent party as at balance sheet date.

11. OTHER FINANCIAL LIABILITIES

(₹ in Millions)

Particulars	As at March 31, 2022		As at March 31, 2021	
	Non-Current	Current	Non-Current	Current
Call option written on shares of SDIPL (refer note 10)	2,559	-	2,215	-
Payable towards acquisition of STPL (refer note 3)	221	3,610	-	-
Total	**2,780**	**3,610**	**2,215**	**-**

12. TRADE PAYABLES

(₹ in Millions)

Particulars	As at March 31, 2022	As at March 31, 2021
Total outstanding dues of micro enterprises and small enterprises (refer note 23)	-	-
Total outstanding dues of creditors other than micro enterprises and small enterprises	24	-
Total	**24**	**-**

Ageing of undisputed Trade Payables

As at March 31, 2022 (₹ in Millions)

Particulars	Outstanding for following periods from the date of transaction		
	Not Due	Less than 1 year	**Total**
(i) Micro and Small Enterprises	-	**-**	**-**
(ii) Others	21	3	**24**
Total	**21**	**3**	**24**

NOTES TO STANDALONE FINANCIAL STATEMENTS (Contd.)

FOR THE YEAR ENDED MARCH 31, 2022

13. OTHER CURRENT LIABILITIES

(₹ in Million)

Particulars	As at March 31, 2022	As at March 31, 2021
Statutory liabilities	212	127
Accrued liabilities	-	10
Other payables	-	3
Total	**212**	**140**

14. REVENUE FROM OPERATIONS

(₹ in Million)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Interest on loan	39,042	13,860
Total	**39,042**	**13,860**

15. FINANCE COSTS

(₹ in Million)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Interest	0	41
Total	**0**	**41**

16. OTHER EXPENSES

(₹ in Million)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Fair value loss on call option written on share of SDIPL	344	195
Miscellaneous expenses	0	1
Total	**344**	**196**

17. EARNINGS PER UNIT (EPU)

(Rs. in Million except per share data)

	Particulars	Year ended March 31, 2022	Year ended March 31, 2021
i)	Net Profit as per Statement of Profit and Loss attributable to Unitholder (₹ in million)	38,579	13,550
ii)	Units Outstanding (Nos.)	2,60,30,00,000	2,52,15,00,000
iii)	Weighted average number of units used as denominator for calculating EPU	2,52,72,52,055	1,47,14,50,685
iv)	Earnings per unit		
	- For Basic (₹)	15.27	9.21
	- For Diluted (₹)	15.27	9.21

NOTES TO STANDALONE FINANCIAL STATEMENTS (Contd.)

FOR THE YEAR ENDED MARCH 31, 2022

18. RELATED PARTY DISCLOSURES

As per the SEBI InvIT Regulations and as per Ind AS 24, the disclosure of transactions with the related Parties 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	Relationship
<u>Entities which exercise control on the Trust w.e.f. August 31, 2020</u>	
Brookfield Asset Management Inc.	Ultimate Parent
BIF IV India Holdings Pte Ltd.	Intermediate Parent
BIF IV Jarvis India Pte Ltd., Singapore	Immediate Parent
<u>Subsidiary (SPV)</u>	
Summit Digitel Infrastructure Private Limited (formerly known as Reliance Jio Infratel Private Limited)	
Space Teleinfra Private Limited (w.e.f. March 10, 2022)	

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

A <u>Related Parties to Data Infrastructure Trust</u>

BIF IV Jarvis India Pte Ltd., Singapore (w.e.f. August 31, 2020)	Parent /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 October 12, 2020)	Erstwhile Investment Manager
Jio Infrastructure Management Services Limited	Project Manager (SDIPL)
Jarvis Data-Infra Project Manager Private Limited (w.e.f. March 10, 2022)	Project Manager of (STPL)
Reliance Industrial Investments and Holdings Limited	Co-Sponsor
Reliance Industries Limited	Promotor of Co-Sponsor

B <u>Director of the Parties specified in II(A) above</u>

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

Aanandjit Sunderaj (upto June 9, 2021)

Liew Yee Foong

Taswinder Kaur Gill (upto September 13, 2021)

Ho Yeh Hwa

Walter Zhang Shen (upto July 1, 2021)

Velden Neo Jun Xiong (w.e.f. August 13, 2021)

Tang Qichen (w.e.f. September 15, 2021)

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 (upto June 30, 2021)

Darshan Vora (appointed w.e.f. July 1, 2021 and resigned w.e.f. September 30, 2021)

Pooja Aggarwal (appointed w.e.f. September 30, 2021 and resigned w.e.f. April 6, 2022)

NOTES TO STANDALONE FINANCIAL STATEMENTS (Contd.)

FOR THE YEAR ENDED MARCH 31, 2022

Directors of Axis Trustee Services Limited

Rajesh Kumar Dahiya

Ganesh Sankaran

Sanjay Sinha (upto April 30, 2021)

Deepa Rath (w.e.f. May 1, 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 Jarvis Data-Infra Project Manager Private Limited

Darshan Bhupendra Vora

Gaurav Manoj Chowdhary

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 SEBI InvIT Regulations

Digital Fibre Infrastructure Trust	Common Investment Manager (upto October 12, 2020)/ 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 :

(₹ in Million)

Sr No.	Particulars	Relationship	For the year ended March 31 2022	For the year ended March 31 2021
1	**Trustee Fee**			
	Axis Trustee Services Limited	Trustee	2	2
2	**Investment Management Fees**			
	Brookfield India Infrastructure Manager Private Limited	Investment Manager	28	13
	Infinite India Investment Management Limited	Erstwhile Investment Manager	-	13

NOTES TO STANDALONE FINANCIAL STATEMENTS (Contd.)

FOR THE YEAR ENDED MARCH 31, 2022

Sr No.	Particulars	Relationship	For the year ended March 31 2022	For the year ended March 31 2021
3	**Reimbursement of Expenses**			
	Brookfield India Infrastructure Manager Private Limited	Investment Manager	7	4
	Infinite India Investment Management Limited	Erstwhile Investment Manager	-	5
4	**Acquisition of shares of Summit Digitel Infrastructure Private Limited**			
	Reliance Industries Limited	Promotor of Co-Sponsor	-	1,054
5	**Project Manager Fees**			
	Jio Infrastructure Management Services Limited	Project Manager (SDIPL)	24	24
6	**Issue of units capital to Sponsor**			
	BIF IV Jarvis India Pte Ltd.	Co-Sponsor	2,817	2,26,410
7	**Interest Income**			
	Summit Digitel Infrastructure Private Limited	Subsidiary (SPV)	39,042	13,860
8	**Distribution to Unitholders**			
	BIF IV Jarvis India Pte Ltd.	Sponsor	19,523	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**	Refer Note 10	-	2,020

V Balances as at end of the year:

Sr No.	Particulars	Relationship	March 31,2022	March 31,2021
1	**Contribution to Corpus**			
	Reliance Industrial Investments and Holdings Limited	Sponsor	-	240
2	**Interest Receivable**			
	Interest Receivable on Loan given to Summit Digitel Infrastructure Private Limited (formerly known as Reliance Jio Infratel Private Limited)	Subsidiary (SPV)	20,562	3,494
3	**Loans and Advances given**			
	Summit Digitel Infrastructure Private Limited (formerly known as Reliance Jio Infratel Private Limited)	Subsidiary (SPV)	2,50,000	2,50,000
4	**Other Payables**			
	Brookfield India Infrastructure Manager Private Limited (formerly known as WIP (India) Private Limited)	Investment Manager	3	3
5	**Investments**			
	Investments in shares of Summit Digitel Infrastructure Private Limited (formerly known as Reliance Jio Infratel Private Limited)	Subsidiary (SPV)	2,150	2,150
	In Space Teleinfra Private Limited (STPL)* (refer note below)	Subsidiary (SPV)		-
	- in 37,10,000 Equity Shares (Previous year: nil) of ₹ 10 each		9,219	-
	- contingent consideration to acquire OCRPS		3,610	-

NOTES TO STANDALONE FINANCIAL STATEMENTS (Contd.)

FOR THE YEAR ENDED MARCH 31, 2022

19. CONTINGENT LIABILITIES AND COMMITMENTS

i) Refer note 3 for contingent consideration in relation to acquisition of STPL.

ii) Guarantee given by bank on behalf of the Trust to BSE Limited for ₹ 16 million (March 31, 2021: NIL).

20. FINANCIAL INSTRUMENTS:

FAIR VALUE MEASUREMENT HIERARCHY:

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; an

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.

(₹ in Million)

Particulars	Carrying amount as at March 31, 2022	Carrying amount as at March 31, 2021	Fair value hierarchy Level of input used in		
			Level 1	Level 2	Level 3
Financial Assets					
At Amortised Cost					
Cash and Bank balances	253	133	-	-	-
Loan	2,50,000	2,50,000	-	-	-
Other Financial Assets	16	-	-	-	-
Investments in subsidiaries (measured at cost)	14,979	2,150	-	-	-
Financial Liabilities					
At Amortised Cost					
Trade Payable	24	-	-	-	-
Other Financial Liabilities	221	-	-	-	-
At fair value through profit or loss					
Call Option Written (refer note 10)	2,559	2,215	-	-	2,559
					(Previous Year-2,215)
Contingent consideration (refer note 3)	3,610	-	-	-	3,610
					(Previous Year - Nil)

The following table presents the changes in level 3 items: **(₹ in Million)**

Particulars	Contingent consideration	Call option written
Balance at the beginning of the year i.e. April 1, 2020	-	-
Additions	-	2,020
Fair value changes recognised in Statement of Profit and Loss	-	195
Balance at the end of the year i.e. March 31, 2021	-	**2,215**
Balance at the beginning of the year i.e. April 1, 2021	-	2,215
Addition on acquisition of STPL (refer note 3)	3,610	-
Fair value changes recognised in Statement of Profit and Loss	-	344
Balance at the end of the year i.e. March 31, 2022	**3,610**	**2,559**

NOTES TO STANDALONE FINANCIAL STATEMENTS (Contd.)

FOR THE YEAR ENDED MARCH 31, 2022

Valuation methodology:

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

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 to sell the shares of subsidiary is measured using Black Scholes model. 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 ₹ 2,150 million, as increased for the interim period between August 31,2020 and March 31,2022 by the Cost of Equity as this would be expected return on the investment for the acquirer.

(ii) Exercise Price: ₹ 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 - 7.2% and cost of equity - 15.3%.

(v) The fair value on the date of acquisition of ₹ 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.

21. 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 liabilities as on March 31, 2022 **(₹ in Million)**

Particulars	0-1 Years	1-3 Years	3-5 Years	Above 5 years	Total
Trade Payable	24	-	-	-	24
Other Financial Liabilities	3,610	-	-	2,780	6,390
Total	**3,634**	**-**	**-**	**2,780**	**6,414**

Maturity profile of financial liabilities as on March 31, 2021 **(₹ in Million)**

Particulars	0-1 Years	1-3 Years	3-5 Years	Above 5 years	Total
Other financial liabilities	-	-	-	2,215	2,215
Trade payable	-	-	-	-	-
Total	**-**	**-**	**-**	**2,215**	**2,215**

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, 2022, and as at March 31, 2021 the credit risk is considered low since substantial transactions of the Trust are with SDIPL.

22. 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 subsidiaries which has all the business operations in India. Hence, there is only one geographic segment.

NOTES TO STANDALONE FINANCIAL STATEMENTS (Contd.)

FOR THE YEAR ENDED MARCH 31, 2022

23. DUES TO MICRO, SMALL AND MEDIUM ENTERPRISES AS DEFINED UNDER THE 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.

24. STATEMENT OF NET DISTRIBUTABLE CASH FLOWS (NDCFs)

(₹ in Million)

Description	Year ended March 31, 2022	Year ended March 31, 2021
Cash flows received from SPV in the form of interest / accrued interest	21,975	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)	**21,975**	**10,365**
Less: issue expenses payable by Trust including as reimbursements towards expenses of Trust met by the Sponsors	(29)	(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	(119)	(73)
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)
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)	(3,166)	(1,054)
Add: Proceeds from fresh issuance of units	3,170	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)	**(144)**	**(26)**
Net Distributable Cash Flows (C) = (A+B)	**21,831**	**10,339**

NOTES TO STANDALONE FINANCIAL STATEMENTS (Contd.)

FOR THE YEAR ENDED MARCH 31, 2022

(₹ in Million)

Description	Year ended March 31, 2022	Year ended March 31, 2021
Net Distributable cash flows as per above	21,831	10,339
Cash and cash equivalents at the beginning of the year	133	15
Total Net Distributable Cash Flows	**21,964**	**10,354**

The Net Distributable Cash Flows ("NDCF") as above is for the year ended March 31, 2022. An amount of ₹ 21,775 million has been distributed to unit holders as follows.

(₹ in Million)

Return on Capital	Miscellaneous Income	Total
21,775	-	**21,775**

25. INCOME 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 income tax. Accordingly, the Trust is not required to provide any current tax liability. However, for the income directly earned by the Trust, it will be required to provide for current tax liability.

(₹ in Million)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Profit before tax	38,579	13,550
Applicable tax rate	42.74%	42.74%
Computed tax expense	16,489	5,791
Tax effect on account of:		
Interest received since considered as pass through	(16,687)	(5,924)
Expenses disallowed since related interest income is exempt	198	133
Income Tax expenses	**-**	**-**

26. PAYMENT TO AUDITORS:

(₹ in Million)

Particulars	March 31, 2022	March 31, 2021
Statutory audit fees	5	5
Certification fees	6	-
Other audit services (refer note i)	43	13
Out of pocket expenses	1	-
Less: Certification fees towards unit issuance (refer note ii)	(6)	-
Total	**49**	**18**

Note:

i) Other audit services represents audit fees paid for group reporting package as per group referral instructions under PCAOB standards for the year ended December 31, 2021.

ii) Certification fees towards unit issuance are adjusted in other equity as unit issuance cost.

NOTES TO STANDALONE FINANCIAL STATEMENTS (Contd.)

FOR THE YEAR ENDED MARCH 31, 2022

27. 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 on March 31, 2022 and March 31, 2021, the Trust has no borrowings, hence net gearing ratio is zero.

28. The outbreak of Coronavirus (COVID-19) pandemic globally and in India is causing significant disturbance and slowdown of economic activity. SDIPL and STPL are the investment of the 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 with Reliance Jio Infocomm Limited (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. Also, SDIPL has completed substantial portion of its planned capital expenditure and for the balance as well as for the operationrs 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.

STPL is engaged in business of building, maintaining, leasing, renting and otherwise dealing in infrastructure for telecom sector. Moreover, the COVID-19 pandemic has not had a material adverse impact on the operations of the telecommunication industry to which SDIPL and STPL currently caters to. In view of all of the above, Trust does not expect any significant challenges on going concern, including emanating out of COVID-19, particularly in the next 12 months.

29. DISCLOSURES PURSUANT TO 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 SEBI INVIT REGULATIONS:

A Standalone Statement of Net Assets at Fair Value: **(₹ in Million)**

Particulars	As at March 31, 2022		As at March 31, 2021	
	Book Value	Fair Value*	Book Value	Fair Value*
A. Assets	2,85,826	2,97,825	2,55,778	2,66,642
B. Liabilities	6,626	6,626	2,355	2,355
C. Net Assets (A-B)	**2,79,200**	**2,91,198**	**2,53,423**	**2,64,286**
D. Number of units	2,60,30,00,000	2,60,30,00,000	2,52,15,00,000	2,52,15,00,000
C. NAV (C/D)	**107.26**	**111.87**	**100.50**	**104.81**

*Total Assets includes the fair value of the assets attributable to the Trust as at reporting date. Assets are valued as per valuation report issued by independent valuer appointed under the SEBI 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 (refer note 10) and fair value of consideration payable to sellers of STPL (refer note 3).

NOTES TO STANDALONE FINANCIAL STATEMENTS (Contd.)

FOR THE YEAR ENDED MARCH 31, 2022

B Standalone Statement of Total Return at Fair Value: **(₹ in Million)**

Description	Year ended March 31, 2022	Year ended March 31, 2021
Total Comprehensive Income (As per Standalone Statement of Profit and Loss)	38,579	13,550
Add/(Less): Other changes in fair value not recognized in Total Comprehensive Income	-	-
Total Return	**38,579**	**13,550**

C Initial Disclosure by an entity identified as a Large Corporate

Particulars	Details
Name of the Company/InvIT	Data Infrastructure Trust (formerly known as Tower Infrastructure Trust)
CIN/SEBI Registration No.	IN/InvIT/18-19/0009
Outstanding borrowing of Company/InvIT as on March 31 / December 31 as applicable (₹ in Million)	Nil as on March 31, 2022*
Highest Credit Rating during previous FY along with the name of Credit rating agency	CARE AAA (Is)/Stable rating from CARE Ratings Limited
Company/InvIT having their specified securities or debt securities or non-convertible redeemable preference share, listed on a recognised stock exchange(s) in terms of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015	Not Applicable*

* As per SEBI circular bearing reference no. SEBI/HO/ DDHS/P/CIR/2021/613 dated August 10, 2021, the Trust is not identified as a “Large Corporate” as on March 31, 2022.

30. ADDITIONAL REGULATORY INFORMATION REQUIRED BY SCHEDULE III:

(I) Key Financial Ratios and analysis:

Sr. No.	Ratio	Numerator	Denominator	As on March 31, 2022	As on March 31, 2021	% Change	Reason for variance
i)	Current Ratio	Current Assets	Current Liabilities	5	26	-79%	Refer Note (i)
ii)	Debt Equity Ratio	Total Debt	Shareholder's Equity	-	-	0%	-
iii)	Debt Service Coverage Ratio	Earnings available for Debt service	Debt Service	0	12	-100%	Refer Note (ii)
			Earning for Debt Service = Net Profit after taxes + depreciation+ Finance cost. Debt service = Interest & Lease Payments + Principal Repayments. Principal repayments excludes repayments in nature of refinancing as these are not repaid out of the profits for the year.				

NOTES TO STANDALONE FINANCIAL STATEMENTS (Contd.)

FOR THE YEAR ENDED MARCH 31, 2022

Sr. No.	Ratio	Numerator	Denominator	As on March 31, 2022	As on March 31, 2021	% Change	Reason for variance
iv)	Return on Equity	Net Profit after taxes	Average Shareholders (Unitholder) Equity	14%	11%	35%	Refer Note (iii)
v)	Inventory Turnover	Cost of Goods Sold	Average Inventory	Not applicable			
vi)	Trade receivable Turnover (in days)	Net Credit Sales (Gross Credit Sales - Sale Returns)	Average Trade Receivables	-	-	-	-
vii)	Trade payable Turnover (In days)	Purchases of services and other expenses	Average Trade Payables	0	0	0%	
viii)	Net Capital Turnover	Net Sales (Total Sales - Sale Return)	Working Capital (Current Assets - Current Liabilities)	2	4	-42%	Refer Note (iv)
ix)	Net Profit	Net Profit	Net Sales	99%	98%	1%	-
x)	Return on capital employed	Earning before interest and taxes	Capital Employed (Tangible Net Worth + Total Debt)	14%	5%	159%	Refer Note (v)
xi)	Return on Investment	Return generated on investments	Average investments	-	-	-	-

Notes:

(i) The ratio has decreased during the year mainly on account of contingent consideration payable towards acquisition of STPL.

(ii) The ratio is nil as there is no debt serviced during the year.

(iii) The ratio has increased during the year mainly on account of increase in profit after tax.

(iv) The ratio has decreased on account of increase in working capital due to interest accrued on loan given to SDIPL.

(v) The ratio has increased on account of increased earnings before interest and taxes.

(II) The Trust does not hold any benami property and no proceedings have been initiated on or are pending against the Trust for holding benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and Rules made thereunder.

(III) The Trust have not been declared wilful defaulter by any bank or financial institution or government or any government authority.

(IV) The Trust has no transactions with the companies struck off under Companies Act, 2013 or Companies Act, 1956.

(V) The Trust does not have any transactions recorded in the books of account that has been surrendered or disclosed as income during the year in the assessments under Income Tax Act, 1961.

(VI) The Trust has not traded or invested in crypto currency or virtual currency.

(VII) There are no borrowings obtained by the Trust from banks and financial institutions.

NOTES TO STANDALONE FINANCIAL STATEMENTS (Contd.)
FOR THE YEAR ENDED MARCH 31, 2022

31. There are no subsequent events that require adjustment or disclosure in the standalone financial statements as on the Balance Sheet date.

32. "0" represents the amount below the denomination threshold.

33. APPROVAL OF FINANCIAL STATEMENTS

The financial statements have been approved by the Data InvIT Committee and the Board of Directors of the Investment Manager to the Trust at their respective meetings held on May 25, 2022 and May 26, 2022.

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 Data Infrastructure Trust (formerly known as Tower Infrastructure Trust)

Sridhar Rengan	**Dhananjay Joshi**	**Inder Mehta**
Chairperson of the Board	Member of Data InvIT Committee	Compliance Officer of the Trust
DIN: 03139082	PAN: AASPJ9719K	PAN: AAFPM5702N
Date: May 26, 2022	Date: May 26, 2022	Date: May 26, 2022
Place: Mumbai	Place: Mumbai	Place: Mumbai

INDEPENDENT AUDITOR'S REPORT

To The Unitholders of Data Infrastructure Trust (formerly known as Tower Infrastructure Trust)

Report on the Audit of Consolidated Financial Statements

OPINION

We have audited the accompanying consolidated financial statements of Data Infrastructure Trust (formerly known as Tower Infrastructure Trust) ("the Trust") and its subsidiaries (together referred to as the "Group"), which comprise the Consolidated Balance Sheet as at March 31, 2022, Consolidated Statement of Profit and Loss including Statement of Other Comprehensive Income, Consolidated Statement of Changes in Unitholders' Equity, Consolidated Cash Flow Statement for the year then ended, Consolidated Statement of Net Assets at Fair Value as at March 31, 2022, 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, and based on the on separate financial statements / financial information of the subsidiary referred to in the Other Matters section below, 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 (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, 2022, and its consolidated profit including other comprehensive income, its changes in unitholders' equity, its cash flows for the year ended March 31, 2022, its net assets at fair value as at March 31, 2022, its total returns at fair value and its 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 and the audit evidence obtained by the other auditor in terms of their report referred to in the Other Matters section below, 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 2 B (n) 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.

INDEPENDENT AUDITOR'S REPORT (Contd.)

Sr. No.	Key Audit Matter	Auditor's Response
1	**FAIR VALUE OF NET ASSETS OF THE TRUST:** In accordance with InvIT Regulations, the Trust discloses Statement of Net Assets at Fair Value which requires fair valuation of net assets. As at March 31, 2022, fair value of net assets was ₹ 291,208 million. The fair value of net assets of the Trust is determined by an independent valuer using discounted cash flow method. While there are several assumptions that are required to determine the fair value of net assets of the Trust, assumptions with the highest degree of estimate, subjectivity and impact on fair value are the valuation methodology used in determining the fair value, future performance of business and discount rate. Auditing this assumption required a high degree of auditor judgment as the estimate made by the independent external valuer contain significant measurement uncertainty. Refer Consolidated Statement of Net assets at fair value in the consolidated financial statements.	**PRINCIPAL AUDIT PROCEDURES PERFORMED AMONG OTHERS:** Our audit procedures relating to the determination of the fair value of net assets included the following, among others: • Tested design, implementation and operating effectiveness of the internal control related to determination of fair value of assets and review of Statement of Net Assets at Fair Value • Reviewed the independent external valuer's valuation reports to obtain an understanding of the source of information used by the independent external valuer in determining the fair valuation. • Tested the reasonableness of the future cash flows shared by management with external valuer by comparing it to source information used in preparing the forecasts and with historical forecasts and actual performance to support any significant expected future changes to the business. • Evaluated the Group's independent external valuer's competence to perform the valuation. • Involved our internal fair valuation specialists to independently determine fair value of the Net Assets of the Trust as at the balance sheet date, which included assessment of reasonableness of the discount rate used by management in valuation and the methodology used in determining the fair value. • Compared the fair value determined by the Group with that determined by our internal fair valuation specialist to assess the reasonableness of the fair valuation. • Tested the arithmetical accuracy of computation in the Consolidated Statement of Net Assets at Fair Value and evaluated adequacy of disclosures in the consolidated financial statements as per requirement of InvIT Regulation.

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.

INDEPENDENT AUDITOR'S REPORT (Contd.)

- 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 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. We have nothing to report in this regard.

MANAGEMENTS 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 for the year ended March 31, 2022, consolidated statement of net assets at fair value as at March 31, 2022, total returns at fair value and net distributable cash flows for the year ended on that date of the Trust and its subsidiaries 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 subsidiaries 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 subsidiaries included in the Group are responsible for assessing the Trust's and subsidiaries 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 subsidiaries either intends to liquidate the Trust and subsidiaries or to cease operations, or has no realistic alternative but to do so.

The Management and the Board of Directors of the subsidiaries 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:

INDEPENDENT AUDITOR'S REPORT (Contd.)

- 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 Group'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 subsidiaries 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.

INDEPENDENT AUDITOR'S REPORT (Contd.)

OTHER MATTERS

We did not audit the balance sheet of a subsidiary which reflects the total assets of ₹ 3,481 million as at March 31, 2022. The balance sheet of this subsidiary has been audited by other auditor whose report has been furnished to us by the Management and our opinion on the consolidated balance sheet, in so far as it relates to the amounts and disclosures included in respect of this subsidiary's balance sheet is based solely on the report of the other auditor. We did not audit the total revenues of ₹ 223 million, net cash inflows amounting to ₹ 182 million and Net Distributable Cash Flows amounting to ₹ 186 million of this subsidiary (the 'financial information of the subsidiary') as considered in the consolidated financial statements. The financial information of this subsidiary is unaudited and has been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of the financial information of this subsidiary, is based solely on such unaudited financial information of this subsidiary. In our opinion and according to the information and explanations given to us by the Management, this financial information of this subsidiary is not material to the Group.

Our opinion on the consolidated financial statements above and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the report other auditor and the financial information of the subsidiary certified by the Management.

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 Income, Consolidated Statement of Changes in Unitholders' Equity, the Consolidated Cash Flow Statement and of its subsidiaries 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
(Firm's Registration No. 117366W/ W100018)

Mohammed Bengali
Partner
Membership No. 105828
UDIN: 22105828AJQJDC1637

Place: Mumbai
Date: May 26, 2022

CONSOLIDATED BALANCE SHEET

AS AT MARCH 31, 2022

(₹ in Million)

Particulars	Notes	As at March 31, 2022	As at March 31, 2021
ASSETS			
NON-CURRENT ASSETS			
Property, plant and equipment	3	4,05,521	3,80,019
Right of use assets	4	1,149	292
Capital work in progress	3	519	18
Goodwill on acquisition	3	7,976	-
Intangible assets	3	5,545	-
Intangible assets under development	3	16	-
Other financial assets	5	5,998	4,571
Deferred tax asset (net)	6	46	-
Other non-current assets	7	13,610	3,236
Total non-current assets		**4,40,380**	**3,88,136**
CURRENT ASSETS			
Financial assets:			
Investments	8	1,366	-
Trade receivables	9	570	153
Cash and cash equivalents	10	6,180	10,047
Other bank balances	11	81	3
Other financial assets	12	4,497	4,531
Other current assets	13	3,554	11,589
Total current assets		**16,248**	**26,323**
Total assets		**4,56,628**	**4,14,459**
EQUITY AND LIABILITIES			
EQUITY			
Unit capital	14	2,61,152	2,52,150
Contribution	14A	240	240
Other equity	15	(68,730)	(51,462)
Total equity		**1,92,662**	**2,00,928**
LIABILITIES			
Non - current liabilities			
Financial liabilities			
Borrowings	16	2,11,456	1,81,851
Lease liabilities	4	757	88
Other Financial liabilities	20	14,739	2,215
Provisions	17	13,267	11,235
Deferred tax liabilities (net)	6	1,402	-
Other non current liabilities	21	615	-
Total non-current liabilities		**2,42,236**	**1,95,389**

CONSOLIDATED BALANCE SHEET (Contd.)

AS AT MARCH 31, 2022

(₹ in Million)

Particulars	Notes	As at March 31, 2022	As at March 31, 2021
CURRENT LIABILITIES			
Financial liabilities			
Short - term borrowings	18	7,388	-
Lease liabilities	4	329	18
Trade payables			
- total outstanding dues of micro enterprises and small enterprises	19	6	0
- total outstanding dues of creditors other than micro enterprises and small enterprises	19	3,164	1,958
Other financial liabilities	20	6,122	11,213
Other current liabilities	21	4,716	4,949
Provisions	17	5	4
Total Current liabilities		**21,730**	**18,142**
Total liabilities		**2,63,966**	**2,13,531**
Total equity and liabilities		**4,56,628**	**4,14,459**
See accompanying notes to the consolidated financial statements	1 to 47		

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 Data Infrastructure Trust (formerly known as Tower Infrastructure Trust))

Mohammed Bengali
Partner

Date: May 26, 2022
Place: Mumbai

Sridhar Rengan
Chairperson of the Board
DIN: 03139082

Date: May 26, 2022
Place: Mumbai

Dhananjay Joshi
Member of Data InvIT Committee
PAN: AASPJ9719K

Date: May 26, 2022
Place: Mumbai

Inder Mehta
Compliance Officer of the Trust
PAN: AAFPM5702N

Date: May 26, 2022
Place: Mumbai

CONSOLIDATED STATEMENT OF PROFIT & LOSS

FOR THE YEAR ENDED MARCH 31, 2022

(₹ in Million)

Particulars	Notes	Year ended March 31, 2022	Year ended March 31, 2021
INCOME			
Revenue from operations	22	97,861	82,442
Other income	23	331	153
Total income		**98,192**	**82,595**
EXPENSES			
Investment Manager fee		28	26
Trustee fee		2	2
Project Manager fee		24	24
Audit fees		56	30
Listing fees		3	1
Network operating expenses	24	60,742	51,360
Employee benefits expense	25	631	164
Finance costs	26	16,117	20,772
Depreciation and amortisation expense	27	13,301	19,560
Legal and professional fees		246	151
Other expenses	28	1,565	335
Total expenses		**92,715**	**92,425**
Profit / (loss) before tax		**5,477**	**(9,830)**
Tax expenses	6		
i) Current tax		15	-
ii) Deferred tax expense / (credit)		(7)	-
Total tax expense		**8**	**-**
Profit / (loss) for the year		**5,469**	**(9,830)**
Other comprehensive income			
A Items which will not be reclassified to statement of profit and loss			
Remeasurements of the net defined benefit plans		(2)	-
Income tax relating to items that will not be reclassified to profit or loss		-	-
B Items that will be reclassified to statement of profit or loss			
Cash flow hedges:			
Fair value loss arising on hedging instrument during the period		(113)	-
Cost of hedging			
Changes in the fair value during the period in relation to time-period related hedged items		(818)	-
Income tax relating to items that will be reclassified to profit or loss		-	-
		(931)	**-**
Total other comprehensive loss (A+B)		**(933)**	**-**
Total comprehensive income / (loss) for the year		**4,536**	**(9,830)**
Attributable to unitholders		**4,536**	**(5,681)**
Attributable to non controlling interest		**-**	**(4,149)**
Earnings per unit (EPU)	29		
Basic per unit (in Rupees)		2.16	(6.68)
Diluted per unit (in Rupees)		2.16	(6.68)
See accompanying notes to the consolidated financial statements	1 to 47		

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 Data Infrastructure Trust (formerly known as Tower Infrastructure Trust))

Mohammed Bengali
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Date: May 26, 2022
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PAN: AASPJ9719K

Date: May 26, 2022
Place: Mumbai

Inder Mehta
Compliance Officer of the Trust
PAN: AAFPM5702N

Date: May 26, 2022
Place: Mumbai

CONSOLIDATED STATEMENT OF CHANGES IN UNITHOLDERS' EQUITY

FOR THE YEAR ENDED MARCH 31, 2022

(₹ in Million)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
(A) Unit Capital		
Balance at the beginning of the year	**2,52,150**	-
Issued during the year	9,002	2,52,150
Balance at the end of the year	**2,61,152**	**2,52,150**
(B) Initial Contribution		
Balance at the beginning of the year	240	124
Contribution during the year	-	116
Balance at the end of the year	**240**	**240**

(₹ in Million)

(C) Other equity	Instrument classified as Equity: 10% Cumulative Optionally Convertible Preference Share Capital Fully paid up	Reserves and surplus: retained earnings	Other comprehensive income: Other items of other comprehensive income / (loss)	Other comprehensive income: Cash flow hedges	Other comprehensive income: Cost of hedging reserve	Total
Balance as at April 01, 2020	500	(10,902)	-	-	-	(10,402)
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 15 (i) and (ii))	(500)	(10,158)	-	-	-	(10,658)
Balance as at March 31, 2021	**-**	**(51,462)**	**-**	**-**	**-**	**(51,462)**
Balance as at April 01, 2021	**-**	**(51,462)**	**-**	**-**	**-**	**(51,462)**
Profit for the year	-	5,469	-	-	-	5,469
Return on capital#	-	(21,775)	-	-	-	(21,775)
Cost of hedging	-	-	-	(205)	-	(205)
Change in fair value of time value of option	-	-	-	-	(976)	(976)
Amounts reclassified to Statement of Profit and Loss				92	158	250
Unit Issuance Costs	-	(29)	-	-	-	(29)
Remeasurement of defined benefit plans	-		(2)	-	-	(2)
Balance as at March 31, 2022	**-**	**(67,797)**	**(2)**	**(113)**	**(818)**	**(68,730)**

#Return on capital distribution during the year as per Net distributable Cash Flows (NDCFs) duly approved by investment manager. Refer note 42

See accompanying notes to the consolidated financial statements 1 to 47

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 Data Infrastructure Trust (formerly known as Tower Infrastructure Trust))

Mohammed Bengali
Partner

Date: May 26, 2022
Place: Mumbai

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Chairperson of the Board
DIN: 03139082

Date: May 26, 2022
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Dhananjay Joshi
Member of Data InvIT Committee
PAN: AASPJ9719K

Date: May 26, 2022
Place: Mumbai

Inder Mehta
Compliance Officer of the Trust
PAN: AAFPM5702N

Date: May 26, 2022
Place: Mumbai

CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED MARCH 31, 2022

(₹ in Million)

	Particulars	Year ended March 31, 2022	Year ended March 31, 2021
A	**CASH FLOW FROM OPERATING ACTIVITIES:**		
	Net profit / (loss) before tax as per Statement of Profit and Loss	5,477	(9,830)
	Adjusted for:		
	Fair value loss on call option	344	195
	Depreciation and amortisation expense	13,301	19,560
	Gain on sale of investments	(16)	(49)
	Interest income on deposits	(267)	(64)
	Interest income on income tax refund	-	(40)
	Net fair value gains from investments at Fair Value Through Profit and Loss	(1)	-
	Ineffectiveness on derivative contracts designated as cashflow hedge	2	-
	Balances written off	1,089	-
	Exchange loss (attributable to finance cost)	769	409
	Loss on Sale of Assets	6	-
	Finance costs	15,348	20,363
		30,575	**40,374**
	Operating profit before working capital changes	36,052	30,544
	Adjusted for :		
	(Increase) / decrease in trade and other receivables	(4,517)	12,505
	Increase / (decrease) in Trade and other payables	627	(40,824)
		(3,890)	**(28,319)**
	Cash generated from operating activities	**32,162**	**2,225**
	Income taxes (paid) / refund (net)	(75)	488
	Net Cash flow generated from operations (A)	**32,087**	**2,713**
B	**CASH FLOW FROM INVESTING ACTIVITIES:**		
	Acquisition of subsidiary	(3,166)	(1,054)
	Purchase of property, plant and equipment (including Capital Work in Progress and Intangible Assets under Development)	(35,119)	(1,10,631)
	Purchase of investments	(18,670)	(45,029)
	Sale of investments	17,320	45,078
	Advances / loans recovered	550	-
	Bank deposits placed	(130)	(30)
	Interest received	286	55
	Net Cash flow used in investing activities (B)	**(38,929)**	**(1,11,611)**

CONSOLIDATED STATEMENT OF CASH FLOWS (Contd.)

FOR THE YEAR ENDED MARCH 31, 2022

(₹ in Million)

Particulars		Year ended March 31, 2022	Year ended March 31, 2021
C	**CASH FLOW FROM FINANCING ACTIVITIES:**		
	Issuance of Unit capital (refer note 2 (a) below)	3,170	2,52,150
	Payment of lease liabilities	(45)	(4)
	Proceeds from long term borrowings (net)	1,09,420	3,01,835
	Repayment of long term borrowings	(74,006)	(3,57,820)
	Repayment of short term borrowings	(107)	(30,050)
	Working capital adjustment (refer note 15 (i))	-	(3,824)
	Finance costs paid	(13,654)	(33,589)
	Distribution to unitholders	(21,775)	(10,306)
	Unit issuance costs	(29)	(24)
	Contribution received during the year	-	116
	Net Cash flow generated from financing activities (C)	**2,974**	**1,18,484**
	Net (decrease)/ increase in cash and cash equivalents (A+B+C)	**(3,868)**	**9,586**
	Opening balance of cash and cash equivalents	**10,047**	**461**
	Add: cash and cash equivalents on acquisition of subsidiary	**1**	**-**
	Closing Balance of Cash and Cash Equivalents	**6,180**	**10,047**

(₹ in Million)

Reconciliation of cash and cash equivalents	Year ended March 31, 2022	Year ended March 31, 2021
Cash and cash equivalents comprises of		
Balances with banks in current account	2,051	2,997
Fixed deposits with banks	4,129	7,050
Cash and cash equivalents (Refer note 10)	**6,180**	**10,047**

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 -

a) Issuance of Units aggregating ₹ 5,832 million for acquisition of STPL. Refer note 14.2.

b) Call Option written for shares of subsidiary ₹ Nil for year ended March 31, 2022 (Previous year: ₹ 2,020 Million). Refer note 15.

See accompanying notes to the consolidated financial statements 1 to 47

As per our report of even date.
For **Deloitte Haskins & Sells LLP**
Chartered Accountants
Firm Regn No: 117366W/W-100018

Mohammed Bengali
Partner

Date: May 26, 2022
Place: Mumbai

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 Data Infrastructure Trust (formerly known as Tower Infrastructure Trust))

Sridhar Rengan
Chairperson of the Board
DIN: 03139082

Date: May 26, 2022
Place: Mumbai

Dhananjay Joshi
Member of Data InvIT Committee
PAN: AASPJ9719K

Date: May 26, 2022
Place: Mumbai

Inder Mehta
Compliance Officer of the Trust
PAN: AAFPM5702N

Date: May 26, 2022
Place: Mumbai

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2022

Data Infrastructure Trust (formerly known as Tower Infrastructure Trust)

Disclosures pursuant to SEBI Circulars No. CIR/IMF/DF/114/2016 dated October 20, 2016 and No. CIR/IMD/DF/127/2016 dated November 29, 2016 issued under the SEBI InvIT Regulations

(A) Consolidated Statement of Net Assets at Fair Value: **(₹ in Million)**

		As at March 31, 2022		As at March 31, 2021	
		Book Value	Fair Value*	Book Value	Fair Value*
A.	Assets	456,628	555,179	414,459	477,817
B.	Liabilities	263,971	263,971	213,531	213,531
C.	**Net Assets (A-B)**	**192,657**	**291,208**	**200,928**	**264,286**
D.	No. of Units (in million)	2,603	2,603	2,522	2,522
D.	**NAV (C/D)**	**74.01**	**111.87**	**79.69**	**104.81**

*Total Assets includes the fair value of the assets attributable to Trust as at March 31, 2022. Assets are valued as per valuation report issued by independent valuer appointed under the SEBI 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 (refer note 15) and fair value of consideration payable to sellers of STPL (refer note 20).

(B) Consolidated Statement of Total Return at Fair Value: **(₹ in Million)**

Particulars	**Year ended March 31, 2022**	**Year ended March 31, 2021**
Total comprehensive income (as per statement of profit and loss)	4,536	(9,830)
Add/(Less): Other changes in fair value not recognized in Total Comprehensive Income	-	-
Total return	**4,536**	**(9,830)**

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2022

1. CORPORATE INFORMATION

The consolidated financial statements comprise financial statements of Data Infrastructure Trust (“Data InvIT/Trust”) (formerly known as Tower Infrastructure Trust) and its subsidiaries / Special Purpose Vehicle (SPVs) (a) "Summit Digitel Private Limited" ("SDIPL") and (b) Space Teleinfra Private Limited (w.e.f. March 10, 2022) ("STPL") (collectively, the Group) for the year ended March 31, 2022.

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. Pursuant to the approval granted by SEBI and upon issuance of fresh Certificate of Registration, the name of the Trust has changed from 'Tower Infrastructure Trust' to 'Data Infrastructure Trust' and the Principal place of Business of the Trust has shifted from '9th Floor, Maker Chambers IV, 222 Nariman Point, Mumbai 400 021' to 'Unit 1, 4th Floor, Godrej BKC, Plot No C-68, G Block, Bandra Kurla Complex, Bandra East, Mumbai - 400 051 w.e.f. October 8, 2021.

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").

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.

2. SIGNIFICANT ACCOUNTING POLICIES

A1. BASIS OF ACCOUNTING AND PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS

The consolidated financial statements of Trust comprises the consolidated balance sheet as at March 31, 2022, 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, 2022 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, 2022, the Statement of Total Returns at fair Value for year then ended and other additional financial disclosures as required under the SEBI 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 May 26, 2022. 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 (‘Ind AS’), to the extent not inconsistent with the SEBI InvIT Regulations (Refer Note 14 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.

Statement of compliance with Ind AS:

The consolidated financial statements for the year ended March 31, 2022 have been prepared in accordance with Ind AS, to the extent not inconsistent with the InvIT Regulations as more fully described above.

These financial statements have been prepared and presented on a historical cost convention, except for certain financial assets and liabilities measured at fair values at the end of each reporting period, as stated in the accounting policies below. Accounting policies have been consistently applied except where a newly issued Indian Accounting

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

FOR THE YEAR ENDED MARCH 31, 2022

Standard is initially adopted or a revision to an existing Indian Accounting Standard requires a change in the accounting policy hitherto in use.

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

A2. BASIS OF CONSOLIDATION

The Consolidated Ind AS Financial Statements include 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.

The financial statements are consolidated on a line-by-line basis and intra-group balances and transactions including unrealised gain / loss from such transactions are eliminated upon consolidation. 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, 2022.

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 THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

FOR THE YEAR ENDED MARCH 31, 2022

B. 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.

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 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.

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.

(i) In case of Subsidiary SDIPL -

Depreciation is provided using the straight line method as per the useful life of the assets estimated by the management. The estimated useful lives of the assets, which are higher than, lower than or equal to those prescribed under Schedule II of the Act, are listed in the table below. Depreciation on addition/ deletion of property, plant and equipment made during the year is provided on pro-rata basis from/ to the date of such addition/ deletion.

Asset Group	Estimated useful life (in years)
Computers	3 years
Plant and Equipments*	13 to 30 years
Office Equipments*	3 years
Furniture and Fixtures*	5 years

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

FOR THE YEAR ENDED MARCH 31, 2022

Freehold land is not depreciated. Leasehold land is depreciated over the period of lease.

* For these class of assets, based on an internal assessment supported by a technical evaluation conducted, the management believes the useful life of the assets is appropriate which is different than those prescribed under Part C of Schedule II of the Companies Act, 2013.

Based on internal assessment the management believes the residual value of Plant and equipments is estimated to be 6% and 5% for other assets of the original cost of those respective assets. 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.

(ii) In case of Subsidiary STPL -

Depreciation on Property, plant and equipment has been provided on written down value method using the management assessed useful lives of the assets which is in line with the manner prescribed in Schedule II of the Companies Act, 2013. Depreciation on assets acquired during the year has been provided on pro-rata basis. The useful life is as follows:

Particulars of Property, plant and equipment	Useful Life (in no. of years)
Plant and machinery	3.5-18
Office Equipment	5
General Furniture and Fixtures	10
Vehicles	8
Computers	3

Intangible assets: Intangible assets are reported at cost less accumulated amortisation and accumulated impairment losses, if any. The cost comprises purchase price, borrowing costs if capitalisation criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use. Intangible assets are amortized on a straight line basis over the estimated useful economic life. The intangible assets are assessed for impairment whenever there is an indication that the intangible asset may be impaired. A summary of amortization policies applied on intangible assets is as below:

Intangible assets	Estimated Useful Life (in no. of years)
Computer Software	02-10
Intangible assets	02-15

Capital work in progress and intangible assets under development: Property, plant and equipments and intangible assets that are under construction/ development is accounted for as capital work in progress / intangible assets under development until such assets are ready for their intended use. Advances given towards acquisition or construction of property, plant and equipments outstanding at each reporting date are disclosed as Capital Advances under "Other non-current assets".

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 on 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.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

FOR THE YEAR ENDED MARCH 31, 2022

(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.

At the commencement date, the Company determines the lease term which represents non-cancellable period of initial lease for which the asset is expected to be used, together with the periods covered by an option to extend or terminate the lease, if the Company is reasonably certain at the commencement date to exercise the extension or termination option.

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.

SDIPL'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

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

FOR THE YEAR ENDED MARCH 31, 2022

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.

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:

The Company uses various leased premises to install its tower assets. A provision is recognised for the cost to be incurred for the restoration of these premises at the end of the lease period, which is estimated based on actual quotes, which are reasonable and appropriate under these circumstances. It is expected that these provisions will be utilised at the end of the lease period of the respective sites as per respective leases.

(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.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

FOR THE YEAR ENDED MARCH 31, 2022

Current tax

Current income-tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities in accordance with the Income-tax Act, 1961. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting 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 tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date. Deferred tax assets are recognised for all deductible temporary differences and the carry forward of any unused tax losses. Deferred tax assets are recognised to the extent that 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 assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

(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

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

FOR THE YEAR ENDED MARCH 31, 2022

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), rental charges for the passive infrastructure service provided 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 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-time frame 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.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

FOR THE YEAR ENDED MARCH 31, 2022

(l) 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.

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 enters into derivative financial instruments including forward contracts, foreign exchange swaps and options to manage its exposure to foreign exchange rate risk. Derivatives are initially recognised at fair value at the date the derivative contracts are entered into and are subsequently remeasured at fair value at the end of each reporting period. The resulting gain or loss is recognised in Statement of Profit and Loss immediately unless the derivative is designated and effective as a hedging instrument, in which case the timing of the recognition in Statement of Profit and Loss depends on the nature of the hedged item.

The Group designates certain hedging instruments, which includes derivatives in respect of foreign currency as either cash flow hedge or fair value hedge. At the inception of the hedge relationship, the Group documents the relationship between the hedging instrument and the hedged item, along with its risk management objectives and its strategy for undertaking the said transactions. Furthermore, at the inception of the hedge and on an ongoing basis, the Group documents whether the hedging instrument

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)
FOR THE YEAR ENDED MARCH 31, 2022

is highly effective in offsetting changes in fair values or cash flows of the hedged item attributable to the hedged risk. The effectiveness of hedging instruments to reduce the risk associated with the exposure being hedged is assessed and measured at inception and on an ongoing basis (including its analysis of the sources of hedge ineffectiveness and how it determines the hedge ratio). The ineffective portion of designated hedges is recognised immediately in the Statement of Profit and Loss.

Hedges that meet the criteria for hedge accounting are accounted for as follows:

Fair Value Hedge

Changes in the fair value of the designated portion of derivatives that qualify as fair value hedges are recognised in the Statement of Profit and Loss immediately, together with any changes in the fair value of the hedged asset or liability that are attributable to the hedged risk. The change in the fair value of the designated portion of hedging instrument and the change in the hedged item attributable to hedged risk are recognised in the Statement of Profit and Loss in the line item relating to the hedged item. When the Group designates only the intrinsic value of the option as the hedging instrument, it accounts for the changes in the time value in OCI. This amount is removed from OCI and recognised in statement of profit and loss, either over the period of the hedge if the hedge is time related, or when the hedged transaction affects statement of profit and loss if the hedge is transaction related.

Cash Flow Hedge

The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges is recognised in other comprehensive income. The gain or loss relating to the ineffective portion is recognised immediately in Statement of Profit and Loss. Amounts previously recognised in other comprehensive income and accumulated in equity relating to effective portion as described above are reclassified to Statement of profit and loss in the periods when the hedged item affects Statement of profit and loss, in the same line as the recognised hedged item.

Hedge accounting is discontinued when the hedging instrument expires or is sold, terminated, or exercised, or when it no longer qualifies for hedge accounting. If the hedging instrument expires or is sold or terminated or exercised, the cumulative gain or loss on the hedging instrument recognised in cash flow hedging reserve till the period the hedge was effective remains in cash flow hedging reserve until the underlying transaction occurs. The cumulative gain or loss previously recognised in the cash flow hedging reserve is transferred to the Statement of Profit and Loss upon the occurrence of the underlying transaction. If the forecasted transaction is no longer expected to occur, then the amount accumulated in cash flow hedging reserve is reclassified in the Statement of Profit and Loss.

(m) 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.

(n) Classification of Unitholders' fund

Under the provisions of the SEBI 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'

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

FOR THE YEAR ENDED MARCH 31, 2022

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/lMDDF/127/2016 dated November 29, 2016) issued under the SEBI 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.

(o) 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 SEBI 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.

(p) 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.

(q) 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.

(r) 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 market 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.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

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(s) 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.

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.

(t) Business Combinations

Business combinations have been accounted for using the acquisition method under the provisions of Ind AS 103, Business Combinations. The purchase price in an acquisition is measured at the fair value of the assets transferred and liabilities incurred or assumed at the date of acquisition, which is the date on which control is transferred to the Group. The purchase price also includes the fair value of any contingent consideration. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair value on the date of acquisition. Contingent consideration is remeasured at fair value at each reporting date and changes in the fair value of the contingent consideration are recognized in the Consolidated Statement of Profit and Loss.

If the initial accounting for a business combination is incomplete by the end of the reporting period in which the combination occurs, the Group reports provisional amounts for the items for which the accounting is incomplete. Those provisional amounts are adjusted during the measurement period, or additional assets or liabilities are recognized, to reflect new information obtained about facts and circumstances that existed as of the acquisition date that, if known, would have affected the amounts recognized as of that date. The measurement period is the period from the date of acquisition to the date Group obtains complete information about facts and circumstances that existed as of the acquisition date. The measurement period is subject to a maximum of one year subsequent to the acquisition date. Contingent liabilities acquired in a business combination are initially measured at fair value at the date of acquisition. At the end of subsequent reporting periods, such contingent liabilities are measured at the higher of the amount that would be recognized in accordance with Ind AS 37, Provisions, Contingent Liabilities and Contingent Assets and the amount initially recognized.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

FOR THE YEAR ENDED MARCH 31, 2022

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 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) 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 previous 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 accounting for the Contract Modifications under Ind AS 115 during the previous 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.

(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.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

FOR THE YEAR ENDED MARCH 31, 2022

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 and 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) Business combination - Contingent consideration

Business combinations are accounted for using Ind AS 103, Business Combinations. Ind AS 103 requires the identifiable intangible assets and contingent consideration to be fair valued in order to ascertain the net fair value of identifiable assets, liabilities and contingent liabilities of the acquiree. Estimates are required to be made in determining the value of contingent consideration and intangible assets. These measurements are based on information available at the acquisition date and are based on expectations and assumptions that have been deemed reasonable by the Group.

New Standards issued but not effective:

New Standards and interpretations issued but not yet applicable: Amendments in the following existing accounting standards which are applicable to the Trust from April 01, 2022.

(i) Ind AS 101 – First time adoption of Ind AS

(ii) Ind AS 103 – Business Combination

(iii) Ind AS 109 – Financial Instrument

(iv) Ind AS 16 – Property, Plant and Equipment

(v) Ind AS 37 – Provisions, Contingent Liabilities and Contingent Assets

(vi) Ind AS 41 - Agriculture

Application of above standards are not expected to have any significant impact on the consolidated financial statements of the Trust.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

FOR THE YEAR ENDED MARCH 31, 2022

3. PROPERTY, PLANT AND EQUIPMENT, INTANGIBLE ASSETS, CAPITAL WORK IN PROGRESS AND INTANGIBLE ASSETS UNDER DEVELOPMENT

(₹ in Million)

Particulars	Freehold Land (refer note ii and 43)	Leasehold Improvements (refer note ii and iii)	Computers	Plant and Equipments (Refer note i)	Office Equipments	Furniture and Fixtures	Total
Gross carrying value as at April 1, 2020	**120**	**-**	**-**	**4,04,829**	**-**	**-**	**4,04,949**
Addition	-	-	6	12,376	-	-	12,382
Deletion	-	-	-	-	-	-	-
Gross carrying value as at March 31, 2021	**120**	**-**	**6**	**4,17,205**	**-**	**-**	**4,17,331**
Addition	-	19	29	37,311	0	6	37,365
Addition on account of Business Combination (refer note (iii) below)	-	-	16	1,964	4	44	2,028
Deletion	-	-	-	-	-	14	14
Gross carrying value as at March 31, 2022	**120**	**19**	**51**	**4,56,480**	**4**	**36**	**4,56,710**
Accumulated Depreciation as at April 1, 2020	**-**	**-**	**-**	**17,773**	**-**	**-**	**17,773**
Addition	-	-	1	19,538	-	-	19,539
Deletion	-	-	-	-	-	-	-
Accumulated Depreciation as at March 31, 2021	**-**	**-**	**1**	**37,311**	**-**	**-**	**37,312**
Addition	-	4	8	13,195	0	1	13,208
Addition on account of Business Combination (refer note (iii) below)	-	-	11	638	3	27	679
Deletion	-	-	-	-	-	10	10
Accumulated Depreciation as at March 31, 2022	**-**	**4**	**20**	**51,144**	**3**	**18**	**51,189**
Net carrying value as at March 31, 2021	**120**	**-**	**5**	**3,79,894**	**-**	**-**	**3,80,019**
Net carrying value as at March 31, 2022	**120**	**15**	**31**	**4,05,336**	**1**	**18**	**4,05,521**

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

FOR THE YEAR ENDED MARCH 31, 2022

(₹ in Million)

Particulars	As at March 31, 2022	As at March 31, 2021
Capital work in progress (refer below for ageing and note (iv))	519	18
Intangible assets under development (refer below for ageing and note (iv))	16	-

Ageing of Capital Work in Progress (CWIP):

(₹ in Million)

CWIP	As at March 31, 2022					As at March 31, 2021	
	Amount in CWIP for a period of:						
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total	Less than 1 year	Total
Projects in progress	508	4	1	6	519	18	18

Ageing of Intangible Assets under Development:

(₹ in Million)

Intangible Assets under Development	As at March 31, 2022		As at March 31, 2021	
	Amount for a period of:			
	Less than 1 year	Total	Less than 1 year	Total
Projects in progress	16	16	-	-

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

FOR THE YEAR ENDED MARCH 31, 2022

3. PROPERTY, PLANT AND EQUIPMENT, INTANGIBLE ASSETS, CAPITAL WORK IN PROGRESS AND INTANGIBLE ASSETS UNDER DEVELOPMENT

(₹ in Million)

Particulars	Right to Access For Customer	Software Licences	Goodwill on acquisition (refer note 35)	Intangible assets - Customer Contracts (refer note 35)	Total
Gross carrying value as at April 1, 2020	-	-	-	-	-
Addition	-	-	-	-	-
Deletion	-	-	-	-	-
Gross carrying value as at March 31, 2021	-	-	-	-	-
Addition	-	-	-	-	-
Addition on account of Business Combination (refer note (iii) below)	7	13	7,976	5,569	13,565
Deletion	-	-	-	-	-
Gross carrying value as at March 31, 2022	**7**	**13**	**7,976**	**5,569**	**13,565**
Accumulated amortisation as at April 1, 2020	**-**	**-**	**-**	**-**	**-**
Addition	-	-	-	-	-
Deletion	-	-	-	-	-
Accumulated Depreciation as at March 31, 2021	**-**	**-**	**-**	**-**	**-**
Addition	-	0	-	32	32
Addition on account of Business Combination (refer note (iii) below)	6	6	-	-	12
Deletion	-	-	-	-	-
Accumulated Depreciation as at March 31, 2022	**6**	**6**	**-**	**32**	**44**
Net carrying value as at March 31, 2021	**-**	**-**	**-**	**-**	**-**
Net carrying value as at March 31, 2022	**1**	**7**	**7,976**	**5,537**	**13,521**

Notes

(i) With effect from April 1, 2021, based on an internal assessment supported by a technical evaluation conducted by an independent external engineer, SDIPL has revised the estimated useful life of Plant and Equipments. The effect of the above change in the accounting estimate, has been provided prospectively as per Ind AS 8 on “Accounting policies, Changes in Accounting Estimates and Errors”. Consequently, depreciation for the year ended March 31, 2022 is lower ₹ 7,557 Million.

(ii) For properties mortgaged / hypothecated (Refer note 16).

(iii) Addition on account of Business Combination pertains to acquisition of Space Teleinfra Private Limited with effect from March 10, 2022. Refer note 35 for further details.

(iv) None of the ongoing projects cost has exceeded its original plan or is overdue as on the reporting date for both CWIP and Intangible assets under development.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

FOR THE YEAR ENDED MARCH 31, 2022

4. RIGHT OF USE (ROU) ASSETS AND LEASE LIABILITIES

4A Right of use assets (ROU)

Following are the changes in the carrying value of right of use assets for the year ended March 31, 2022:

(₹ in Million)

Particulars	Buildings	Land	Total
Balance as on April 1, 2020	-	207	207
Additions during the year	106	-	106
Depreciation	(10)	(11)	(21)
Balance as on March 31, 2021	**96**	**196**	**292**
Additions during the year	113	-	113
Addition on account of Business Combination (refer note 35)	805	-	805
Depreciation	(50)	(11)	(61)
Balance as on March 31, 2022	964	185	1,149

The aggregate depreciation expense on ROU assets is included under depreciation and amortization expense in the statement of Profit and Loss.

4B Lease Liabilities

The following is the break-up of current and non-current lease liabilities:

(₹ in Million)

Particulars	As at March 31, 2022	As at March 31, 2021
Current lease liabilities	329	18
Non-current lease liabilities	757	88
Total	**1,086**	**106**

The following is the movement in lease liabilities:

(₹ in Million)

Particulars	As at March 31, 2022	As at March 31, 2021
Balance as at the beginning of the year	106	-
Additions during the year	113	106
Additions during the year due to Business combination (refer note 35)	896	-
Finance cost accrued during the year	17	4
Payment of lease liabilities	(46)	(4)
Balance as at the end of the year	**1,086**	**106**

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

FOR THE YEAR ENDED MARCH 31, 2022

The table below provides details regarding the contractual maturities of lease liabilities as at the reporting date on an undiscounted basis:

(₹ in Million)

Particulars	As at March 31, 2022	As at March 31, 2021
Less than one year	351	26
One to five years	1,147	100
More than five years	102	-
Total	**1,600**	**126**

5. OTHER FINANCIAL ASSETS - NON CURRENT

(Unsecured and considered good)

(₹ in Million)

Particulars	As at March 31, 2022	As at March 31, 2021
Security deposits	5,810	4,538
Bank deposits with more than 12 months maturity	188	33
Total	**5,998**	**4,571**

5.1 Bank deposits with more than 12 months maturity of ₹ 185 million (previous year ₹ 33 million) have been pledged against bank guarantees issued to state governments and other regulatory authorities.

6. DEFERRED TAX

(₹ in Million)

Particulars	As at March 31, 2022	As at March 31, 2021
Deferred tax asset (refer note below)	46	-
Total	**46**	**-**

6.1 Income tax expense in the statement of profit and loss comprises:

(₹ in Million)

Particulars	March 31, 2022	March 31, 2021
Current tax:		
In respect of current year	15	-
Adjustments of tax relating to earlier years	-	-
	15	**-**
Deferred tax:		
Deferred tax in respect of current year	(7)	-
Adjustments of tax relating to earlier years	-	-
	(7)	**-**
Deferred tax related to items recognised in OCI :		
Net loss/(gain) on remeasurements of defined benefit plans	-	-
	-	**-**

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

FOR THE YEAR ENDED MARCH 31, 2022

6.2 Reconciliation of income tax expenses for the year to the accounting profit:

(₹ in Million)

Particulars	March 31, 2022	March 31, 2021
Profit / (Loss) before tax	5,477	(9,830)
Applicable tax rate	25.17%	25.17%
Computed tax expense / (income)	1,378	(2,474)
Tax effect of:		
Unused tax losses of subsidiary for which no deferred tax assets is recognised	1,370	(2,474)
Income tax expense recognised in the statement of profit and loss	**8**	**-**

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 SPVs 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.

6.3 Deferred tax liabilities in relation to:

(₹ in Million)

Particulars	March 31, 2022	March 31, 2021
Written down value of Property, Plant and Equipment	(28,622)	(19,505)
Intangible assets acquired in a Business Combination (refer note 35)	(1,402)	-
Right to Use Asset	(194)	-
Others	(26)	-
Deferred tax asset in relation to:		
Cash Flow hedges and Fair Value hedges	269	-
Lease Liabilities	223	-
Others	19	
Carried forward business losses and unabsorbed depreciation losses	46,873	29,488
Total	**17,140**	**9,983**

Deferred taxes are recognised to the extent that it is probable that taxable profits will be available against which the deductible temporary differences and the carry forward of unused losses can be utilized. Considering the accumulated tax losses carried forward, the deferred tax asset aggregating to ₹ 18,496 million (previous year ₹ 9,983 million) is not accounted for. However, the same will be reassessed at subsequent Balance Sheet date and will be recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

FOR THE YEAR ENDED MARCH 31, 2022

6.4 The movement in gross deferred tax assets and liabilities for the year:

(₹ in Million)

Deferred tax assets / (liabilities) in relation to	Opening Deferred Tax	Carrying value (on account of business combination)	Changes during the period through profit and loss	Carrying avalue as at 31 March 2022
Deferred tax assets:				
Property, plant and equipment and intangible assets	(19,505)	8	(9,125)	(28,622)
Others	-	2	(9)	(7)
Right to use assets	-	(197)	3	(194)
Lease Liabilities		226	(3)	223
Cash Flow hedges and Fair Value hedges	-	-	269	269
Carried forward business losses and unabsorbed depreciation losses	29,488	-	17,385	46,873
Less: Restricted to the extent of deferred tax liability	(9,983)	-	(8,513)	(18,496)
Total	**-**	**39**	**7**	**46**
Deferred tax assets:				
Intangible assets acquired in a Business Combination (refer note 35)	-	(1,402)	-	(1,402)
Total		**(1,402)**	**-**	**(1,402)**

6.5 The amount of unused tax losses for which no deferred tax is recognised:

Tax Loss carried Forward (₹ in Million)

Particulars	March 31, 2022	March 31, 2021
Depreciation Loss (carried forward indefinitely)	53,662	39,667

The amount of unused tax losses for which deferred tax is recognised:

Tax loss carried forward

(₹ in Million)

Particulars	March 31, 2022	March 31, 2021
Business loss (can be c/f till 2027-2028)	2,110	2,235
Business loss (can be c/f till 2028-2029)	3,482	3,820
Business loss (can be c/f till 2029-2030)	19,829	-
Depreciation loss (carried forward indefinitely)	1,07,159	71,444
	1,32,580	**77,499**
Deferred tax assets	**33,368**	**19,505**

7. OTHER NON-CURRENT ASSETS

(₹ in Million)

Particulars (Unsecured and considered good)	As at March 31, 2022	As at March 31, 2021
Capital advances	28	-
Advance income tax / TDS (refer note below)	344	253
Amount paid under protest - GST*	13,192	2,944
Prepaid expenses	46	39
Total	**13,610**	**3,236**

* On account of the ongoing disputes, the Group expects to recover these amounts over a period of more than 12 months.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

FOR THE YEAR ENDED MARCH 31, 2022

Note : Advance Income Tax:

(₹ in Million)

Particulars	As at March 31, 2022	As at March 31, 2021
Balance at the start of the year	253	701
Add: On acquisition of a subsidiary (refer note 35)	31	-
Current tax expense	(15)	-
Income tax Paid	27	-
Income tax refund	-	(668)
Tax Deducted at Source during the year	48	220
Balance at the end of the year	344	253

8. CURRENT INVESTMENTS

(₹ in Million)

Particulars	As at March 31, 2022	As at March 31, 2021
Investments measured at fair value through Statement of Profit and Loss		
Investment in mutual funds		
103,686.19 (March 31, 2021: Nil) units in SBI Overnight fund - Direct Plan - Growth	359	-
3,089,831.10 (March 31, 2021: Nil) units in Nippon India Overnight fund - Direct Growth Plan	353	-
313,609.32 (March 31, 2021: Nil) units in Axis Overnight fund - Direct Growth	352	-
1,933.61 (March 31, 2021: Nil) units in Aditya Birla Sun Life Overnight fund - Growth - Direct Plan	2	-
95,103.29 (March 31, 2021: Nil) units in HDFC Overnight fund - Direct Plan - Growth Option	300	-
Total	**1,366**	**-**
Aggregate amount of unquoted investments	**1,366**	**-**

9. TRADE RECEIVABLES

(₹ in Million)

Particulars (Unsecured)	As at March 31, 2022	As at March 31, 2021
Trade receivables - considered good	570	153
Trade receivables- credit impaired	10	-
	580	153
Less: Impairment allowance for trade receivables - credit impaired	(10)	-
Total	**570**	**153**

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)
FOR THE YEAR ENDED MARCH 31, 2022

Ageing of Trade Receivables :

Outstanding for following periods from due date of payment

(₹ in Million)

Particulars	As at March 31, 2022	As at March 31, 2021
Undisputed trade receivables considered good:		
- Not due	40	-
- Less than 6 months	368	-
- 6 months to 1 year	6	-
- 1 year to 2 years	3	-
- 2 - 3 years*	-	153
- More than 3 years*	153	-
	570	**153**
Undisputed trade receivables credit impaired		
- Not due	0	-
- Less than 6 months	3	-
- 6 months to 1 year	0	-
- More than 3 years	7	-
	10	**-**
Total	**580**	**153**

* These amounts are backed by a separate party through separate arrangement and hence have been considered good.

10. CASH AND CASH EQUIVALENTS

(₹ in Million)

Particulars	As at March 31, 2022	As at March 31, 2021
Balances with banks in current account	2,051	2,997
Fixed deposits with banks	4,129	7,050
Total	**6,180**	**10,047**

11. OTHER BANK BALANCES

(₹ in Million)

Particulars	As at March 31, 2022	As at March 31, 2021
Fixed deposits with banks	81	3
Total	**81**	**3**

Fixed deposits with bank of ₹ 65 million (previous year ₹ 3 million) have been pledged against bank guarantees issued to state governments and other regulatory authorities. Bank deposits of ₹ 16 million (Previous year ₹ Nil) have been pledged against bank guarantees issued to BSE Limited.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

FOR THE YEAR ENDED MARCH 31, 2022

12. OTHER FINANCIAL ASSETS - CURRENT

(₹ in Million)

Particulars (Unsecured and considered good)	**As at March 31, 2022**	**As at March 31, 2021**
Security deposits	42	-
Deposits with Bank having maturity for more than 12 months	54	
Interest accrued on bank deposits	7	
Unbilled revenue*	4,342	4,531
Other receivables	52	-
Total	**4,497**	**4,531**

* Balance as on March 31, 2021 includes contractually reimbursable / receivable amount

13. OTHER CURRENT ASSETS

(₹ in Million)

Particulars	**As at March 31, 2022**	**As at March 31, 2021**
Unsecured and considered good		
Balance with GST authorities	836	9,276
Prepaid expenses	822	655
Advance to vendors	1,896	1,658
Unsecured and credit Impaired:		
Balance with statutory/ government authorities	6	-
Less: Loss allowance	(6)	-
Total	**3,554**	**11,589**

14. UNIT CAPITAL

(₹ in Million)

Particulars	**As at March 31, 2022**	**As at March 31, 2021**
Issued, subscribed and fully paid up unit capital		
2,60,30,00,000 units (March 31, 2021: 2,52,15,00,000 units)	2,61,152	2,52,150
Total	**2,61,152**	**2,52,150**

Note: - Refer note 2 (B) (n)

14.1 Rights and Restrictions to Unitholders

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 SEBI 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.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

FOR THE YEAR ENDED MARCH 31, 2022

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

14.2 The details of unit holders holding more than 5% of unit capital:

Name of the Unitholders	Relationship	As at March 31, 2022		As at March 31, 2021	
		No of Unit held	Percentage	No of Unit held	Percentage
BIF IV Jarvis India Pte. Ltd.	Sponsor	2,28,96,00,000	87.96	2,26,41,00,000	89.79
Anahera Investment Pte. Ltd.	Unitholder	18,10,00,000	6.95	17,90,00,000	7.10

14.3 Reconciliation of the units outstanding at the end of reporting period:

Particulars	As at March 31, 2022		As at March 31, 2021	
	(No. of units)	Amount (Rs.)	(No. of units)	Amount (Rs.)
Units at the beginning of the year	2,52,15,00,000	2,52,15,00,00,000	-	-
Issued during the year (refer note below)	8,15,00,000	9,00,24,90,000	2,52,15,00,000	2,52,15,00,00,000
Units at the end of the year	2,60,30,00,000	2,61,15,24,90,000	2,52,15,00,000	2,52,15,00,00,000

(i) On August 31, 2020, the Trust issued 2,521,500,000 units at an Issue Price of ₹ 100 per unit to the subscribers. BIF IV Jarvis India Pte. Ltd. subscribed 89.79% of the units and is the immediate parent of the Trust.

(ii) Trust acquired 100% equity shares in of Space Teleinfra Private Limited ("STPL"). The acquisition was funded through issuance of 28,700,000 units of the Trust at an Issue Price of ₹ 110.46 per unit by way of rights issue and issuance of 52,800,000 units of the Trust at an Issue Price of ₹ 110.46 per unit on a preferential basis to the seller of STPL. Refer note 20.

14A Contribution

(₹ in Million)

Particulars	As at March 31, 2022	As at March 31, 2021
Opening balance	240	124
Changes in contribution during the year	-	116
Total	**240**	**240**

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

FOR THE YEAR ENDED MARCH 31, 2022

15. OTHER EQUITY

(₹ in Million)

Particulars	As at March 31, 2022	As at March 31, 2021
Reserves and Surplus		
Retained earnings		
At the beginning of the year	(51,462)	(10,902)
Profit / (loss) for the year	5,469	(5,681)
Return on capital #	(21,775)	(10,306)
Change in non controlling interest during the year	-	(14,415)
Unit Issuance Costs	(29)	-
Other adjustments (refer note (i), (ii) and (iii) below)	-	(10,158)
Balance at the end of the year (a)	**(67,797)**	**(51,462)**
#Return on capital distribution during the year as per NDCF duly approved by investment manager. Refer Note 42		
Other Comprehensive Income		
Cash Flow hedge reserve		
At the beginning of the year	-	-
Fair value loss arising on hedging instrument during the year	(205)	-
Less: Amounts reclassified to Statement of Profit and Loss	92	
Balance at end of the year (b)	**(113)**	**-**
Cost of hedging		
At the beginning of the year	-	-
Changes in the fair value during the year in relation to time value of hedging instruments	(976)	-
Less: Amounts reclassified to Statement of Profit and Loss	158	
Balance at end of the year (c)	**(818)**	**-**
Other items of other comprehensive income / (loss)		
Remeasurement of defined benefit plans		
At the beginning of the year	-	-
Changes during the year	(2)	-
Balance at end of the year (d)	**(2)**	**-**
Total (b+c+d)	**(933)**	**-**
TOTAL (a+b+c+d)	**(68,730)**	**(51,462)**

Notes:

(i) The Group had recorded Net current liability of ₹ 8,505 Million towards the working capital adjustment payable to Reliance Jio Infocom Limited ("RJIL") under Amended and Restated Master Service Agreement ("MSA") with a corresponding impact to 'other equity' as this relates to acquisition transaction referred in note 14.2. As at March 31, 2022, net current liability of ₹ 2,588 Million (As at March 31, 2021 - ₹ 4,681 Million) was payable to RJIL.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

FOR THE YEAR ENDED MARCH 31, 2022

(ii) On August 31, 2020, the Trust acquired balance 49% of the equity shares of SDIPL from Reliance Industries Limited ("RIL") by entering into a Shareholder and Option Agreement ("SHOA") (entered as part of the aforesaid acquisition by Trust). As per the SHOA , RIL shall be entitled (but not obligated) to require the Trust to sell to RIL (or RIL nominee, if applicable), the shares of SDIPL at lower of ₹ 2,150 million or fair market value of shares. This call option liability was recognised on the date of acquisition by Trust amounting to ₹ 2,020 million with a corresponding debit to Retained earnings.

(iii) These adjustments are in the nature of transaction with owners and will not impact distributions / dividends.

(iv) Debenture Redemption Reserve (DRR) is not required to be created due to absence of profits available for payment of dividend during the current year in SDIPL. SDIPL has accumulated losses as at March 31, 2022.

(v) The reconciliation of the number of 10% Cumulative Optionally Convertible Preference Shares is set out below:

(₹ in Million)

Particulars	As at March 31, 2022		As at March 31, 2021	
	No. of Shares	Amount	No.of Shares	Amount
Preference shares at the beginning of the year	-	-	5,00,00,000	500
Add: Issue of Shares	-	-	-	-
Less: Reclassification due to modification in terms (refer note below)	-	-	(5,00,00,000)	(500)
Preference shares at the end of the year	-	-	-	-

SDIPL had outstanding 50,000,000 Cumulative, Participating, Optionally Convertible Preference Shares of ₹ 10/- each aggregating to ₹ 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 Convertible Preference Shares of ₹ 10/- each were amended to Redeemable, Non-Participating, Non-Cumulative, Non-Convertible Preference Shares of ₹ 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 amounting to ₹ 137 Million as on March 31, 2022.

(vi) Nature and purpose of other reserves

a) Cash flow hedging reserve -

The cash flow hedging reserve is used to recognise the effective portion of gains or losses on derivatives that are designated and qualify as cash flow hedges. Amounts are subsequently either transferred to the initial cost of borrowings or reclassified to profit or loss, as appropriate.

b) Costs of hedging reserve -

The Group defers the changes in the forward element of forward contracts and the time value element of option contracts in the costs of hedging reserve. These deferred costs of hedging are included in the initial cost of the related borrowings when it is recognised or reclassified to profit or loss when the hedged item affects profit or loss, as appropriate.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

FOR THE YEAR ENDED MARCH 31, 2022

15A Non controlling interest

(₹ in Million)

Particulars	As at March 31, 2022	As at March 31, 2021
Balance as at beginning of the year	-	(9,212)
1,05,00,000 Equity shares of Re. 1 each fully paid up in in Summit Digitel Infrastructure Private Limited (formerly known as Reliance Jio Infratel Private Limited)	-	(1,054)
Loss for the year	-	(4,149)
Acquisition (refer note 14.3(i))	-	14,415
Balance at the end of the year	**-**	**-**

16. BORROWINGS

(₹ in Million)

Particulars		As at March 31, 2022	As at March 31, 2021
(I)	**Term Loans**		
(a)	**Secured:**		
	(i) From banks	90,680	62,115
	Less: Unamortised finance cost	(1,419)	(1,714)
		89,261	**60,401**
	(ii) From others	2,851	3,000
	Less: Unamortised finance cost	(59)	(36)
		2,792	**2,964**
(II)	**Redeemable Non Convertible Debentures (Secured)**	82,192	1,18,360
	Less: Unamortised finance cost	(53)	-
		82,139	**1,18,360**
(III)	**Senior Secured Notes (Secured)**	37,879	-
	Less: Unamortised finance cost	(752)	
		37,127	**-**
(IV)	**Liability component of compound financial instrument ((Refer note 15(v)))**		
	- Non-cumulative Redeemable Preference shares	137	126
	Total	**2,11,456**	**1,81,851**

Year ended March 31, 2022

(i) Secured Loans from Banks and Financial Institutions consist of:

1. ₹ 350 million of loan carrying interest rate of Marginal Cost of Funds based Lending Rate (MCLR) (currently 7.20%) repayable by October 2026 in 56 equal monthly instalments. This loan is secured by exclusive charge on present and future receivable, current assets and moveable fixed assets of subsidiary except assets financed by Reliance Jio Infocomm Limited for specific project of Delhi Metro Rail Corporation Limited.
2. ₹ 24,649 million of loan, carrying interest rate of 1Y MCLR + 70bps p.a. repayable till September 01, 2032 in 40 equal consecutive quarterly instalments starting from December 2022. In addition to the security disclosed in note (iv) below, secured by a first charge by way of hypothecation on the Designated Accounts of the Group 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.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

FOR THE YEAR ENDED MARCH 31, 2022

3. (a) ₹ 8,000 million of loan, carrying interest rate of 1Y MCLR + 45 bps p.a. repayable till September 1, 2032 in 40 equal consecutive quarterly instalments starting from December 2022.

   (b) ₹ 5,000 million of loan, carrying fixed interest rate of 6.30 % p.a. for three years from date of first disbursement or June 30, 2024. From July 1, 2024 interest rate will be 1Y MCLR + 45 bps p.a. repayable till September 1, 2032 in 40 equal consecutive quarterly instalments starting from December 2022.

   (c) ₹ 7,356 million of loan, carrying interest rate of 1Y MCLR + 10 bps p.a. repayable till September 01, 2032 in 40 equal consecutive quarterly instalments starting from December 2022.

   In addition to the security disclosed in note (iv) below, secured by way of hypothecation (to the extent it can be hypothecated) of all rights, titles, interests, benefits, claims and demands whatsoever of the Group under all the Major Contracts / licenses entered into (which do not require a no objection certificate /consent/ approval from Department of Telecommunications/ Telecom Regulatory Authority of India).

4. (a) ₹ 6,000 million of loan, carrying interest rate of 1Y MCLR + 65 bps p.a. repayable till September 1, 2032 in 40 equal consecutive quarterly instalments starting from December 2022.

   (b) ₹ 4,680 million of loan, carrying interest rate of 1Y MCLR + 0 bps p.a. repayable till September 1, 2032 in 40 equal consecutive quarterly instalments starting from December 2022.

   (c) ₹ 4,500 million of loan, carrying interest rate of 1Y MCLR + 20 bps p.a. repayable till September 1, 2032 in 40 equal consecutive quarterly instalments starting from December 2022.

5 (a) ₹ 12,000 million of loan, carrying interest rate of 1Y MCLR + 75 bps p.a. repayable till September 1, 2032 in 40 equal consecutive quarterly instalments starting from December 2022.

   (b) ₹ 10,000 million of loan, carrying interest rate of Repo rate (Quarterly reset) + 225 bps p.a. repayable till September 1, 2032 in 40 equal consecutive quarterly instalments starting from December 2022.

   (c) ₹ 7,000 million of loan, carrying fixed interest rate of 6.15% p.a. for next 3 years and floating interest rate of 1Y MCLR + 75 bps p.a. thereafter until maturity repayable till September 01, 2032. The loan is repayable in 40 equal consecutive quarterly instalments starting from December 2022.

6. ₹ 3,000 million of loan, carrying interest rate of 1Y BPLR - 195 bps p.a. repayable till September 1, 2032 in 39 equal consecutive quarterly instalments (covering 97% of loan) and last instalment for balance 3% of loan starting from December 2022.

   In addition to the security disclosed in note (iv) below, a first ranking charge by way of hypothecation on the designated bank account(s) of the Group for receipt of all payments under the Master Service Agreement including, without limitation, the Designated Accounts and all proceeds lying to the credit thereof from time to time; and a first ranking charge by way of hypothecation on the Permitted Investment.

7. ₹ 5,997 million of loan, carrying interest rate of 1Y MCLR + 35 bps p.a. repayable till September 1, 2032 in 39 equal consecutive quarterly instalments (covering 98% of loan) and last instalment for balance 2% of loan starting from December 2022.

(ii) Secured Redeemable Non-Convertible Debentures of SDIPL consist below:

1. 118,360 (SBI 1Y MCLR + 0.97% p.a.) Secured Redeemable Non-Convertible Debentures (Series PPD 5) ("NCDs") of face value of ₹ 1,000,000 each redeemable at par, on or before August 31, 2032. The NCDs are redeemable at par in 40 equal quarterly consecutive instalments of ₹ 2,959 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 2 years after the date of allotment but 6 months before expiry. The terms of the NCD also give an option to the Group for early redemption on maximum 20,000 NCDs at par and

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

FOR THE YEAR ENDED MARCH 31, 2022

before expiry of 6 months from date of allotment either in full or in part after the expiry of six months from the date of allotment.

During the year, 65,000 NCDs were redeemed by refinancing option from issuance of other NCDs and term loan drawdown. As at March 2022, 53,360 NCDs are outstanding.

In addition to the security disclosed in note (iv) below, Secured by first ranking charge pari-passu with all existing and future secured debt of the Group on all (a) Receivables and rights appurtenant thereto; (b) the designated accounts of the Group for receipt of all payments under the Master Services Agreement entered into with Reliance Jio Infocomm Limited by the Group and all proceeds lying to the credit thereof from time to time; over which the security interest is created under hypothecation in favour of / for the benefit of the Debenture Holder(s).

2. 6.59 % p.a., 15,000 secured, redeemable, listed and rated non-convertible debentures of a nominal value of ₹ 1,000,000 each redeemable at single instalment at par on June 16, 2026. However the Group has right to buyback all or part of the Debentures on any day before the final redemption date.

   In addition to the security disclosed in note (iv) below, Secured by way of first ranking pari-passu charge on receivables of the Group pursuant to the Master Services Agreement and all rights appurtenant thereto.

3. 7.40% p.a., 6,500 secured, redeemable, listed and rated non-convertible debentures of a nominal value of ₹ 1,000,000 each redeemable at single instalment at par on September 28, 2028. However the Group has right to buyback all or part of the Debentures on any day before the final redemption date.

   In addition to the security disclosed in note (iv) below, Secured by way of first ranking pari-passu charge on receivables of the Group pursuant to the Master Services Agreement and all rights appurtenant thereto.

4. 7.62% p.a., 10,000 secured, redeemable, listed and rated non-convertible debentures of a nominal value of ₹ 1,000,000 each redeemable at single instalment at par on November 22, 2030. However the Group has right to buyback all or part of the Debentures on any day before the final redemption date.

   In addition to the security disclosed in note (iv) below, Secured by way of first ranking pari-passu charge on receivables of the Group pursuant to the Master Services Agreement and all rights appurtenant thereto.

(iii) SDIPL has issued offshore USD 500 million Senior Secured Notes listed on Singapore stock exchange with amount of ₹ 37,110 million. The notes are repayable on August 12, 2031 in single instalment. At any time prior to August 12, 2030, SDIPL has the option to redeem up to 40% of the aggregate principal amount of the notes with proceeds from equity offerings at a redemption price of 102.875% of the principal amount of the notes, plus accrued and unpaid interest, if any, to the redemption date August 12, 2031. These notes carries interest rate of 2.875% p.a. payable every six months in August and February. The Principal and interest payments of the bond are fully hedged by purchasing option contracts and Coupon only Swaps.

In addition to the security disclosed in note (iv) below, the rights of the Group in the receivables are provided as collateral.

(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 of Group:

(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.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

FOR THE YEAR ENDED MARCH 31, 2022

Year ended March 31, 2021

(i) Secured Loans from Banks and Financial Institutions consist of:

1. ₹ 14,115 million of loan, carrying interest rate of 1Y MCLR + 70bps p.a. repayable till September 1, 2032 in 40 equal consecutive quarterly instalments starting from December 2022. In addition to the security disclosed in note (iii) below, secured by a first charge by way of hypothecation on the Designated Accounts of SDIPL 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. ₹ 6,000 million of loan, carrying interest rate of 1Y MCLR + 50bps p.a. repayable till September 01, 2032 in 40 equal consecutive quarterly instalments starting from December 2022.
3. ₹ 8,000 million of loan, carrying interest rate of 1Y MCLR + 45 bps p.a. repayable till September 01, 2032 in 40 equal consecutive quarterly instalments starting from December 2022.

   In addition to the security disclosed in note (iii) below, secured by way of hypothecation (to the extent it can be hypothecated) of all rights, titles, interests, benefits, claims and demands whatsoever of the SDIPL under all the Major Contracts / licenses entered into (which do not require a no objection certificate /consent/approval from Department of Telecommunications/ Telecom Regulatory Authority of India).
4. ₹ 3,000 million of loan, carrying interest rate of 1Y MCLR + 75 bps p.a. repayable till September 01, 2032 in 40 equal consecutive quarterly instalments starting from December 2022.
5. ₹ 6,000 million of loan, carrying interest rate of 1Y MCLR + 65 bps p.a. repayable till September 01, 2032 in 40 equal consecutive quarterly instalments starting from December 2022.
6. ₹ 12,000 million of loan, carrying interest rate of 1Y MCLR + 75 bps p.a. repayable till September 01, 2032 in 40 equal consecutive quarterly instalments starting from December 2022.
7. ₹ 7,000 million of loan, carrying fixed interest rate of 6.15% p.a. for next 3 years and floating interest rate of 1Y MCLR + 75 bps p.a. thereafter until maturity repayable till September 1, 2032. The loan is repayable in in 40 equal consecutive quarterly instalments starting from December 2022.
8. ₹ 3,000 million of loan, carrying interest rate of 1Y BPLR - 195 bps p.a. repayable till September 1, 2032 in 40 consecutive quarterly instalments starting from December 2022.

   In addition to the security disclosed in note (iii) below, a first ranking charge by way of hypothecation on the designated bank account(s) of the SDIPL for receipt of all payments under the Master Service Agreement including, without limitation, the Designated Accounts and all proceeds lying to the credit thereof from time to time; and a first ranking charge by way of hypothecation on the Permitted Investment.
9. ₹ 6,000 million of loan, carrying interest rate of 1Y MCLR + 35 bps p.a. repayable till September 1, 2032 in 40 equal consecutive quarterly instalments starting from December 2022.

(ii) Secured Redeemable Non-Convertible Debentures consist of:

118,360 (SBI 1Y MCLR + 0.97% p.a.) Secured redeemable Non-Convertible Debentures (NCD – Series PPD 5) of face value of ₹ 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 ₹ 2,959 million.

With respect to the Listed Non-Convertible Debentures, 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 2 years after the date of allotment but 6 months before expiry. The terms of the NCD also give an option to SDIPL for early redemption on maximum 20,000 NCDs at par and before expiry of 6 months from date of allotment either in full or in part after the expiry of six months from the date of allotment.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

FOR THE YEAR ENDED MARCH 31, 2022

The proceeds raised from the said issue have been 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 ₹ 1,000,000 each aggregating to ₹ 118,360 million issued on August 31, 2020. This redemption was completed on March 15, 2021.

(iii) 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.)

17. PROVISIONS

(₹ in Million)

Particulars	As at March 31, 2022		As at March 31, 2021	
	Non-Current	Current	Non-Current	Current
Provisions for gratuity and leave encashment (refer note 32)	31	1	1	4
Asset retirement obligation (refer note 31)	13,236	-	11,234	-
Outage penalty provision	-	0	-	-
Site dismantle provision	-	4	-	-
Total	**13,267**	**5**	**11,235**	**4**

18. SHORT - TERM BORROWINGS

(₹ in Million)

Particulars	As at March 31, 2022	As at March 31, 2021
Current maturities of long term debt (secured) (refer note 16)	7,388	-
Total	**7,388**	**-**

19. TRADE PAYABLES

(₹ in Million)

Particulars	As at March 31, 2022	As at March 31, 2021
Total outstanding dues of micro enterprises and small enterprises (MSME) (refer note 30)	6	0
Total outstanding dues of creditors other than micro enterprises and small enterprises	3,164	1,958
Total	**3,170**	**1,958**

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

FOR THE YEAR ENDED MARCH 31, 2022

Ageing of undisputed Trade Payables:

As at March 31, 2022 (₹ in Million)

Particulars	Outstanding from the date of transaction					Total
	Not Due	Less than 1 year	1 -2 years	2 - 3 years	More than 3 years	
(i) MSME	-	6	-	-	-	6
(ii) Others	1,853	1,050	148	113	-	3,164
Total	**1,853**	**1,056**	**148**	**113**	**-**	**3,170**

As at March 31, 2021 (₹ in Million)

Particulars	Outstanding from the date of transaction					Total
	Not Due	Less than 1 year	1 -2 years	2 - 3 years	More than 3 years	
(i) MSME	-	0	-	-	-	0
(ii) Others	720	1,060	178	0	-	1,958
Total	**720**	**1,060**	**178**	**0**	**-**	**1,958**

20. OTHER FINANCIAL LIABILITIES

(₹ in Million)

Particulars	As at March 31, 2022		As at March 31, 2021	
	Non-Current	Current	Non-Current	Current
Derivatives - Call options	463	475	-	-
Call option written for shares of SDIPL (refer note 36)	2,559	-	2,215	-
Derivatives - Coupon only swaps	-	129	-	-
Interest accrued but not due	-	1,398	-	534
Security deposit	11,496	41	-	10,173
Capital creditors	-	469	-	-
Payable on acquisition of STPL (refer note 35 and note below)	221	3,610	-	-
Others	-	-	-	506
Total	**14,739**	**6,122**	**2,215**	**11,213**

Note:

On March 10, 2022, Trust acquired 100% equity shares of Space Teleinfra Private Limited ("STPL"), a Company engaged in business of building, maintaining, leasing, renting and otherwise dealing in infrastructure for telecom sector for total purchase price of ₹ 12,829 million. The Trust entered into a Share Purchase Agreement ("SPA") providing the Trust the right to direct the relevant activities of the STPL, thereby providing the Trust with control. Accordingly, effective March 10, 2022, STPL became a Special Purpose Vehicle (SPV) and a Subsidiary of the Trust.

Total purchase price includes upfront consideration paid in cash ₹ 3,166 million, 52,800,000 units of the Trust aggregating ₹ 5,832 million issued on a preferential basis to the sellers of STPL, deferred working capital refunds ₹ 221 million and a contingent consideration linked to achievement of revenues for eligible contracts as specified in the SPA. The range of contingent consideration payable is between ₹ Nil and ₹ 5,000 million. The fair value of the contingent consideration is

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

FOR THE YEAR ENDED MARCH 31, 2022

estimated based on the method to acquire Optionally Convertible Redeemable Preference Shares ("OCRPS") of STPL held by sellers of STPL, prescribed in the SPA. The estimated fair value of the contingent consideration, as at March 31, 2022, is ₹ 3,610 million, which can be paid either in cash or through a combination of cash and units of the Trust.

21. OTHER LIABILITIES

(₹ in Million)

Particulars	As at March 31, 2022		As at March 31, 2021	
	Non-Current	Current	Non-Current	Current
Other liabilities (refer note 15 (i))	-	2,588	-	4,681
Statutory liabilities	-	1,827	-	268
Deferred Income (security deposits)	75	29	-	-
Advance from customer	540	272	-	-
Total	**615**	**4,716**	**-**	**4,949**

22. REVENUE FROM OPERATIONS

(₹ in Million)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Sale of services (refer note 40)	97,861	82,442
Total	**97,861**	**82,442**

23. OTHER INCOME

(₹ in Million)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Interest income on fixed deposits	264	64
Interest income on income tax refund	-	40
Interest Income on security deposits	3	-
Gain on sale of investments	16	49
Net gains from Investments at FVTPL	1	-
Gain due to rent concession	8	-
Others	39	-
Total	**331**	**153**

24. NETWORK OPERATING EXPENSES

(₹ in Million)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Power and fuel	39,388	33,108
Rent	14,830	13,241
Repairs and maintenance	6,517	5,011
Other network related expense	7	-
Total	**60,742**	**51,360**

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

FOR THE YEAR ENDED MARCH 31, 2022

25. EMPLOYEE BENEFITS EXPENSE

(₹ in Million)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Salaries and wages	585	158
Contribution to provident fund and other funds (refer note 32)	19	4
Staff welfare expenses	14	1
Gratuity (refer note 32)	13	1
Total	**631**	**164**

26. FINANCE COSTS

(₹ in Million)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Interest on:		
Borrowings	14,501	20,013
Lease	17	4
Exchange loss (attributable to finance cost)	769	409
Other borrowing cost	830	346
Interest on OCRPS	0	-
Total	**16,117**	**20,772**

27. DEPRECIATION AND AMORTISATION EXPENSE

(₹ in Million)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Depreciation on property, plant and equipment	13,208	19,539
Depreciation on right to use assets	61	21
Amortisation of intangibles assets	32	-
Total	**13,301**	**19,560**

28. OTHER EXPENSES

(₹ in Million)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Rates and taxes	9	18
Travelling expenses	16	3
Fair value of call option	344	195
Balances written off	1,089	-
Miscellaneous expenses	107	119
Total	**1,565**	**335**

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

FOR THE YEAR ENDED MARCH 31, 2022

29. EARNING PER UNIT (EPU):

(₹ in Million)

	Particulars	Year ended March 31, 2022	Year ended March 31, 2021
i)	Net profit / (loss) after Tax as per Statement of Profit and Loss attributable to Unitholders (₹ in Million)	5,469	(9,830)
ii)	Units outstanding (nos.)	2,60,30,00,000	2,52,15,00,000
iii)	Weighted average number of units used as denominator for calculating EPS	2,52,72,52,055	1,47,14,50,685
iv)	**Earnings per unit**		
	- For Basic (₹)	2.16	(6.68)
	- For Diluted (₹)	2.16	(6.68)

30. DUES TO MICRO, SMALL AND MEDIUM ENTERPRISES AS DEFINED UNDER THE MSMED ACT, 2006:

Below is the Group outstanding dues to the micro, small and 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.

(₹ in Million)

	Particulars	Year ended March 31, 2022	Year ended March 31, 2021
a	Principal amount due to micro and small enterprises	6	-
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.	-	-

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

FOR THE YEAR ENDED MARCH 31, 2022

31. 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.

(₹ in Million)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
At beginning of the year	11,234	10,854
Provided during the year	2,002	380
At end of the year	**13,236**	**11,234**

32 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:

(₹ in Million)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Employer's contribution to Provident Fund	19	4

Defined benefit plan:- The plan is unfunded hence there are no planned assets.

I) Reconciliation of opening and closing balances of defined benefit obligation (₹ in Million)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Defined benefit obligation at beginning of the year	1	-
Current service cost	13	1
Interest cost	0	-
Actuarial (gain) / loss	2	-
Defined benefit obligation at year end	**16**	**1**

II) Reconciliation of fair value of assets and obligations (₹ in Million)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Fair value of plan assets	-	-
Present value of obligation	16	1
Amount recognised in Balance Sheet	**16**	**1**

III) Expenses recognised during the year: (₹ in Million)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Current service cost	13	1
Interest cost	0	-
Actuarial (gain) / loss	-	-
Net cost	**13**	**1**

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FOR THE YEAR ENDED MARCH 31, 2022

IV) The actuarial liability for compensated absences as at March 31, 2022 is ₹ 16 million (March 31, 2021: ₹ 4 million).

V) Actuarial assumptions:

Particulars	**As at March 31, 2022**	**As at March 31, 2021**
Mortality table	IALM (2012-14) Ultimate	IALM (2012-14) Ultimate
Withdrawal rate	2% to 10%	10%
Retirement age (years)	62 and 65	65
Discount rate (per annum)	6.95% to 7.18%	6.41%
Rate of escalation in salary (per annum)	5% to 8%	8.00%

VI) Maturity profile

(₹ in Million)

Particulars	**As at March 31, 2022**	**As at March 31, 2021**
Average expected future working life (years)	8.77	8.73
Expected future cashflows		
Year 1	0.12	0.01
Year 2	0.12	0.01
Year 3	0.89	0.01
Year 4	1.13	0.01
Year 5	0.99	0.43
Year 6 to year 10	4.31	0.52
Above 10 years	12.89	0.56

VII) Sensitivity analysis

(₹ in Million)

Particulars	**As at March 31, 2022**	**As at March 31, 2021**
Discount rate		
a. Discount rate - 100 basis points	8	1
a. Discount rate - 100 basis points impact (%)	18.62%	9.78%
b. Discount rate + 100 basis points	7	1
b. Discount rate + 100 basis points impact (%)	(1.35%)	(8.59%)
Salary increase rate		
a. rate - 100 basis points	7	1
a. rate - 100 basis points impact (%)	(1.47%)	(8.54%)
b. rate + 100 basis points	9	1
b. rate + 100 basis points impact (%)	19.18%	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 THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

FOR THE YEAR ENDED MARCH 31, 2022

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 and 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.
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.
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.

33. RELATED PARTY DISCLOSURES :

As per the SEBI InvIT regulations and as per Ind AS 24, the disclosures of transactions with the related parties are 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	**Relationship**
Entity which exercises control on the Group	
Brookfield Asset Management (w.e.f. August 31, 2020)	Ultimate Parent
BIF IV India Holdings Pte. Ltd (w.e.f. August 31, 2020)	Intermediate Parent
BIF IV Jarvis India Pte Ltd., Singapore (w.e.f. August 31, 2020)	Immediate Parent
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 Bangalore Private Limited	
Schloss Chanakya Private Limited	

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

A Parties to Data Infrastructure Trust

BIF IV Jarvis India Pte Ltd., Singapore (w.e.f. August 31, 2020)	Immediate Parent / 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 October 12, 2020)	Erstwhile Investment Manager
Jio Infrastructure Management Services Limited	Project Manager (SDPL)
Jarvis Data-Infra Project Manager Private Limited (w.e.f. March 10, 2022)	Project Manager (STPL)
Reliance Industrial Investments and Holdings Limited	Co-Sponsor
Reliance Industries Limited	Promotor of Co-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 (upto June 9, 2021)

Liew Yee Foong

Taswinder Kaur Gill (upto September 13, 2021)

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

FOR THE YEAR ENDED MARCH 31, 2022

Ho Yeh Hwa
Walter Zhang Shen (upto July 1, 2021)
Velden Neo Jun Xiong (w.e.f. August 13, 2021)
Tang Qichen (w.e.f. September 15, 2021)

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 (upto June 30, 2021)
Darshan Vora (appointed w.e.f. July 1, 2021 and resigned w.e.f. September 30, 2021)
Pooja Aggarwal (appointed w.e.f. September 30, 2021 and resigned w.e.f. April 6, 2022)

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. May 1, 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 Jarvis Data-Infra Project Manager Private Limited

Darshan Bhupendra Vora
Gaurav Manoj Chowdhary

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

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

FOR THE YEAR ENDED MARCH 31, 2022

IV Transactions during the year with related parties

(₹ in Million)

Sr No.	Particulars	Relationship	Year ended March 31, 2022	Year ended March 31, 2021
1	**Trustee Fee**			
	Axis Trustee Services Limited	Trustee	2	2
2	**Investment Management Fees**			
	Brookfield India Infrastructure Manager Private Limited	Investment Manager	28	13
	Infinite India Investment Management Limited	Erstwhile Investment Manager	-	13
3	**Reimbursement of Expenses**			
	Brookfield India Infrastructure Manager Private Limited	Investment Manager	7	4
	Infinite India Investment Management Limited	Erstwhile Investment Manager	-	5
4	**Acquisition of shares of Summit Digitel Infrastructure Private Limited**			
	Reliance Industries Limited	Promotor of Co-Sponsor	-	1,054
5	**Project Manager Fees**			
	Jio Infrastructure Management Services Limited	Project Manager (SDIPL)	24	24
	Jarvis Data-Infra Project Manager Private Limited	Project Manager (STPL)	0	-
6	**Issue of units capital to Sponsor**			
	BIF IV Jarvis India Pte Ltd.	Co-Sponsor	2,817	2,26,410
7	**Distribution to Unitholders**			
	BIF IV Jarvis India Pte Ltd.	Co-Sponsor	19,523	9,254
8	**Contribution to Corpus**			
	Reliance Industrial Investments and Holdings Limited	Co-Sponsor	-	116
9	**Deposit paid**			
	Equinox Business Parks Private Limited	Members of same group	-	14
10	**Shareholder Option Agreement**	Refer Note 36 B	-	2,020
11	**Working Capital adjustment**	Refer Note 15(i)	-	8,505
12	**Reliance Industries Ltd**	Promotor of Co-Sponsor		
	Loans Repaid		-	5,050
	Interest on Non-Convertible Debenture		6,601	5,229
	Interest on Inter-corporate Deposits		-	195
	Other Borrowing Cost		-	91
	Repayment of Non-Convertible Debentures		65,000	1,18,360
	Issuance of Non-Convertible Debentures		-	1,18,360
	Trade Payables -Commission on Corporate Guarantee		-	58

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

FOR THE YEAR ENDED MARCH 31, 2022

Sr No.	Particulars	Relationship	Year ended March 31, 2022	Year ended March 31, 2021
13	**Expenses Incurred**	Members of same group		
	Equinox Business Parks Private Limited		30	5
	Vrihis Properties Private Limited (Brookfield Real Estate)		8	12
	Schloss Bangalore Private Limited		0	-
	Schloss Udaipur Private Limited		1	1
	Schloss Chennai Private Limited		1	2
	Schloss Chanakya Private Limited		1	1

(iii) Balance as at end of year:

(₹ in Million)

Sr No.	Particulars	Relationship	As at March 31, 2022	As at March 31, 2021
1	**Units Capital of Data Infrastructure Trust (formerly known as Tower Infrastructure Trust)**			
	BIF IV Jarvis India Pte Ltd.	Co-Sponsor	2,29,227	2,26,410
2	**Contribution to Corpus**			
	Reliance Industrial Investments and Holdings Limited	Co-Sponsor	-	240
3	**Other Payables**			
	Brookfield India Infrastructure Manager Private Limited (formerly known as WIP (India) Private Limited)	Investment Manager	3	3
4	**Deposit Receivable**			
	Equinox Business Parks Private Limited	Members of same group	14	14
	RMZ Infotech Private Limited	Members of same group	0	-
	Schloss Chennai Private Limited	Members of same group	0	-
5	**Advance Paid**			
	Jarvis Data-Infra Project Manager Private Limited	Project Manager (STPL)	0	-
6	**Payable**			
	Vrihis Properties Private Limited (Brookfield Real Estate)	Members of same group	(0)	0
	Equinox Business Parks Private Limited	Members of same group	(0)	-
	Schloss Chennai Private Limited	Members of same group	0	0
	Schloss Bangalore Private Limited	Members of same group	(0)	-
	Schloss Chanakya Private Limited	Members of same group	(0)	0
7	**Reliance Industries Ltd**	"Promotor of Co-Sponsor"		
	0% Non- Convertible Preference Shares		137	126
	Borrowing - Non-convertible Debentures		53,360	1,18,360

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

FOR THE YEAR ENDED MARCH 31, 2022

34. CONTINGENT LIABILITIES AND COMMITMENTS:

(i) Contingent liabilities:

a) 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.

b) Refer note 35 for contingent consideration in relation to acquisition of STPL.

c) Further, bank guarantee given by bank on behalf of the Trust to BSE Limited for ₹ 16 million. (March 31, 2021: NIL).

(ii) Commitments

(₹ in Million)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Estimated amount of contracts remaining to be executed on Capital account not provided for	42,326	74,809
Other Commitments related to bank guarantee	207	-
Disputed liability in respect of Goods and Service tax	1	-

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 by service provider.

35. BUSINESS COMBINATION

(a) Summary of acquisition -

On March 10, 2022, Trust acquired 100% equity shares of Space Teleinfra Private Limited ("STPL"), a Company engaged in business of building, maintaining, leasing, renting and otherwise dealing in infrastructure for telecom sector for total purchase price of ₹ 12,829 million. The Trust entered into a Share Purchase Agreement ("SPA") providing the Trust the right to direct the relevant activities of the STPL, thereby providing the Trust with control. Accordingly, effective March 10, 2022, STPL became a Special Purpose Vehicle (SPV) and a Subsidiary of the Trust.

Total purchase price includes upfront consideration paid in cash ₹ 3,166 million, 52,800,000 units of the Trust aggregating ₹ 5,832 million issued on a preferential basis to the sellers of STPL, deferred working capital refunds ₹ 221 million and a contingent consideration linked to achievement of revenues for eligible contracts as specified in the SPA. The range of contingent consideration payable is between ₹ Nil and ₹ 5,000 million. The fair value of the contingent consideration is estimated based on the method to acquire Optionally Convertible Redeemable Preference Shares ("OCRPS") of STPL held by sellers of STPL, prescribed in the SPA. The estimated fair value of the contingent consideration, as at March 31, 2022, is ₹ 3,610 million, which can be paid either in cash or through a combination of cash and units of the Trust.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

FOR THE YEAR ENDED MARCH 31, 2022

The assets and liabilities acquired as a result of the acquisition are as follows:

Particulars	(₹ in Million)
Assets:	
(a) Property, plant and equipment (net of accumulated depreciation)	1,349
(b) Capital work-in-progress	348
(c) Right to use assets	805
(d) Intangible assets	5,577
(e) Deferred tax asset (net)	38
(f) Trade receivables	260
(g) Cash and cash equivalents	1
(h) Other assets	954
Total Assets (i)	**9,332**
Liabilities:	
(a) Borrowings	442
(b) Lease liabilities	896
(c) Trade payables	165
(d) Provisions	37
(e) Other liabilities	1,537
(f) Deferred tax liability	1,402
Total Liabilities (ii)	**4,479**
Net identifiable assets acquired ((i) - (ii))	**4,853**

Above table presents provisional purchase price allocation. The fair values of all acquired assets and liabilities have been determined on a provisional basis given the proximity of the acquisition to the reporting date, pending finalization of the determination of the fair values of the acquired assets and liabilities. Group is in the process of obtaining additional information in order to assess the fair value of property, plant and equipment, intangible assets and liabilities as at the date of acquisition.

Calculation of goodwill:	
Total Consideration	12,829
Less: Net identifiable assets acquired (as per above)	4,853
Total Goodwill	**7,976**

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

FOR THE YEAR ENDED MARCH 31, 2022

36. FINANCIAL INSTRUMENTS:

A 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) The primary objective of the Group's capital management is to ensure that it maintains a strong credit rating and healthy capital ratios in order to support its business and maximise unitholder value.

c) Manage financial market risks arising from foreign exchange and interest rates, and minimise the impact of market volatility on earnings.

Net Gearing Ratio

The net gearing ratio at the end of the year was as follows:

(₹ in Million)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Debt (refer note (i))	2,18,844	1,81,851
Cash and cash equivalents (refer note 10)	(6,180)	(10,047)
Net debt (A)	2,12,664	1,71,804
Total equity (B)	1,92,662	2,00,928
Net gearing ratio (A/B)*	**110%**	**86%**

Note:

(i) Debt is defined as long - term and short - term borrowings as described in note 16 and 18.

B. Categories of financial instruments and fair value measurement hierarchy:

The financial instruments are categorized into two 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;

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

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

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.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

FOR THE YEAR ENDED MARCH 31, 2022

(₹ in Million)

Particulars	As at March 31, 2022				As at March 31, 2021			
	Carrying amount	Fair value hierarchy Level of input used in			Carrying amount	Fair value hierarchy Level of input used in		
		Level 1	Level 2	Level 3		Level 1	Level 2	Level 3
Financial Assets:								
At Amortised Cost:								
Trade receivables	570	-	-	-	153	-	-	-
Cash and cash equivalents	6,180	-	-	-	10,047	-	-	-
Other bank balances	81	-	-	-	3	-	-	-
Other financial assets	10,495	-	-	-	9,102	-	-	-
At Fair Value through profit and loss (FVTPL):								
Investments	1,366	1,366	-	-	-	-	-	-
Financial Liabilities								
At Fair Value through profit and loss (FVTPL):								
Derivative instruments - Call options	938	-	938	-	-	-	-	-
Derivative instruments - Coupon only Swaps	129	-	129	-	-	-	-	-
Call Option written on	2,559	-	-	2,559	2,215	-	-	2,215
Contingent consideration	3,610	-	-	3,610	-	-	-	-
At Amortised Cost								
Borrowings	2,18,844	-	-	-	1,81,851	-	-	-
Trade payables	3,169	-	-	-	1,958	-	-	-
Lease liabilities	1,086	-	-	-	106	-	-	-
Other financial liabilities (excluding derivative instruments)	13,625	-	-	-	11,213	-	-	-

The following table presents the changes in level 3 items: **(₹ in Million)**

Particulars	**Contingent consideration**	**Call option written**
Balance at the beginning of the year i.e. April 1, 2020		-
Additions	-	2,020
Fair value changes recognised in Statement of Profit and Loss	-	195
Balance at the end of the year i.e. March 31, 2021	**-**	**2,215**
Balance at the beginning of the year i.e. April 1, 2021	-	2,215
Addition on account of Business Combination (refer note 35)	3,610	-
Fair value changes recognised in Statement of Profit and Loss	-	344
Balance at the end of the year i.e. March 31, 2022	**3,610**	**2,559**

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

FOR THE YEAR ENDED MARCH 31, 2022

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 Net Asset Value.

b) The fair value of Interest rate swaps and option contracts is determined using most frequently applied valuation techniques using present value calculations. The models incorporate various inputs including the credit quality of counterparties, foreign exchange spot and future rates and interest rate curves of the underlying as at the balance sheet date.

c) The fair value of call option written to sell the shares of subsidiary is measured using Black Scholes Model. 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 ₹ 2,150 million, as increased for the interim period between August 31, 2020 and March 31, 2022 by the Cost of Equity as this would be expected return on the investment for the acquirer.

(ii) Exercise Price: ₹ 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 - 7.2% and cost of equity - 15.3%.

(v) The fair value on the date of acquisition of ₹ 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."

C. 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 US$ on financial instruments at the end of the reporting period.

(₹ in Million)

Particulars	Foreign Currency Exposure	
	As at March 31, 2022	As at March 31, 2021
US$		
Other current assets	21	-
Trade payable	95	-
Other Financial Liabilities - Derivatives - Call Options	938	-
Other Financial Liabilities - Derivatives - Coupon only swaps	129	-
Borrowings - Senior Secured Notes	37,879	-
Net Exposure	**39,020**	**-**

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

FOR THE YEAR ENDED MARCH 31, 2022

(₹ in Million)

Particulars	Foreign Currency Sensitivity	
	As at March 31, 2022	As at March 31, 2021
1% Depreciation in INR	**(390)**	**-**
Impact on Other Comprehensive Income	(11)	-
Impact on Profit and Loss	(380)	-
1% Appreciation in INR	**390**	**-**
Impact on Other Comprehensive Income	11	-
Impact on Profit and Loss	380	-

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 reporting period are as follows:

(₹ in Million)

Particulars	Interest Rate Exposure	
	March 31, 2022	March 31, 2021
Borrowings		
Non-Current - Floating (Includes Current Maturities)*	1,50,234	1,81,725
Total	**1,50,234**	**1,81,725**

*Includes ₹ 1,638 million (March 31 2021: 1,750 Million) as prepaid finance charges and ₹ 12,000 Million (March 31, 2021 ₹ 7,000 Million) pertaining to term loan with a fixed interest rate for initial 3 years.

Note: The above table excludes net borrowings of ₹ 68,610 million (previous year - ₹ 126 million) having fixed rate of interest as the Group is not exposed to any interest rate risk on such borrowings

Fair value sensitivity analysis for fixed-rate borrowings:

The Group does not account for any fixed-rate borrowings at fair value through profit or loss. Therefore, a change in interest rates at the reporting date would not affect profit or loss.

The following table details the Group's sensitivity analysis to 1% (floating rate borrowings) change in Interest rate. 1% represents management's assessment of a reasonably possible change in foreign exchange rate.

(₹ in Million)

Particulars	Interest Rate Sensitivity as at			
	March 31, 2022		March 31 2021	
	Up Move	Down Move	Up Move	Down Move
Total Impact	(1,502)	1,502	(1,817)	1,817
Impact on Other Comprehensive Income	-	-	-	-
Impact on Profit and Loss	(1,502)	1,502	(1,817)	1,817

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.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

FOR THE YEAR ENDED MARCH 31, 2022

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 by continuously monitoring the credit worthiness of customers.

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). Movement of ECL as at year end is as follows:

(₹ in Million)

Particulars	March 31, 2022	March 31, 2021
Opening balance	-	-
Add - Transfer in due to Business Combination	9	-
Add / (Less): Movement in expected credit loss during the year	1	-
Closing balance	**10**	**-**

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.

Maturity Profile as at March 31, 2022 (₹ in Million)

Particulars	0-1 Years	1-3 Years	3-5 Years	Above 5 years	Total
Trade payable (Refer Note 19)	3,170	-	-	-	3,170
Creditors for capital expenditure	469	-	-	-	469
Lease liabilities	351	839	308	102	1,600
Other non current financial liabilities	-	133	91	14,516	14,740
Other current financial liabilities	6,122	-	-	-	6,122
Borrowings* (Refer Note 16 and 18)	7,388	27,614	54,633	1,29,209	2,18,844
Total	**17,500**	**28,586**	**55,032**	**1,43,827**	**2,44,945**

*Includes ₹ 2,543 million as prepaid finance charges.

Maturity Profile as at March 31, 2021 (₹ in Million)

Particulars	0-1 Years	1-3 Years	3-5 Years	Above 5 years	Total
Trade payable (Refer Note 19)	1,958	-	-	-	1,958
Other non current financial liabilities	-	-	-	2,215	2,215
Other current financial liabilities	11,213	-	-	-	11,213
Borrowings* (Refer Note 16 and 18)	-	27,025	36,325	1,18,501	1,81,851
Total	**13,171**	**27,025**	**36,325**	**1,20,716**	**1,97,237**

*Includes ₹ 1,750 million as Prepaid Finance Charges.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

FOR THE YEAR ENDED MARCH 31, 2022

37. A) DISCLOSURE OF EFFECTS OF HEDGE ACCOUNTING ON FINANCIAL POSITION -

The impact of the hedging instruments on the financial position as on March 31, 2022 is as follows:

(There were no Derivative instruments for the year ended March 31, 2021)

Type of hedge and risks	Nominal value- Assets / (Liabilities) ₹ in Million	Carrying amount of hedging instrument - Assets / (Liabilities) ₹in Million	Maturity date	Hedge ratio	Weighted average strike rate for outstanding hedging instruments	Change in the fair value of hedging instrument used to determine hedge ineffectiveness	Line item in the balance sheet that includes the hedging instrument
Cash flow hedge:							
(i) Foreign currency options (excluding premium payable)	5,333	182	08-Aug-31	1:1	USD 1 : INR 111	-	Other financial liabilities
(ii) Coupon only swaps	(4,655)	(129)	12-Aug-26	1:1	USD 1 : INR 85	129	Other financial liabilities
Fair value hedge:							
(i) Foreign currency options (excluding premium payable)	37,101	1,657	08-Aug-31	1:1	USD 1 : INR 125	-	Other financial liabilities

The impact of hedged items on the financial position as on 31 March 2022 is as follows:

(₹ in Million)

Type of hedge and risks	Carrying amount of hedged item		Cash flow hedge reserve	Cost of hedging reserve	Change in the value of hedged item used to determine hedge ineffectiveness	Line item in the balance sheet that includes the hedged item
	Assets	Liabilities				
Cash flow hedge:						
(i) Foreign currency options	NA	NA	-	142	-	
(ii) Coupon only swaps	NA	NA	113	-	127	
Fair value hedge:						
(i) Foreign currency options	-	37,879	-	677	-	Non current Borrowings

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

FOR THE YEAR ENDED MARCH 31, 2022

(b) Disclosure of effects of hedge accounting on financial performance for the year ended March 31, 2022 -

(₹ in Million)

Type of hedge	Change in the value of the hedging instrument recognised in other comprehensive income	Change in fair value of hedging instrument recognised in cost of hedging reserve (OCI)	Hedge ineffectiveness recognised in profit or loss	Amount reclassified from cash flow hedging reserve to profit or loss	Amount reclassified from cost of hedging reserve to profit or loss	Line item affected in statement of profit and loss because of the reclassification	Line item in the profit and loss that includes the recognised hedge ineffectiveness
Cash flow hedge:							
(i) Foreign exchange risk	205	142	(2)	(92)	-	Finance Cost	Other expense
Fair value hedge:							
(i) Foreign exchange risk	-	835	-	-	(158)	Finance Cost	NA

The Group has undertaken USD/INR call options with various counterparties to hedge the currency risk in respect of its USD foreign currency borrowing and future foreign currency interest payments. The principal repayment of this borrowing is considered in a fair value hedge relationship and future interest payments is considered in a cashflow hedge relationship. The hedged items creates variability of fair values and cash flows arising from the future changes in USD exchange rates. An appreciation in USD in the future would put the Group at a risk of making higher INR payments (both future interest payments and repayment of loan at the end of the tenure). The call option undertaken mitigates the underlying risk by fixing the price at which the Group will buy USD, without giving up the upside of benefitting from an appreciation in INR vis-a-vis USD (one-sided risk). As the hedged exposure is exactly matched by the USD leg of the option (that is, they both have the same USD notional amounts and the same tenure), an economic relationship exists.

Hedge effectiveness is assessed at inception of the hedge, at each reporting date and upon a significant change in the circumstances affecting the hedge effectiveness requirements to ensure that an economic relationship exists between the hedged item and hedging instrument. In respect of hedge using USD/INR call options, the following potential sources of ineffectiveness are identified:

- A change in the credit risk of Group or the counterparty to the option contract;
- Changes in the contractual terms or timing of the payments on the hedged items.

There was no recognised ineffectiveness during financial year ended 31 March 2022 in relation to the USD/INR call option contracts.

The Group has also undertaken USD/INR Coupon Only Swap with various counterparties to hedge the currency risk in respect of its future interest payments on USD foreign currency borrowing. As per 'the cash flow hedge on foreign currency exposure policy', critical terms shall be applied to assess qualitatively the economic relationship between the hedging instrument and the hedged item. The hedged item creates an exposure to settle foreign currency denominated interest amounts in local currency terms. As the hedged exposure is exactly matched by the USD leg of the swap (that is, they both have the same USD amounts) and similar payment dates, an economic relationship exists.

Hedge ineffectiveness for USD/INR coupon only swaps is assessed using the same principles as for hedges of foreign currency repayment of borrowings and future foreign currency interest using USD/INR European options contract. It may occur due to:

- The fair value of the hedging instrument on the hedge relationship designation date (if not zero);
- changes in the contractual terms or timing of the payments on the hedged item; and
- A change in the credit risk of Group or the counterparty to the coupon only swap.

The ineffectiveness recognised during financial year ended March 31, 2022 was ₹ 2 million (March 31, 2021: ₹ Nil) in relation to the coupon only swaps.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

FOR THE YEAR ENDED MARCH 31, 2022

To comply with the risk management policy, the hedge ratio is based on a hedging instrument with the same notional amount as the underlying exposure. This results in a hedge ratio of 1:1 or 100%.

Movements in cash flow hedging reserve and costs of hedging reserve -

(₹ in Million)

Risk category	Foreign currency risk		Total
Derivative instruments	Foreign currency options	Coupon only swaps	
(i) Cash flow hedging reserve:			
As at April 1, 2021	-	-	-
Add: Changes in fair value of coupon only swaps	-	205	205
Less: Amounts reclassified to profit or loss	-	(92)	(92)
Less: Deferred tax relating to above (net)	-	-	-
As at 31 March 2022	**-**	**113**	**113**
(ii) Costs of hedging reserve			
As at April 1, 2021	-	-	-
Add: Deferred time value of foreign currency option contracts	976	-	976
Less: Amount reclassified to profit and loss	(158)	-	(158)
As at 31 March 2022	**818**	**-**	**818**

(c) The following tables detail various information regarding option contracts and coupon only swap contracts outstanding at the end of the reporting period:

(₹ in Million)

Particulars	Maturity				
	Less than 1 year	1 to 2 years	2 to 5 years	5 years +	Total
As at 31 March 2022					
Foreign currency options					
- Notional amounts	-	-	533	41,901	42,434
- Average strike price	-	-	97	123	NA
Coupon only swap					
- Notional amounts	1,067	2,134	1,454	-	4,655
- Average strike price	-	-	85	-	NA

Financial risk management -

The Group's risk management is predominantly controlled by a treasury department under policies approved by the Board of Directors. Treasury identifies, evaluates and hedges financial risks in close co-operation with the operating units. The board provides written principles for overall risk management, as well as policies covering specific areas, such as foreign exchange risk, interest rate risk, credit risk, use of derivative financial instruments and non-derivative financial instruments, and investment of excess liquidity.

Where all relevant criteria are met, hedge accounting is applied to remove the accounting mismatch between the hedging instrument and the hedged item. This will effectively result in reducing the foreign currency risk in respect of its foreign currency borrowings including future foreign currency interest payments to an acceptable level.

The Group has issued 2.875 basis point semi-annual 500 million 10-year senior secured USD denominated bond. The functional currency of the Group is INR and Group is liable to repay the principal amount as well as coupons on stipulated time period. This exposes the Group to foreign exchange risk due to adverse movement in the USD/INR rates leading to more than expected cash outflow on the due date, thereby increasing the Profit and loss volatility. Therefore, in order to minimize the foreign exchange risk, the Group has entered into derivative contracts which includes USD/INR call option contracts and

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

FOR THE YEAR ENDED MARCH 31, 2022

Coupon only swaps in order to reduce foreign exchange risk arising from variability in the foreign exchange rates. Under the Group's policy the critical terms of the swaps and options must align with the hedged items.

The Group treasury's risk management policy is to hedge 100% of its foreign currency borrowings, subject to a review of the cost of implementing each hedge. As per the risk management policy, the Group has entered into USD/INR call option contracts for principal bullet repayment at the end of loan tenure along with multiple call option strip of coupon repayment from February 2027 to August 2031. The Group has also entered into Coupon only swaps to eliminate the foreign exchange risk on payment of semi-annual coupon in USD. In order to do so, the Group effectively converted its USD liability into an INR fixed liability. On every coupon date from February 2022 to August 2026, the Group will receive semi-annual coupon in USD from various counterparties and will subsequently pay the same to the bond holders. At the same time the Group will repay the counterparties fixed INR% coupons thereby converting its liability to repay coupons into INR and avoiding gain/loss due to foreign exchange fluctuation.

38. 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, 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.

39. SUBSEQUENT EVENTS:

There are no subsequent events that require adjustment or disclosure in the consolidated financial statements as on the Balance Sheet date.

40. 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: **(₹ in Million)**

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Infrastructure Provisioning Fees (Including reimbursement of power and fuel and site rent)	97,651	82,442
Site Infra and Land Rent	210	-
Total	**97,861**	**82,442**

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 one of 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 - **(₹ in Million)**

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Contracted price	97,651	83,712
Less: Discounts to customers	-	(1,270)
Net Revenue recognised	**97,651**	**82,442**

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)
FOR THE YEAR ENDED MARCH 31, 2022

C. Transaction price allocated to unsatisfied performance obligations as at 31 March 2022 – ₹ Nil (Previous year Nil).

D. Contract balances **(₹ in Million)**

Particulars	As at March 31, 2022	As at March 31, 2021
Unbilled Receivables	4,343	4,522

41. 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 ("SDIPL") and Space Teleinfra Private Limited ("STPL") are the investment of the 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 with Reliance Jio Infocomm Limited (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. 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. STPL is engaged in business of building, maintaing, leasing, renting and otherwise dealing in infrastructure for telecom sector. Moreover, the COVID-19 pandemic has not had a material adverse impact on the operations of the telecommunication industry to which SDIPL and STPL currently caters to. In view of all of the above, Trust does not expect any significant challenges on going concern, including emanating out of COVID-19, particularly in the next 12 months.

42. CALCULATION OF NET DISTRIBUTABLE CASH FLOWS:

A. Statement of Net Distributable Cash Flows (NDCFs) of Summit Digitel Infrastructure Private Limited ('SDIPL')

(₹ in Million)

Description	Year ended March 31, 2022	Year ended March 31, 2021
Loss after tax as per profit and loss account (standalone) (A)	**(33,059)**	**(23,380)**
Add: Depreciation and amortisation as per profit and loss account. In case of impairment reversal, same needs to be deducted from profit and loss.	13,219	19,560
Add: Interest on loan to the SPV from the Trust as per the profit and loss account	39,042	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	(29,861)	(1,10,631)
Less: Investments made in accordance with the investment objective, if any	(1,379)	-
Add / less: Any other item of non-cash expense / non-cash income charged / credited to profit and loss account, including but not limited to	-	-

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)
FOR THE YEAR ENDED MARCH 31, 2022

(₹ in Million)

Description	Year ended March 31, 2022	Year ended March 31, 2021
• 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.	769	-
Add / less: Working capital changes	(1,109)	(55,006)
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	(32)	-
Add: Additional borrowings (including debentures / other securities) (external as well as borrowings from Trust)	1,09,420	5,51,835
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.	(74,000)	(3,86,770)
Less: Cash reserved to make due payments to secured lenders and any other transferrable debentures issued by SDIPL	-	-
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)	**56,069**	**32,848**
Net Distributable Cash Flows (C) = (A+B)	**23,010**	**9,468**

Capital expenditure for the year ended March 31, 2022 excludes ₹ 5,163 million as the same was utilised from the opening cash balance as at April 1, 2021.

B. Statement of Net Distributable Cash Flows (NDCFs) of Space Teleinfra Private Limited (w.e.f. March 10, 2022) ("STPL")

(₹ in Million)

Description	Year ended March 31, 2022	Year ended March 31, 2021
Loss after tax as per profit and loss account (standalone) (A)	**(5)**	**-**
Add: Depreciation and amortisation as per profit and loss account. In case of impairment reversal, same needs to be deducted from profit and loss.	48	-
Add: Interest on loan to the SPV from the Trust as per the profit and loss account	-	-
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	-	-

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

FOR THE YEAR ENDED MARCH 31, 2022

(₹ in Million)

Description	Year ended March 31, 2022	Year ended March 31, 2021
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	(95)	-
Less: Investments made in accordance with the investment objective, if any	466	-
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	(156)	-
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	(6)	-
Add: Additional borrowings (including debentures / other securities) (external as well as borrowings from Trust)	-	-
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.	(66)	-
Less: Cash reserved to make due payments to secured lenders and any other transferrable debentures issued by STPL	-	-
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)	**191**	**-**
Net Distributable Cash Flows (C) = (A+B)	**186**	**-**

Note- STPL was acquired on March 10, 2022. Hence related distribution will be done within 1 year of the acquisition.

C. Statement of Net Distributable Cash Flows (NDCFs) of Data Infrastructure Trust (formerly known as Tower Infrastructure Trust)

(₹ in Million)

Description	Year ended March 31, 2022	Year ended March 31, 2021
Cash flows received from SPV in the form of interest / accrued interest	**21,975**	**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)	21,975	10,365

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

FOR THE YEAR ENDED MARCH 31, 2022

(₹ in Million)

Description	Year ended March 31, 2022	Year ended March 31, 2021
Less: issue expenses payable by Trust including as reimbursements towards expenses of Trust met by the Sponsors	(29)	(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	(115)	(73)
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)
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)	(3,166)	(1,054)
Add: Proceeds from fresh issuance of units	3,170	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)	**(140)**	**(26)**
Net Distributable Cash Flows (C) = (A+B)	**21,835**	**10,339**

(₹ in Million)

Description	Year ended March 31, 2022	Year ended March 31, 2021
Net Distributable cash flows as per above	**21,835**	**10,339**
Cash and Cash Equivalents at the beginning of the year	133	15
Total Net Distributable Cash Flows	**21,968**	**10,354**

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

FOR THE YEAR ENDED MARCH 31, 2022

43. COMPOSITE SCHEME OF ARRANGEMENT:

The Board of Directors of 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 with carrying value aggregating ₹ 120 million (previous year: ₹ 120 million) and land reflected in Right of Use Assets with carrying value aggregating ₹ 185 million (previous year: ₹ 196 million) in its name.

44. ADDITIONAL REGULATORY INFORMATION REQUIRED BY SCHEDULE III:

I Key Financial Ratios and analysis:

Sr. No	Ratio	Numerator	Denominator	As on March 31, 2022	As on March 31, 2021	% Change	Reason for variance
i)	**Current Ratio**	Current Assets	Current Liabilities	0.75	1.45	-48%	Refer note (i)
ii)	**Debt Equity Ratio**	Total Debt including lease liabilities	Unitholder's Equity	1.14	0.91	26%	Refer note (ii)
iii)	**Debt Service Coverage Ratio**	Earnings available for Debt service	Debt Service	2.16	1.47	47%	Refer note (iii)
		Earning for Debt Service = Net Profit after taxes + depreciation and other amortizations + Finance cost. Debt service = Interest & Lease Payments + Principal Repayments. Principal repayments excludes repayments in nature of refinancing as these are not repaid out of the profits for the year.					
iv)	**Return on Equity**	Net profit /(loss) after taxes	Average Unitholder's Equity	3%	-10%	127%	Refer note (iv)
v)	**Inventory Turnover**	Cost of Goods Sold	Average Inventory				Not applicable
vi)	**Trade receivable Turnover (in days)**	Net Credit Sales (Gross Credit Sales - Sale Returns)	Average Trade Receivables	0.74	1.48	-50%	Refer note (v)
vii)	**Trade payable Turnover (in days)**	Purchases of services and other expenses	Average Trade Payables	0.07	0.06	18%	
viii)	**Net Capital Turnover**	Net Sales (Total Sales - Sale Return)	Working Capital (Current Assets - Current Liabilities)	(17.85)	10.08	-277%	Refer note (i)
ix)	**Net Profit**	Net Profit	Net Sales	6%	-12%	147%	Refer note (iv)
x)	**Return on capital employed**	Earning before interest and taxes	Capital Employed (Tangible Net Worth + Total Debt)	5%	3%	83%	Refer note (iv)
xi)	**Return on Investment**	Income generated on investments	Average investments	4%	3%	37%	Refer note (vi)

Notes:

(i) The ratio decreased during the year mainly on account of decrease in current assets due to decrease in balance with GST authorities.

(ii) The increase is on account of higher borrowings as on reporting date.

(iii) The increase is on account of higher debt serviced during the current year.

(iv) The increase is on account of profit reported during the current year.

(v) The change is on account of better collection of the increased revenue recorded during the current year.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

FOR THE YEAR ENDED MARCH 31, 2022

(vi) The investments purchased in the previous year were held for a shorter term and sold off in the same year resulting into lower returns in the previous year.

II Group does not have any benami properties. No proceedings have been initiated on or are pending against the Group for holding benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and Rules made thereunder.

III Borrowing secured against current assets - The Group has borrowings from banks and financial institutions on the basis of security of current assets.

IV The Group is not been declared wilful defaulter by any bank or financial institution or government or any government authority at any time during the financial year or after the end of reporting period till the date of approval of the financial statements.

V Relationship with struck off companies - The Group has no transactions with the companies struck off under Companies Act, 2013 or Companies Act, 1956 other than those disclosed below -

(₹ in Million)

Name of the struck off Company*	Nature of transactions with struck off Company	Transactions amount for the year ended March 31, 2022	Balance outstanding as at March 31, 2022	Relationship with the struck off Company	Balance outstanding as at March 31, 2021	Transactions amount for the year ended March 31, 2021
Punia Constructions Pvt Ltd	Payables	0	0	Not a related party	0	0
Paresh Buildcon Private Limited	Payables	0	0	Not a related party	0	0
Jay Mataji Constructions Private Limited	Payables	0	0	Not a related party	0	0
Pratibha Agrochem & Engg Private Limited	Payables	0	-	Not a related party	0	0
Allied Builders Private Limited	Deposit Receivable	-	0	Not a related party	0	0
R D Promoters Private Limited	Payables	0	-	Not a related party	0	-
Patel Properties Private Limited	Payables	1	-	Not a related party	1	-
Jadhao Engineering Company Private Limited	Payables	0	-	Not a related party	-	-

VI The Group does not have any transactions recorded in the books of account that has been surrendered or disclosed as income during the year in the assessments under Income Tax Act, 1961.

VII The Group has not traded or invested in crypto currency or virtual currency.

VIII Valuation of Property Plant and Equipment, intangible asset and investment property - The Group has not revalued its property, plant and equipment (including right-of-use assets) or intangible assets or both during the current or previous year.

IX There are no charges or satisfaction which are yet to be registered with the Registrar of Companies.

X Utilisation of borrowings availed from banks and financial institutions - The borrowings obtained by the Group from banks and financial institutions have been applied for the purposes for which such loans were was taken.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

FOR THE YEAR ENDED MARCH 31, 2022

45. "0" represents the amount below the denomination threshold.

46. Previous year figures are regrouped wherever necessary to correspond with the current year classification/ disclosure.

47. The financial statements have been approved by the Data InvIT Committee and the Board of Directors of the Investment Manager to the Trust at their respective meetings held on May 25, 2022 and May 26, 2022.

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 Data Infrastructure Trust (formerly known as Tower Infrastructure Trust))

Sridhar Rengan
Chairperson of the Board
DIN: 03139082
Date: May 26, 2022
Place: Mumbai

Dhananjay Joshi
Member of Data InvIT Committee
PAN: AASPJ9719K
Date: May 26, 2022
Place: Mumbai

Inder Mehta
Compliance Officer of the Trust
PAN: AAFPM5702N
Date: May 26, 2022
Place: Mumbai

DATA INFRA TRUST

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