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, Maharashtra - 400051, India

Tel No.: +91 22 6600 0700 | **Fax No.:** +91 22 6600 0777 | **Email:** puja.tandon@brookfield.com

June 7, 2021

To,
BSE Limited
Phiroze Jeejeebhoy Towers, Dalal Street
Mumbai - 400 001
Maharashtra, India

Sub: Outcome of the Meeting of the Board of Directors of Brookfield India Infrastructure Manager Private Limited, acting in its capacity as Investment Manager of Tower Infrastructure Trust held on June 7, 2021

Ref: (1) Tower Infrastructure Trust (Scrip Code: 543225)
(2) Securities and Exchange Board of India (Infrastructure Investment Trusts) Regulations, 2014 ("SEBI InvIT Regulations") read with SEBI circulars bearing reference nos. CIR/IMD/DF/127/2016 dated November 29, 2016 and SEBI/HO/DDHS/DDHS Div3/P/CIR/2021/563 dated May 14, 2021

Dear Sir/Madam,

The Board of Directors of Brookfield India Infrastructure Manager Private Limited (formerly known as WIP (India) Private Limited), acting in its capacity as Investment Manager of Tower Infrastructure Trust ("Trust"), in its meeting held on Monday, June 7, 2021, *inter alia,* have approved and adopted the Audited Standalone and Consolidated Financial Information of the Trust for the year ended March 31, 2021 and Financial Results for the half year ended March 31, 2021 alongwith the Auditor's Reports thereon ("Financial Statements"), in accordance with the provisions of Regulation 23 of SEBI InvIT Regulations read with SEBI circulars bearing reference nos. CIR/IMD/DF/127/2016 dated November 29, 2016 and SEBI/HO/DDHS/DDHS_Div3/P/CIR/2021/563 dated May 14, 2021.

Further, please note that the financial information of the Investment Manager is not disclosed as there is no erosion in the net worth.

The Valuation Report dated June 1, 2021 as prepared by independent valuer, Mr. Sunil Kumar Saini having IBBI Registration Number IBBI/RV/06/2018/10385, for the period ended March 31, 2021 in accordance with the provisions of Regulation 21 of SEBI InvIT Regulations, be and is hereby submitted.

Further, pursuant to Regulation 10 of SEBI InvIT Regulations, the Net Asset Value is disclosed as part of the Financial Statements of the Trust attached herewith.

BROOKFIELD INDIA INFRASTRUCTURE MANAGER PRIVATE LIMITED
(FORMERLY KNOWN AS WIP (INDIA) PRIVATE LIMITED)
CIN: U67190MH2010PTC202800
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The meeting of the Board of Directors of the Company commenced at 2:00 p.m. and concluded at 3:39 p.m.

You are requested to kindly take the same on record.

Thanking you,

Yours faithfully,

For **Tower Infrastructure Trust**

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

(acting in its capacity as the Investment Manager of Tower Infrastructure Trust)

Inder Mehta
Compliance Officer of Tower Infrastructure Trust

CC: **Axis Trustee Services Limited** ("Trustee of the Trust")
Axis House, Bombay Dyeing Mills Compound,
Pandurang Budhkar Marg, Worli,
Mumbai - 400 025, Maharashtra, India

Encl a/a

Deloitte Haskins & Sells LLP

Chartered Accountants
One International Center,
27th-32nd Floor, Tower 3,
Senapati Bapat Marg,
Elphinstone Road (West),
Mumbai - 400 013, Maharashtra, India.
Phone: +91 22 6185 4000
Fax: +91 22 6185 4001

Independent Auditors' Report on the Half Year and Year to Date Standalone Financial Information of the Trust Pursuant to the Regulation 23 of the SEBI (Infrastructure Investment Trusts) Regulations, 2014, as amended

To
The Board of Directors of
BROOKFIELD INDIA INFRASTRUCTURE MANAGER PRIVATE LIMITED
(Formerly known as WIP (India) Private Limited)
(Investment Manager of Tower Infrastructure Trust)

Opinion

We have audited the Standalone Financial Information for the year ended March 31, 2021 included in the accompanying "Statement of Standalone Financial Information for the six months and financial year ended March 31, 2021" of Tower Infrastructure Trust ("the Trust") consisting of the Statement of Profit and Loss, explanatory notes thereto and the additional disclosures as required in paragraph 6 of Annexure A to the SEBI Circular No. CIR/IMD/DF/127/2016 dated November 29, 2016 ("SEBI Circular"), ("the Statement"), being submitted by the Trust pursuant to the requirements of Regulation 23 of the SEBI (Infrastructure Investment Trusts) Regulations, 2014, as amended from time to time read with SEBI Circular ("the InvIT Regulations").

In our opinion and to the best of our information and according to the explanations given to us, the Standalone Financial Information for the year ended March 31, 2021:

i. is presented in accordance with the requirements of Regulation 23 of the SEBI (Infrastructure Investment Trusts) Regulations, 2014, as amended from time to time read with SEBI Circular No. CIR/IMD/DF/127/2016 dated November 29, 2016 in this regard; and

ii. gives a true and fair view in conformity with 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 net profit and total comprehensive income, its net assets at fair value as at March 31, 2021, total returns at fair value and net distributable cash flows for the year ended on that date and other financial information of the Trust.

Basis for Opinion

We conducted our audit 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 "Auditors' Responsibilities for the Audit of the Annual Standalone Financial Information" section below.

We are independent of the Trust in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ("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 opinion.

CHARTERED ACCOUNTANTS Deloitte Haskins & Sells LLP

Emphasis of Matter

We draw attention to Note 6 of the Standalone Financial Information, which describes the presentation of "Unit Capital" as "Equity" to comply with InVIT Regulations. Our opinion is not modified in respect of this matter.

Management's Responsibilities for the Statement

This Statement, which includes the Standalone Financial Information are the responsibility of the Management of Investment Manager (the "Management") and has been approved by the Governing Board of the Investment Manager for the issuance. The Statement has been compiled from the related audited standalone financial statements for the year ended March 31, 2021. This responsibility includes the preparation and presentation of the Standalone Financial Information for the year ended March 31, 2021 that give a true and fair view of the net profit and total comprehensive income, its net assets at fair value as at March 31, 2021, total returns at fair value, net distributable cash flows for the year ended on that date and other financial information of the Trust in accordance with the requirements of SEBI (Infrastructure Investment Trusts) Regulations, 2014, as amended from time to time ("the InvIT Regulations"); 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. This responsibility also includes maintenance of adequate accounting records for safeguarding of 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 the 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 Information 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 information by the Investment Manager of the Trust, as aforesaid.

In preparing the Standalone Financial Information, the Management are 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 the Management either intends to liquidate the Trust or to cease operations, or has no realistic alternative but to do so.

The Management are also responsible for overseeing the Trust's financial reporting process.

Auditors' Responsibilities for the Audit of the Annual Standalone Financial Information

Our objectives are to obtain reasonable assurance about whether the Standalone Financial Information for the year ended March 31, 2021 as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditors' 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 the Standalone Financial Information.

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

- Identify and assess the risks of material misstatement of the Annual Standalone Financial Information, 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.

CHARTERED ACCOUNTANTS Deloitte Haskins & Sells LLP

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 control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Trust's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management.

- Evaluate the appropriateness and reasonableness of disclosures made by the Management in terms of the requirements specified under the InvIT Regulations.

- Conclude on the appropriateness of the Management 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 Trust to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the Statement 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 auditors' 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 Annual Standalone Financial Information, including the disclosures, and whether the Annual Standalone Financial Information represents the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the Annual Standalone Financial Information of the Trust to express an opinion on the Annual Standalone Financial Information.

Materiality is the magnitude of misstatements in the Annual Standalone Financial Information that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the Annual Standalone Financial Information 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 Annual Standalone Financial Information.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control 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.

CHARTERED ACCOUNTANTS
Deloitte
Haskins
& Sells
LLP

Deloitte
Haskins & Sells LLP

Other Matters

The Statement includes the information for the six months ended March 31, 2021 being the balancing figure between audited figures in respect of the full financial year and the published year to date figures up to the six months ended September 30, 2020 which were subject to limited review by us.

Our opinion on the Statement is not modified in respect of this matter.

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

Varsha A. Fadte
Partner
(Membership No. 103999)
(UDIN: 21103999AAAAGP6678)

Chicalim, Goa, June 07, 2021

Tower Infrastructure Trust

Principal place of business: 9th Floor, Maker Chambers IV, 222, Nariman Point, Mumbai, 400 021, India

Phone : 022 62104100; Email: secretarial@summitdigitel.com; Website: www.towerinfratrust.com

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

STATEMENT OF STANDALONE FINANCIAL INFORMATION FOR THE SIX MONTHS AND FINANCIAL YEAR ENDED MARCH 31, 2021

I. Standalone Statement of Profit and Loss for the six months and financial year ended March 31, 2021

(Rs. in Million)

	Particulars	Six months ended March 31, 2021	Six months ended September 30, 2020	Six months ended March 31, 2020	Year ended March 31, 2021	Year ended March 31, 2020
		Unaudited Refer Note 4	Limited Review Refer Note 4	Unaudited Refer Note 4	Audited	Audited
I	**INCOME AND GAINS**					
	Revenue from Operations	11,843	2,017	-	13,860	-
	Other Income	-	-	-	-	-
	Total Income and Gains	11,843	2,017	-	13,860	-
II	**EXPENSES AND LOSSES**					
	Investment Manager Fee	14	12	14	26	24
	Trustee Fee	1	1	1	2	2
	Project Manager Fee	12	12	24	24	24
	Audit Fees	17	0	2	18	15
	Interest on Loan	-	41	49	41	99
	Legal and Professional Fees	0	2	3	2	3
	Listing fee	0	1	-	1	-
	Other Expenses*	192	4	0	196	0
	Total Expenses and Losses	**236**	**73**	**93**	**310**	**166**
III	**Profit/(Loss) before Tax (I-II)**	11,607	1,944	(93)	13,550	(166)
IV	**Tax Expenses**	-	-	-	-	-
V	**Profit/(Loss) after Tax (III-IV)**	11,607	1,944	(93)	13,550	(166)
VI	Other Comprehensive Income	-	-	-	-	-
VII	Total Comprehensive Income for the period (V+VI)	11,607	1,944	(93)	13,550	(166)

*Other Expenses for the six months ended March 31, 2021, six months ended September 30, 2020, six months ended March 31, 2020, year ended March 31, 2021 and for the year ended March 31, 2020 mainly includes fair value (gain) / loss on financial instrument, bank charges and other miscellaneous expenses.

CHARTERED ACCOUNTANTS Deloitte Haskins & Sells LLP

TOWER INFRASTRUCTURE TRUST

Dhananjay Joshi

Tower Infrastructure Trust

Notes to Standalone Financial Information for Six Months and Financial year ended March 31, 2021

1 The Standalone Financial Information for the year ended March 31, 2021 has been prepared in accordance with the recognition and measurement principles prescribed under Indian Accounting Standard, as defined in Rule 2(1) (a) of the Companies (Indian Accounting Standards) Rules, 2015, as amended, and SEBI (Infrastructure Investment Trust) Regulations, 2014, as amended and the circulars issued thereunder ("InvIT Regulations") except as referred in Note 6 below. The above financial information has been reviewed and approved by the Tower Infrastructure Trust Committee ("Tower InvIT Committee") and the Board of Directors of Investment Manager to the Tower Infratrstructure Trust (Tower InvIT/Trust"), at their respective meetings held on June 03, 2021 and June 07, 2021. The financial information has also been subjected to an audit by the Auditors of the Trust.

2 Investors can view the Financial Information of the Tower Infrastructure Trust on the Trust's website (www.towerinfratrust.com) or on the website of BSE (www.bseindia.com).

3 The Standalone Financial Information comprises of the Standalone Statement of Profit and Loss, explanatory notes thereto and additional disclosures as required in paragraph 6 of Annexure A to the SEBI Circular no. CIR/WID/DF/127/2016 dated November 29,2016 ("SEBI Circular") of the Trust for the year ended March 31, 2021 ("Standalone Financial Information").

4 The Financial Results for the six months ended March 31, 2021 and March 31, 2020 are the balancing figures between audited figures for respective full financial year and the unaudited year to date figures upto the six months ended September 30.

5 The Tower InvIT Committee of Board of Directors of the Investment Manager have declared six distributions amounting to total Rs. 10,306 Million during the year ended March 31, 2021 as follows:

- Distribution of Re. 0.5932 per unit as Return on Capital declared in their meeting held on October 19, 2020, which was paid on October 28, 2020.
- Distribution of Re. 0.5932 per unit as Return on Capital declared in their meeting held on November 17, 2020 which was paid on November 27, 2020.
- Distribution of Re.0.8029 per unit as Return on Capital declared in their meeting held on December 17, 2020, which was paid on December 28, 2020.
- Distribution of Re.0.5949 per unit as Return on Capital declared in their meeting held on January 18, 2021, which was paid on January 28, 2021.
- Distribution of Re.0.5949 per unit as Return on Capital declared in their meeting held on February 16, 2021, which was paid on February 26, 2021.
- Distribution of Re.0.9080 per unit as Return on Capital declared in their meeting held on March 17, 2021, which was paid on March 30, 2021.

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

Consistent with Unit Capital being classified as equity, the distributions to Unitholders is also presented in Statement of Changes in Unitholders' Equity when the distributions are approved by the Board of Directors of Investment Manager.

7 Trust (Controlling Entity) owns 100% of the equity shares of Summit Digitel Infrastructure Private Limited (formerly known as Reliance Jio Infratel Private Limited) ('the Company') as on March 31, 2021. On August 31, 2020, Trust acquired 49% of the equity shares from Reliance Industries Limited. The Company is engaged in the business of providing tower infrastructure and related operations and maintenance services. On August 31, 2020, the Trust issued 2,521,500,000 units at an Issue Price of INR 100 per unit to the subscribers. BIF IV Jarvis India Pte. Ltd. subscribed 89.79% of the units of the Trust and is the immediate parent company. Simultaneously, the Trust entered into the Shareholder Option Agreement as part of the acquisition transaction and the same has been accounted with a debit to equity and a corresponding liability has been recognised.

8 Tower InvIT is registered as a contributory irrevocable trust set up under the Indian Trusts Act, 1882 on January 31, 2019, and registered as an infrastructure investment trust under the Securities and Exchange Board of India (Infrastructure Investment Trusts) Regulations, 2014, on March 19, 2019 having registration number IN/InvIT/18-19/0009. Units of Tower Infrastructure Trust have been listed on BSE Limited on September 1, 2020.

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

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

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

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

CHARTERED ACCOUNTANTS Deloitte Haskins & Sells LLP

TOWER INFRASTRUCTURE TRUST

Notes to Standalone Financial Information for Six Months and Financial year ended March 31, 2021

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

CHARTERED ACCOUNTANTS Deloitte Haskins & Sells LLP

TOWER INFRASTRUCTURE TRUST

Dhanajay Joshi

Tower Infrastructure Trust

Notes to Standalone Financial Information for Six Months and Financial year ended March 31, 2021

II. Additional Disclosures as required by Paragraph 6 of Annexure A to SEBI Circular No.CIRJIMD/DF/127/2016:
A. Statement of Net Distributable Cash Flows (NDCFs) of Tower Infrastructure Trust

(Rs. in Million)

Description	Six months ended March 31, 2021	Six months ended September 30, 2020	Six months ended March 31, 2020	Year ended March 31, 2021	Year ended March 31, 2020
Cash flows received from SPV in the form of interest / accrued interest	10,365	-	-	10,365	-
Cash flows received from SPV in the form of dividend / buy-back of equity shares / capital reduction of equity shares	-	-	-	-	-
Any other income accruing at the Trust level and not captured above, including but not limited to interest /return on surplus cash invested by the Trust	-	-	-	-	-
Add: Cash flows/ Proceeds from the SPV towards the repayment of the debt issued to the SPV by the Trust	-	-	-	-	-
Total cash flow at the Trust level (A)	**10,365**	**-**	**-**	**10,365**	**-**
Less: issue expenses payable by Trust including as reimbursements towards expenses of Trust met by the Sponsors	-	(24)	-	(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	(41)	(32)	(44)	(73)	(67)
Less: income tax (if applicable) at the standalone Trust level and payment of other statutory dues	-	-	-	-	-
Less: Repayment of external debt (including interest) / redeemable preference shares / debentures, etc., if deemed necessary by the Investment Manager	-	(1,141)	(49)	(1,141)	(99)
Less: net cash set aside to comply with DSRA requirement under loan agreements, if any	-	-	-	-	-
Add: Net proceeds (after applicable taxes) from sale of infrastructure assets adjusted for the following:	-	-	-	-	-
- related debts settled or due to be settled from sale proceeds;	-	-	-	-	-
- directly attributable transaction costs;	-	-	-	-	-
- proceeds reinvested or planned to be reinvested as per Regulation 18(7)(a) of the InvIT Regulations	-	-	-	-	-
Add: Net proceeds (after applicable taxes) from sale of infrastructure assets not distributed pursuant to an earlier plan to re-invest, if such proceeds are not intended to be invested subsequently	-	-	-	-	-
Less: Amount invested in any of the Portfolio Assets for service of debt or interest	-	(2,50,000)	-	(2,50,000)	-
Less: Capital expenditure if any (including acquisition of other infrastructure assets / SPVs)	-	(1,054)	-	(1,054)	-
Add: Proceeds from fresh issuance of units	116	2,52,150	-	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)	**75**	**(101)**	**(93)**	**(26)**	**(166)**
Net Distributable Cash Flows (C) = (A+B)	**10,440**	**(101)**	**(93)**	**10,339**	**(166)**

(Rs. in Million)

Description	Six months ended March 31, 2021	Six months ended September 30, 2020	Six months ended March 31, 2020	Year ended March 31, 2021	Year ended March 31, 2020
Net Distributable Cash Flows as per above	**10,440**	**(101)**	**(93)**	**10,339**	**(166)**
Opening balance of Cash and Cash Equivalents	-	15	4	15	4
Total Net Distributable Cash Flows	10,440	(86)	(90)	10,354	(162)

The Net distributable Cash Flows (NDCFs) as above is distributed as follows in the respective manner:

(Rs. in Million)

Date of distribution payment	Return on Capital	Total Distribution
October 28, 2020	1,496	1,496
November 27, 2020	1,496	1,496
December 28, 2020	2,024	2,024
January 28, 2021	1,500	1,500
February 26, 2021	1,500	1,500
March 30, 2021	2,290	2,290

CHARTERED ACCOUNTANTS Deloitte Haskins & Sells LLP

TOWER INFRASTRUCTURE TRUST

Tower Infrastructure Trust

Notes to Standalone Financial Information for Six Months and Financial year ended March 31, 2021

B. Fees payable to Investment Manager and Project Manager

I. Pursuant to Investment Management Agreement, the Investment Manager is entitled to an Investment Management fee of INR 20 Million per annum exclusive of GST. Investment Manager is also entitled to reimbursement of any cost incurred in relation to activity pertaining to Trust such as administration of Trust, appointment of staff, director, transaction expenses incurred with respect to investing, monitoring and disposing off the investment of the Trust.

Infinite India Investment Manager Limited was Investment Manager till October 12, 2020. With effect from October 13, 2020, Brookfield India Infrastructure Manager Private Limited (formerly known as WIP (India) Private Limited) has been appointed as Investment Manager to the Trust.

II. Pursuant to Project Management Agreement, the Project Manager is entitled to a Project Management fee of INR 20 Million per annum exclusive of GST.

C. Statement of Earnings per unit

Particulars	For the year ended March 31, 2021	For the period ended September 30, 2020
Profit after tax for the period (Rs. in million)	13,550	1,944
Weighted average number of units outstanding for computation of basic and diluted earnings per unit (no. in million)	1,471	427
Earnings per unit in INR (Basic and Diluted)	9.21	4.55

Trust has issued units on September 01, 2020. Hence, EPS for previous periods is not applicable.

D. Contingent liabilities as at March 31, 2021 is NIL (September 30, 2020: NiL;March 31, 2020: NIL)

E. Commitments as at March 31, 2021 is NIL (September 30, 2020: NiL; March 31, 2020: NIL)

F. Statement of Related Party Disclosures

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

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

i) Name of Related Party

Entities which exercise control on the Trust

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

Subsidiary (SPV)

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

II List of additional related parties as per regulation 2(1)(zv) of the InvIT Regulations

A Parties to Tower Infrastructure Trust

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

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

Directors of BIF IV Jarvis India Pte Ltd., Singapore

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

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

Sridhar Rengan
Chetan Rameshchandra Desai
Narendra Aneja
Rishi Tibriwal

Directors of Axis Trustee Service Limited

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

CHARTERED ACCOUNTANTS Deloitte Haskins & Sells LLP

TOWER INFRASTRUCTURE TRUST

Dhanajay Joshi

Tower Infrastructure Trust

Notes to Standalone Financial Information for Six Months and Financial year ended March 31, 2021

Directors of Infinite India Investment Management Limited
Shailesh Shankarlal Vaidya
Vishal Nimesh Kampani
Rajendra Dwarkadas Hingwala
Dipti Neelakantan

Director of Jio Infrastructure Management Services Limited
Sudhakar Saraswatula
Nikhil Chakrapani Suryanarayana Kavipurapu
Hariharan Mahadevan

Director of Reliance Industrial Investments and Holdings Limited
Hital Rasiklal Meswani
Vinod Mansukhlal Ambani
Mahendra Nath Bajpai
Savithri Parekh
Dhiren Vrajlal Dalal
Balasubrmanian Chandrasekaran

III List of additional related parties as per regulation 19 of the InvIT Regulations

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

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

Particulars	Relationship	Six months ended March 31, 2021	Six months ended September 30, 2020	Six months ended March 31, 2020	Year ended March 31, 2021	Year ended March 31, 2020
Trustee Fee						
Axis Trustee Services Limited	Trustee	1	1	1	2	2
Investment Management Fees						
Infinite India Investment Management Limited (resgined w.e.f. October 12, 2020)	Erstwhile Investment Manager	1	12	14	13	24
Brookfield India Infrastructure Manager Private Limited (formerly known as WIP (India) Private Limited) (Appointed w.e.f. October 13, 2020)	Investment Manager	13	-	-	13	-
Reimbursement of Expenses						
Brookfield India Infrastructure Manager Private Limited (formerly known as WIP (India) Private Limited) (Appointed w.e.f. October 13, 2020)	Investment Manager	4	-	-	4	-
Infinite India Investment Management Limited	Erstwhile Investment Manager	5	-	-	5	-
Acquisition of shares of Summit Digitel Infrastructure Private Limited (formerly known as Reliance Jio Infratel Private Limited)						
Reliance Industries Limited	Promotor of Sponsor	0	1,054	-	1,054	-
Project Manager Fees						
Jio Infrastructure Management Services Limited	Project Manager	12	12	24	24	24
Issue of units capital to Sponsor						
BIF IV Jarvis India Pte Ltd.	Sponsor	-	2,26,410	-	2,26,410	-
Interest Income						
Summit Digitel Infrastructure Private Limited (formerly known as Reliance Jio Infratel Private Limited)	Subsidiary (SPV)	11,843	2,017	-	13,860	-
Distribution to Unitholders						
BIF IV Jarvis India Pte Ltd.	Sponsor	9,254			9,254	-
Contribution to Corpus						
Reliance Industrial Investments and Holdings Limited	Sponsor	-	116	124	116	124
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	-
Shareholder Option Agreement	Refer Note 7	-	2,020	-	2,020	-

CHARTERED ACCOUNTANTS Deloitte Haskins & Sells LLP

TOWER INFRASTRUCTURE TRUST

Tower Infrastructure Trust

Notes to Standalone Financial Information for Six Months and Financial year ended March 31, 2021

V Balances as at end of the year: (Rs. in Million)

Particulars	Relationship	As at March 31, 2021	As at September 30, 2020	As at March 31, 2020	As at September 30, 2019
Professional Fees					
Axis Trustee Services Limited	Trustee	-	1	2	1
Infinite India Investment Management Limited	Erstwhile Investment Manager	-	12	24	10
Jio Infrastructure Management Services Limited	Project Manager	-	12	-	-
Unit Capital of Tower trust					
BIF IV Jarvis India Pte Ltd.	Sponsor	2,26,410	-	-	-
Contribution to Corpus					
Reliance Industrial Investments and Holdings Limited	Sponsor	240	240	124	0
Interest Receivable					
Interest Receivable on Loan to Summit Digitel Infrastructure Private Limited (formerly known as Reliance Jio Infratel Private Limited)	Subsidiary (SPV)	3,494	2,017	-	-
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	-	-
Other Payables					
Brookfield India Infrastructure Manager Private Limited (formerly known as WIP (India) Private Limited)	Investment Manager	3	-	-	-

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

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

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

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

Particulars	Year ended March 31, 2021
Total Comprehensive Income (As per Statement of Profit and Loss)	13,550
Add/(Less): Other changes in fair value (e.g. Property, Plant and Equipment) not recognized in Total Comprehensive Income	-
Total Return	**13,550**

I. Initial Disclosure by an entity identified as a Large Corporate

Particulars	Details
Name of the Company/InvIT	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 (Rs. in Million)	Nil as on March 31, 2021*
Highest Credit Rating during previous FY along with the name of Credit rating agency	Not Applicable*
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/CIR/P/2018/144 dated November 26, 2018, the Trust is not identified as a "Large Corporate" as on March 31, 2021.

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

CHARTERED ACCOUNTANTS Deloitte Haskins & Sells LLP

TOWER INFRASTRUCTURE TRUST

Sridhar Rengan
Chairperson of the Board
DIN: 03139082

Date: June 07, 2021
Place: Chennai

Deloitte Haskins & Sells LLP

Chartered Accountants
One International Center,
27th-32nd Floor, Tower 3,
Senapati Bapat Marg,
Elphinstone Road (West),
Mumbai - 400 013.
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Independent Auditors' Report on the Half Year and Year to Date Consolidated Financial Information of the Trust Pursuant to the Regulation 23 of the SEBI (Infrastructure Investment Trusts) Regulations, 2014, as amended

To
The Board of Directors of
BROOKFIELD INDIA INFRASTRUCTURE MANAGER PRIVATE LIMITED
(Formerly known as WIP (India) Private Limited)
(Investment Manager of Tower Infrastructure Trust)

Opinion

We have audited the Consolidated Financial Information for the year ended March 31, 2021 included in the accompanying "Statement of Consolidated Financial Information for the six months and financial year ended March 31, 2021" of Tower Infrastructure Trust ("the Trust") and its subsidiary (Holding entity and its subsidiary together referred to as "the Group") consisting of the Consolidated Statement of Profit and Loss, explanatory notes thereto and the additional disclosures as required in paragraph 6 of Annexure A to the SEBI Circular No. CIR/IMD/DF/127/2016 dated November 29, 2016 ("SEBI Circular"), ("the Statement"), being submitted by the Trust pursuant to the requirements of Regulation 23 of the SEBI (Infrastructure Investment Trusts) Regulations, 2014, as amended from time to time read with SEBI Circular ("the InvIT Regulations").

In our opinion and to the best of our information and according to the explanations given to us, the Consolidated Financial Information for the year ended March 31, 2021:

i. is presented in accordance with the requirements of Regulation 23 of the SEBI (Infrastructure Investment Trusts) Regulations, 2014, as amended from time to time, read with SEBI Circular No. CIR/IMD/DF/127/2016 dated November 29, 2016 in this regard; and

ii. gives a true and fair view in conformity with 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 net loss and total comprehensive loss, its net assets at fair value as at March 31, 2021, total returns at fair value and net distributable cash flows for the year ended on that date and other financial information of the Trust.

Basis for Opinion

We conducted our audit 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 "Auditors' Responsibilities for the Audit of the Annual Consolidated Financial Information" section below.

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We are independent of the Trust in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ("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 opinion.

Emphasis of Matter

We draw attention to Note 8 of consolidated financial information, which describes the presentation of "Unit Capital" as "Equity" to comply with InVIT Regulations. Our opinion is not modified in respect of this matter.

Management's Responsibilities for the Statement

This Statement, which includes the Consolidated Financial Information are the responsibility of the Management of Investment Manager (the "Management") and has been approved by the Governing Board of the Investment Manager for the issuance. The Statement has been compiled from the related audited consolidated financial statements for the year ended March 31, 2021. This responsibility includes the preparation and presentation of the Consolidated Financial Information for the year ended March 31, 2021 that give a true and fair view of the net loss and total comprehensive loss, its net assets at fair value as at March 31, 2021, total returns at fair value and net distributable cash flows for the year ended on that date and other financial information of the Trust in accordance with the requirements of SEBI (Infrastructure Investment Trusts) Regulations, 2014, as amended from time to time ("the InvIT Regulations"); 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. This responsibility also includes maintenance of adequate accounting records for safeguarding of 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 the 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 Information 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 information by the Investment Manager of the Trust, as aforesaid.

In preparing the Consolidated Financial Information, the Management and Board of Directors of the subsidiary are responsible for assessing the ability of the Trust and the subsidiary 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 and Board of Directors of the subsidiary either intends to liquidate the Trust/Subsidiary or to cease operations, or has no realistic alternative but to do so.

The Management and the Board of Directors of the Subsidiary are also responsible for overseeing the financial reporting process of the Trust and the subsidiary respectively.

Auditors' Responsibilities for the Audit of the Annual Consolidated Financial Information

Our objectives are to obtain reasonable assurance about whether the Consolidated Financial Information for the year ended March 31, 2021 as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditors' 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 the Consolidated Financial Information.

CHARTERED ACCOUNTANTS Deloitte Haskins & Sells LLP

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

- Identify and assess the risks of material misstatement of the Annual Consolidated Financial Information, 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 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 such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management.

- Evaluate the appropriateness and reasonableness of disclosures made by the Management in terms of the requirements specified under the InvIT regulations.

- Conclude on the appropriateness of the 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 auditors' report to the related disclosures in the Statement 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 auditors' 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 Annual Consolidated Financial Information, including the disclosures, and whether the Annual Consolidated Financial Information represents the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the Annual Consolidated Financial Information of the Company to express an opinion on the Annual Consolidated Financial Information.

Materiality is the magnitude of misstatements in the Annual Consolidated Financial Information that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the Annual Consolidated Financial Information 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 Annual Consolidated Financial Information.

We communicate with those charged with governance of the Trust and such other entities included in the consolidated financial information of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

CHARTERED ACCOUNTANTS
Deloitte Haskins & Sells LLP

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.

Other Matters

The Statement includes the information for the six months ended March 31, 2021 being the balancing figure between audited figures in respect of the full financial year and the published year to date figures up to the six months ended September 30, 2020 which were subject to limited review by us.

Our opinion on the Statement is not modified in respect of this matter.

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

Varsha A. Fadte Partner
(Membership No. 103999)
UDIN: 21103999AAAAGR6981

Chicalim, Goa, June 07, 2021

Tower Infrastructure Trust

Principal place of business: 9th Floor, Maker Chambers IV, 222 Nariman Point, Mumbai 400 021, India
Phone : 022 62104100 : Email: secretarial@summitdigitel.com : Website: www.towerinfratrust.com
SEBI Registration Number: IN/InvIT/18-19/0009

I. STATEMENT OF CONSOLIDATED FINANCIAL INFORMATION
FOR THE SIX MONTHS & FINANCIAL YEAR ENDED MARCH 31, 2021

(Rs. in Million)

	Particulars	Six months Ended March 31, 2021	Six months Ended September 30, 2020	Six months Ended March 31,2020	For the year ended March 31, 2021	For the year ended March 31, 2020
		Unaudited (Refer Note 5)	Limited Review (Refer Note 5)	Unaudited (Refer Note 5)	Audited	Audited
I	**INCOME AND GAINS**					
	Revenue from Operations	**42,729**	39,713	39,491	**82,442**	74,767
	Other Income	**104**	49	53	**153**	125
	Total Income and Gains	**42,833**	**39,762**	**39,544**	**82,595**	**74,892**
II	**EXPENSES AND LOSSES**					
	Investment Manager Fee	**14**	12	14	**26**	24
	Trustee Fee	**1**	1	1	**2**	2
	Project Manager Fee	**12**	12	24	**24**	24
	Audit Fees	**26**	4	4	**30**	23
	Listing fee	**0**	1	-	**1**	-
	Network Operating Expenses	**26,398**	24,962	23,962	**51,360**	45,878
	Employee Benefits Expense	**153**	11	1	**164**	1
	Finance Costs	**7,006**	13,766	16,152	**20,772**	32,039
	Depreciation and Amortisation Expense	**9,838**	9,722	9,089	**19,560**	17,784
	Legal and Professional Fees	**126**	25	19	**151**	42
	Other expenses*	**229**	106	178	**335**	209
	Total Expenses and Losses	**43,803**	**48,622**	**49,444**	**92,425**	**96,026**
III	**Loss for the period/year before Taxes (I-II)**	**(970)**	**(8,860)**	**(9,900)**	**(9,830)**	**(21,134)**
IV	Total Tax Expenses	**-**	**-**	**-**	**-**	-
V	**Loss for the period/year after Taxes (III-IV)**	**(970)**	**(8,860)**	**(9,900)**	**(9,830)**	**(21,134)**
VI	Other Comprehensive Income for the Period	**-**	**-**	**-**	**-**	-
VII	**Total Comprehensive Loss for the period/year (V-VI)**	**(970)**	**(8,860)**	**(9,900)**	**(9,830)**	(21,134)
	Attributable to Owners of the Trust	**(970)**	**(4,711)**	**(5,107)**	**(5,681)**	(10,885)
	Attributable to Non-Controlling Interest	**-**	**(4,149)**	**(4,793)**	**(4,149)**	(10,249)

*Other Expenses for the six months ended March 31, 2021, six months ended September 30, 2020, six months ended March 31, 2020, year ended March 31, 2021 and for the year ended March 31, 2020 mainly includes fair value (gain) / loss on financial instrument, bank charges and other miscellaneous expenses.

CHARTERED ACCOUNTANTS Deloitte Haskins & Sells LLP

TOWER INFRASTRUCTURE TRUST

Dhananjay Joshi

Tower Infrastructure Trust

Notes to Consolidated Financial Information for the year ended March, 2021

1 The Consolidated financial information of Tower Infrstructure Trust (Tower InvIT/Trust") and its subsidiary Summit Digitel Infrastructure Private Limited (formerly known as Reliance Jio Infratel Private Limited) (together referred to as "Group") for the year ended March 31, 2021 has been prepared in accordance with the requirements of SEBI (Infrastructure Investment Trusts) Regulations, 2014 (“InvIT Regulations”), as amended from time to time read with the SEBI circular number CIR/IMD/DF/114/2016 dated October 20, 2016 (“SEBI Circular”); Indian Accounting Standards as defined in Rule 2(1)(a) of the Companies (Indian Accounting Standards) Rules, 2015 (‘Ind AS’) except as referred in Note 8 below, to the extent not inconsistent with the InvIT Regulations, read with relevant rules issued thereunder and other accounting principles generally accepted in India.. The above financial information has been reviewed and approved by the Tower Infrastructure Trust Committee ("Tower InvIT Committee") and the Board of Directors of Investment Manager to the Trust, at their respective meetings held on June 03, 2021 and June 07, 2021. The financial information for the year ended March 31, 2021, has also been subjected to an audit by the Auditors of the Trust.

2 Investors can view the Financial Information of the Tower Infrastructure Trust on the Trust's website (www.towerinfratrust.com) or on the website of BSE (www.bseindia.com).

3 The audited Consolidated Financial Information comprises of the Consolidated Statement of profit and loss, explanatory notes thereto and additional disclosures as required in paragraph 6 of Annexure A to the SEBI Circular no. CIR/WID/DF/127/2016 dated November 29,2016 ("SEBI Circular") of Tower Infrastructure Trust for the year ended March 31 2021 ("Consolidated Financial Information").

4 Trust (Controlling Entity) owns 100% of the equity shares of Summit Digitel Infrastructure Private Limited (formerly known as Reliance Jio Infratel Private Limited) ('the Company') ('the Company') as on March 31, 2021. On August 31, 2020, Trust acquired 49% of the equity shares from Reliance Industries Limited. The Company is engaged in the business of providing tower infrastructure and related operations and maintenance services. On August 31, 2020, the Trust issued 2,521,500,000 units at an Issue Price of INR 100 per unit to the subscribers. BIF IV Jarvis India Pte. Ltd. subscribed 89.79% of the units of the Trust and is the immediate parent company. Simultaneously, the Trust entered into the Shareholder Option Agreement as part of the acquisition transaction and the same has been accounted with a debit to equity and a corresponding liability has been recognised.

5 Consolidated Financial Information for six months ended March 31, 2021 and March 31, 2020 are the balancing figures between audited figures for respective full financial year and the unaudited year to date figures upto the six months ended September 30.

6 During the current year, the Group has revised the presentation of income from reimbursements of Power & Fuel and Site Rent, to present these as part of Revenue from Operations, as these more appropriately reflect the substance of the transactions wherein the Group provides these services as a principal. Previously, these were presented net as a recovery under Network Operating Expenses. The Grossing up of Network operating expenses impacted an increase in Revenue from operations and network operating expenses. Hence, there is no impact on Loss of the Group. The change in presentation has been applied retrospectively for all the periods presented and accordingly Revenue from Operations and Network Operating Expenses for the year ended March 31, 2020 are increased by Rs. 41,363 Million.

7 The Group has recorded Net current liability of Rs. 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 aquisition transaction (Refer Note 4 above). As at March 31, 2021, Net current liability of Rs. 4,681 Million was payable to Reliance Jio Infocom Limited ("RJIL").

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

CHARTERED ACCOUNTANTS Deloitte Haskins & Sells LLP

TOWER INFRASTRUCTURE TRUST

Dhananjay Joshi

Tower Infrastructure Trust

Notes to Consolidated Financial Information for the year ended March, 2021

9 The Tower InvIT Committee of Board of Directors of the Investment Manager have declared six distributions amounting to total Rs. 10,306 Million during the year ended March 31, 2021 as follows:
● Distribution of Re. 0.5932 per unit as Return on Capital declared in their meeting held on October 19, 2020, which was paid on October 28, 2020.
● Distribution of Re. 0.5932 per unit as Return on Capital declared in their meeting held on November 17, 2020 which was paid on November 27, 2020.
● Distribution of Re.0.8029 per unit as Return on Capital declared in their meeting held on December 17, 2020, which was paid on December 28, 2020.
● Distribution of Re.0.5949 per unit as Return on Capital declared in their meeting held on January 18, 2021, which was paid on January 28, 2021.
● Distribution of Re.0.5949 per unit as Return on Capital declared in their meeting held on February 16, 2021, which was paid on February 26, 2021.
● Distribution of Re.0.9080 per unit as Return on Capital declared in their meeting held on March 17, 2021, which was paid on March 30, 2021.

10 Tower InvIT is registered as a contributory irrevocable trust set up under the Indian Trusts Act, 1882 on January 31, 2019, and registered as an infrastructure investment trust under the Securities and Exchange Board of India (Infrastructure Investment Trusts) Regulations, 2014, on March 19, 2019 having registration number IN/InvIT/18-19/0009. Units of Tower Infrastructure Trust have been listed on BSE Limited on September 1, 2020.

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

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

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

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

11 On March 15, 2021, the Group issued 118,360 Secured, Listed, Redeemable Non-convertible Debentures ('Listed NCDs') in the denomination of Rs. 1,000,000 each aggregating to Rs. 118,360 Million. These Listed NCDs carry a coupon rate of SBI 1Y MCLR + 0.97% payable monthly. These NCDs are listed on Debt Segment of BSE Limited and National Stock Exchange of India Limited w.e.f March 17, 2021.

The proceeds raised from this issue have been fully utilized for the purpose for which they were issued i.e. the redemption of 118,360 Secured, Unlisted, Redeemable Non-Convertible Debentures ('Unlisted NCDs') of Rs. 1,000,000 each aggregating to Rs. 118,360 Million issued on August 31, 2020. This redemption was completed on March 15, 2021.
The asset cover on the Listed NCDs exceeds 125% of the principal amount of the said debentures. The security perfection for mortgage creation has been completed subsequent to March 31, 2021.

All the term loans from banks and financial institutions and the Listed NCDs 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

12 On March 15, 2021 the Group redeemed 118,360 Secured, Unlisted, Redeemable Non- Convertible Debentures ('Unlisted NCDs') of Rs. 1,000,000 each aggregating to Rs. 118,360 Million issued on August 31, 2020.

13 The Group had outstanding 50,000,000 Cumulative, Participating, Optionally Convertible Preference Shares of Rs. 10/- each aggregating to Rs. 500,000,000 as on April 1, 2020. With effect from August 21, 2020, the terms of the Cumulative, Participating, Optionally Convertible Preference Shares of Rs. 10/- each were amended to Redeemable, Non-Participating, Non-Cumulative, Non-Convertible Preference Shares of Rs. 10/- each. The preference shares are mandatorily redeemable at par for an amount equal to the aggregate par value at the end of 20 years from the date of issuance i.e. March 31, 2039. Accordingly, the Preference Shares have been reclassified as a liability and have been recognised at the present value of redemption of INR 126 Mn as on March 31, 2021.

CHARTERED ACCOUNTANTS Deloitte Haskins & Sells LLP

TOWER INFRASTRUCTURE TRUST

Dhananjay Joshi

14 The outbreak of Coronavirus (COVID-19) pandemic globally and in India is causing significant disturbance and slowdown of economic activity. On March 24, 2020, the Government of India ordered a nationwide lockdown for 21 days, which further was extended up to June 30, 2020, to prevent community spread of COVID-19 in India resulting in significant reduction in economic activities. The Group is engaged in the business of providing tower infrastructure and related operations in India. The Group has executed a long term MSA with RJIL (one of the largest telecommunication service provider in India) as its customer, which results into committed revenues and cash flows for the Group, on a long term basis. Moreover, the COVID-19 pandemic has not had a material adverse impact on the operations of the telecommunication industry to which the Group currently caters to. Also, the Group has completed substantial portion of its planned capital expenditure and for the balance as well as for the operations and maintenance of the tower sites, the Group has in place long-term arrangements with reputed and experienced contractors/service providers. Further, part of its sanctioned borrowings are available to the Group for utilization on need basis to meet its liquidity requirements. In view of all of the above, the Group does not expect any significant challenges, including emanating out of COVID-19, particularly in the next 12 months.

CHARTERED ACCOUNTANTS Deloitte Haskins & Sells LLP

TOWER INFRASTRUCTURE TRUST

Tower Infrastructure Trust

Notes to Consolidated Financial Information for the year ended March, 2021

II. Additional Disclosures as required by Paragraph 6 of Annexure A to SEBI Circular No.CIRJIMD/DF/127/2016:
A. Statement of Net Distributable Cash Flows (NDCFs) of Summit Digitel Infrastructure Private Limited

(Rs. in Million)

Description	Six months ended March 31, 2021	Six months ended September 30, 2020	Six months ended March 31, 2020	Year ended March 31, 2021	Year ended March 31, 2020
Loss after tax as per profit and loss account (standalone) (A)	**(12,576)**	**(10,803)**	**(9,807)**	**(23,380)**	**(20,968)**
Add: Depreciation and amortisation as per profit and loss account. In case of impairment reversal, same needs to be deducted from profit and loss.	9,838	9,722	9,089	19,560	17,784
Add: Interest on loan to the SPV from the Trust as per the profit and loss account	11,842	2,017	-	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	-	-	-	-	-
• 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	(7,546)	(1,03,085)	(38,543)	(1,10,631)	(84,639)
Less: Investments made in accordance with the investment objective, if any	-	-	-	-	-
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	(45,076)	(9,930)	5,397	(55,006)	11,927
Add / less: Provisions made in earlier period and expensed in the current period	-	-	-	-	-
Less: Any cash paid to the lease owners not accounted for in the working capital changes or the profit and loss account	-	-	-	-	-
Add: Additional borrowings (including debentures / other securities) (external as well as borrowings from Trust)	1,29,475	4,22,360	44,202	5,51,835	1,24,252
Less: Repayment of external debt (principal) / redeemable preference shares / debentures, etc. (Excluding refinancing) / net cash set aside to comply with reserve requirements (including but not limited to DSRA) under loan agreements.	(82,420)	(3,04,350)	(9,930)	(3,86,770)	(47,912)
Less: Cash reserved to make due payments to secured lenders and any other transferrable debentures issued by RJIPL	-	-	-	-	-
Add / less: Proceeds from any fresh issuance of preference shares / redemption of any	-	-	-	-	-
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)	**16,113**	**16,734**	**10,215**	**32,848**	**21,412**
Net Distributable Cash Flows (C) = (A+B)	**3,537**	**5,931**	**408**	**9,468**	**444**

Tower Infrastructure Trust

Notes to Consolidated Financial Information for the year ended March, 2021

B. Statement of Net Distributable Cash Flows (NDCFs) of Tower Infrastructure Trust

(Rs. in Million)

Description	Six months ended March 31, 2021	Six months ended September 30, 2020	Six months ended March 31, 2020	Year ended March 31, 2021	Year ended March 31, 2020
Cash flows received from SPV in the form of interest / accrued interest	10,365	-	-	10,365	-
Cash flows received from SPV in the form of dividend / buy-back of equity shares / capital reduction of equity shares	-	-	-	-	-
Any other income accruing at the Trust level and not captured above, including but not limited to interest /return on surplus cash invested by the Trust	-	-	-	-	-
Add: Cash flows/ Proceeds from the SPV towards the repayment of the debt issued to the SPV by the Trust	-	-	-	-	-
Total cash flow at the Trust level (A)	**10,365**	**-**	**-**	**10,365**	**-**
Less: issue expenses payable by Trust including as reimbursements towards expenses of Trust met by the Sponsors	-	(24)	-	(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	(41)	(32)	(44)	(73)	(68)
Less: income tax (if applicable) at the standalone Trust level and payment of other statutory dues	-	-	-	-	-
Less: Repayment of external debt (including interest) / redeemable preference shares / debentures, etc., if deemed necessary by the Investment Manager	-	(1,141)	(49)	(1,141)	(98)
Less: net cash set aside to comply with DSRA requirement under loan agreements, if any	-	-	-	-	-
Add: Net proceeds (after applicable taxes) from sale of infrastructure assets adjusted for the following:	-	-	-	-	-
- related debts settled or due to be settled from sale proceeds;	-	-	-	-	-
- directly attributable transaction costs;	-	-	-	-	-
- proceeds reinvested or planned to be reinvested as per Regulation 18(7)(a) of the InvIT Regulations	-	-	-	-	-
Add: Net proceeds (after applicable taxes) from sale of infrastructure assets not distributed pursuant to an earlier plan to re-invest, if such proceeds are not intended to be invested subsequently	-	-	-	-	-
Less: Amount invested in any of the Portfolio Assets for service of debt or interest	-	(2,50,000)	-	(2,50,000)	-
Less: Capital expenditure if any (including acquisition of other infrastructure assets / SPVs)	-	(1,054)	-	(1,054)	-
Add: Proceeds from fresh issuance of units	116	2,52,150	-	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)	**75**	**(101)**	**(93)**	**(26)**	**(166)**
Net Distributable Cash Flows (C) = (A+B)	**10,440**	**(101)**	**(93)**	**10,339**	**(166)**

(Rs. in Million)

Description	Six months ended March 31, 2021	Six months ended September 30, 2020	Six months ended March 31, 2020	Year ended March 31, 2021	Year ended March 31, 2020
Net Distributable Cash Flows as per above	**10,440**	**(101)**	**(93)**	**10,339**	**(166)**
Opening balance of Cash and Cash Equivalents	-	15	4	15	4
Total Net Distributable Cash Flows	**10,440**	**(86)**	**(90)**	**10,354**	**(162)**

CHARTERED ACCOUNTANTS Deloitte Haskins & Sells LLP

TOWER INFRASTRUCTURE TRUST

Dhananjay Joshi

Tower Infrastructure Trust

Notes to Consolidated Financial Information for the year ended March, 2021

C. Fees payable to Investment Manager and Project Manager

I. Pursuant to Investment Management Agreement, the Investment Manager is entitled to an Investment Management fee of INR 20 Million per annum exclusive of GST. Investment Manager is also entitled to reimbursement of any cost incurred in relation to activity pertaining to Trust such as administration of Trust, appointment of staff, director, transaction expenses incurred with respect to investing, monitoring and disposing off the investment of the Trust.

Infinite India Investment Management Limited was Investment Manager till October 12, 2020. With effect from October 13, 2020, Brookfield India Infrastructure Manager Private Limited (formerly known as WIP (India) Private Limited) has been appointed as Investment Manager to the Trust.

II. Pursuant to Project Management Agreement, the Project Manager is entitled to a Project Management fee of INR 20 Million per annum exclusive of GST.

D. Statement of Earnings per unit

Particulars	Year ended March 31, 2021	Year ended September 30, 2020
Net Profit/(loss) as per statement of Profit & Loss attributable to unit (Rs. in Million)	(9,830)	(4,711)
Weighted average number of units outstanding for computation of basic and diluted earnings per unit (no. in million)	1,471	427
Earnings per unit in INR (Basic and Diluted)	(6.68)	(11.03)

Trust has issued units on September 01, 2020. Hence, EPS for previous periods is not applicable.

E. Contingent liabilities as at March 31 2021 is NIL (September 30, 2020: Nil ; March 31 2020: NIL)

F. Commitments as at March 31 2021 is Rs. 74,809 Million (September 30, 2020: Rs. 5,567 ; Million March 31 2020: 11,475)

G. STATEMENT OF RELATED PARTY DISCLOSURES
As per InvIT regulations and as per Ind AS 24, disclosure of

I List of Related Parties as per the requirements of Ind AS 24 - "Related Party Disclosures"
List of related parties with whom transactions have taken place and relationships :

i) Name of Related Party
Entities which exercise control on the Trust

Brookfield Asset Management Inc.(w.e.f. August 31, 2020)	Ultimate Holding Company
BIF IV India Holdings Pte Ltd	Intermediate Holding Company
BIF IV Jarvis India Pte Ltd., Singapore (w.e.f August 31, 2020)	Immediate Holding Company

Members of same group (w.e.f. August 31, 2020)
Equinox Business Parks Private Limited
Vrihis Properties Private Limited (Brookfield Real Estate)
Schloss Udaipur Private Limited
Schloss Chennai Private Limited
Schloss Chanakya Private Limited

II List of Additional Related Parties as per regulation 2(1)(zv) of the InvIT Regulations
A. Parties to Tower Infrastructure Trust

BIF IV Jarvis India Pte Ltd., Singapore (August 31, 2020)	Sponsor
Brookfield India Infrastructure Manager Private Limited (formerly known as WIP (India) Private Limited) (Appointed w.e.f. October 13, 2020)	Investment Manager
Axis Trustee Services Limited	Trustee
Infinite India Investment Management Limited (Resigned w.e.f. October 12, 2020)	erstwhile Investment Manager
Jio Infrastructure Management Services Limited (formerly known as Reliance Digital Media Distribution Limited)	Project Manager
Reliance Industrial Investments and Holdings Limited	Sponsor
Reliance Industries Limited	Promotor of Sponsor

B. Director of the Parties specified in II(A) above
Directors of BIF IV Jarvis India Pte Ltd., Singapore
Aanandjit Sunderaj
Liew Yee Foong
Ho Yeh Hwa
Taswinder Kaur Gill
Walter Zhang Shen

Directors of Brookfield India Infrastructure Manager Private Limited (formerly known as WIP (India) Private Limited) (Appointed w.e.f. October 13, 2020)
Sridhar Rengan
Chetan Rameshchandra Desai
Narendra Aneja
Rishi Tibriwal

Directors of Axis Trustee Services Limited
Rajesh Kumar Dahiya
Ganesh Sankaran

Tower Infrastructure Trust

Notes to Consolidated Financial Information for the year ended March, 2021

Sanjay Sinha (Resigned w.e.f. April 30, 2021)
Deepa Rath (Appointed w.e.f. April 30, 2021)

Directors of Infinite India Investment Management Limited
Shailesh Shankarlal Vaidya
Vishal Nimesh Kampani
Rajendra Dwarkadas Hingwala
Dipti Neelakantan

Director of Jio Infrastructure Management Services Limited
Sudhakar Saraswatula
Nikhil Chakrapani Suryanarayana Kavipurapu
Hariharan Mahadevan

Director of Reliance Industrial Investments and Holdings Limited
Hital Rasiklal Meswani
Vinod Mansukhlal Ambani
Mahendra Nath Bajpai
Savithri Parekh
Dhiren Vrajlal Dalal
Balasubrmanian Chandrasekaran

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

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

IV. Transactions during the year with related parties

(Rs. in Million)

Particulars	Relationship	Six months ended March 31, 2021	Six months ended September 30, 2020	Six months ended March 31, 2020	Year ended March 31, 2021	Year ended March 31, 2020
Trustee Fee						
Axis Trustee Services Limited	Trustee	1	1	1	2	2
Investment Management Fees						
Infinite India Investment Management Limited	Erstwhile Investment Manager	1	12	14	13	24
Brookfield India Infrastructure Manager Private Limited (formerly known as WIP (India) Private Limited) (Appointed w.e.f. October 13, 2020)	Investment Manager	13	-	-	13	-
Reimbursement of Expenses						
Brookfield India Infrastructure Manager Private Limited (formerly known as WIP (India) Private Limited) (Appointed w.e.f. October 13, 2020)	Investment Manager	4	-	-	4	-
Infinite India Investment Management Limited	Erstwhile Investment Manager	5	-	-	5	-
Acquisition of shares of Summit Digitel Infrastructure Private Limited (formerly known as Reliance Jio Infratel Private Limited)						
Reliance Industries Limited	Promotor of Sponsor	0	1,054	-	1,054	-
Project Manager Fees						
Jio Infrastructure Management Services Limited	Project Manager	12	12	24	-	24

CHARTERED ACCOUNTANTS Deloitte Haskins & Sells LLP

TOWER INFRASTRUCTURE TRUST

Dhananjay Joshi

Tower Infrastructure Trust

Notes to Consolidated Financial Information for the year ended March, 2021

IV. Transactions during the year with related parties

(Rs. in Million)

Particulars	Relationship	Six months ended March 31, 2021	Six months ended September 30, 2020	Six months ended March 31, 2020	Year ended March 31, 2021	Year ended March 31, 2020
Issue of units capital to Sponsor						
BIF IV Jarvis India Pte Ltd.	Sponsor	-	2,26,410	-	2,26,410	-
Distribution to Unitholders						
BIF IV Jarvis India Pte Ltd.	Sponsor	9,254	-	-	9,254	-
Contribution to Corpus						
Reliance Industrial Investments and Holdings Limited	Sponsor	-	116	124	116	124
Working Capital adjustment	Refer Note 7	-	8,505	-	8505	-
Shareholder Option Agreement	Refer Note 4	-	2,020	-	2020	-
Reliance Industries Ltd	Promotor of Sponsor					
Loans Repaid		-	(5,050)	-	(5,050)	(350)
Interest on Non-Convertible Debenture		-	5,229	-	5,229	1,145
Interest on Inter-corporate Deposits		-	195	-	195	403
Other Borrowing Cost		-	91	-	91	125
Repayment of Non-Convertible Debentures		-	(1,18,360)	-	(1,18,360)	(29,650)
Issuance of Non-Convertible Debentures		-	1,18,360	-	1,18,360	-
Trade Payables -Commission on Corporate Guarantee		-	58	-	58	-
Deposit paid						
Equinox Business Parks Private Limited	Members of same group	14	-	0	14	-
Expenses Incurred						
Equinox Business Parks Private Limited	Members of same group	5	-	-	5	-
Vrihis Properties Private Limited (Brookfield Real Estate)	Members of same group	12	-	-	12	-
Schloss Udaipur Private Limited	Members of same group	1	-	-	1	-
Schloss Chennai Private Limited	Members of same group	2	-	-	2	-
Schloss Chanakya Private Limited	Members of same group	1	-	-	1	-

V Balance as at end of the year

(Rs. in Million)

Particulars	Relationship	As at March 31, 2021	As at September 30, 2020	As at March 31, 2020	As at September 30, 2019
Professional Fees					
Axis Trustee Services Limited	Trustee	-	1	2	1
Infinite India Investment Management Limited	Erstwhile Investment Manager	-	12	24	10
Shares of Tower trust					
BIF IV Jarvis India Pte Ltd.	Sponsor	2,26,410	-	-	-
Contribution to Corpus					
Reliance Industrial Investments and Holdings Limited	Sponsor	240	240	124	0
Other Payables					
Brookfield India Infrastructure Manager Private Limited (formerly known as WIP (India) Private Limited)	Investment Manager	3	-	-	-
Jio Infrastructure Management Services Limited	Project Manager	-	12	-	-

CHARTERED ACCOUNTANTS Deloitte Haskins & Sells LLP

TOWER INFRASTRUCTURE TRUST

Tower Infrastructure Trust

Notes to Consolidated Financial Information for the year ended March, 2021

V Balance as at end of the year (Rs. in Million)

Particulars	Relationship	As at March 31, 2021	As at September 30, 2020	As at March 31, 2020	As at September 30, 2019
Receivable/(Payable)					
Equinox Business Parks Private Limited	Members of same group	14	-	-	-
Vrihis Properties Private Limited (Brookfield Real Estate)	Members of same group	(0)	-	-	-
Schloss Udaipur Private Limited	Members of same group	-	-	-	-
Schloss Chennai Private Limited	Members of same group	(0)	-	-	-
Schloss Chanakya Private Limited	Members of same group	(0)	-	-	-
Reliance Industries Ltd	Promotor of Sponsor				
Equity Shares subscribed		-		1,054	-
10% Convertible preference shares		-	500	500	-
0% Non- Convertible preference shares		114			-
Borrowing - Non-convertible Debentures		1,18,360	1,18,360	1,18,360	-
Borrowing - Term Loan (Current)		-		5,050	-
Borrowing - Non-convertible Debentures(unsecured)		-		5,050	-
Borrowing - Term Loan (Current)		-		9,587	-

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

	As at March 31, 2021	
	Book Value	**Fair Value***
A. Assets	4,14,459	4,40,055
B. Liabilities	1,75,769	1,75,769
C. Net Assets (A-B)	**2,38,691**	**2,64,286**
D. No. of Units	**2,522**	**2,522**
D. NAV(C/D)	**94.66**	**104.81**

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

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

	Year ended March 31, 2021	Year ended March 31, 2020
Total Comprehensive Income (As per Statement of Profit and Loss)	(9,830)	(21,134)
Add/(Less): Other changes in fair value (e.g. Property, Plant and Equipment)	-	-
Total Return	**(9,830)**	**(21,134)**

J. Initial Disclosure by an entity identified as a Large Corporate

Particulars	**Details**
Name of the Company/InvIT	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 (Rs. in Million)	Nil as on March 31, 2021*
Highest Credit Rating during previous FY along with the name of Credit rating agency	Not Applicable*
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/CIR/P/2018/144 dated November 26, 2018, the Trust is not identified as a "Large Corporate" as on March 31, 2021.

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

Sridhar Rengan
Chairperson of the Board
DIN: 03139082

Date: June 07, 2021
Place: Chennai

Deloitte
Haskins & Sells LLP

Chartered Accountants
One International Center,
27th-32nd Floor, Tower 3,
Senapati Bapat Marg,
Elphinstone Road (West),
Mumbai - 400 013.
Phone: +91 22 6185 4000
Fax: +91 22 6185 4001

INDEPENDENT AUDITOR'S REPORT

To The Unitholders of Tower Infrastructure Trust

Report on the Audit of Standalone Financial Statements

Opinion

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

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

Basis for Opinion

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

Emphasis of Matter

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

Key Audit Matters

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

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

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

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

- In connection with our audit of the standalone financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

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

Management's Responsibility for the Standalone Financial Statements

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

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

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

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

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

CHARTERED ACCOUNTANTS Deloitte Haskins & Sells LLP

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

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

- Obtain an understanding of internal financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on the effectiveness of the Trust's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Trust's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Trust to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the Standalone financial statements of the Trust to express an opinion on the standalone financial statements.

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

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

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

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

CHARTERED ACCOUNTANTS Deloitte Haskins & Sells LLP

Deloitte
Haskins & Sells LLP

Report on Other Legal and Regulatory Requirements

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

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

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

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

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

CHARTERED ACCOUNTANTS Deloitte Haskins & Sells LLP

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

Chicalim, Goa, June 07, 2021

Tower Infrastructure Trust

Standalone Balance Sheet as at March 31, 2021

(Rs. in Million)

Particulars	Notes	As at March 31, 2021	As at March 31, 2020
ASSETS			
NON-CURRENT ASSETS			
Financial Assets			
Investments	1	2,150	1,097
Loans and advances	2	2,50,000	-
Total Non-Current Assets		**2,52,150**	**1,097**
CURRENT ASSETS			
Financial Assets			
Cash and Cash Equivalents	3	133	15
Other Current Assets	4	3,495	-
Total Current Assets		**3,628**	**15**
Total Assets		**2,55,778**	**1,112**
EQUITY AND LIABILITIES			
EQUITY			
Unit capital	5	2,52,150	-
Contribution	6	240	124
Other Equity	7	1,033	(167)
Total Equity		**2,53,423**	**(43)**
LIABILITIES			
Non - Current Liabilities			
Other financial liabilities	8	**2,215**	-
Current Liabilities			
Financial Liabilities			
Trade Payables due to			
- total outstanding dues of micro enterprises and small enterprises	9	-	40
- total outstanding dues of creditors other than micro enterprises and small enterprises			
Other Financial Liabilities	10	-	1,100
Other Current Liabilities	11	140	15
Total Current Liabilities		**140**	1,155
Total Liabilities		**2,355**	**1,155**
Total Equity and Liabilities		**2,55,778**	**1,112**
Significant Accounting Policies See accompanying Notes to the Standalone Financial Statements	1 to 27		

"0" represents the amount below the denomination threshold.

As per our report of even date.

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

Varsha A. Fadte
Partner

Date: June 07, 2021
Place: Chicalim, Goa

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

Sridhar Rengan
Chairperson of the Board
DIN: 03139082

Date: June 07, 2021
Place: Chennai

Dhananjay Joshi
Member of Tower InvIT Committee
PAN: AASPJ9719K

Date: June 07, 2021
Place: Bangalore

Inder Mehta
Compliance Officer of the Trust
PAN: AAFPM5702N
Date: June 07, 2021
Place: Mumbai

Tower Infrastructure Trust

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

(Rs. in Million)

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

Significant Accounting Policies
See accompanying Notes to the Standalone Financial Statements 1 to 27

“0” represents the amount below the denomination threshold.
As per our report of even date.

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

Varsha A. Fadte
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Date: June 07, 2021
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Date: June 07, 2021
Place: Bangalore

Inder Mehta
Compliance Officer of the Trust
PAN: AAFPM5702N
Date: June 07, 2021
Place: Mumbai

Tower Infrastructure Trust

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

(Rs. in Million)

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

Notes:

1 The above Statement of Cash Flow has been prepared under the "Indirect Method" as set out in IND AS - 7 "Statement of Cash Flows"

2 Non-cash investing activity -
Call Option written on shares of subsidiary Rs. 2,020 Mn for year ended March 31, 2021 (Previous year :Nil)

Significant Accounting Policies
“0” represents the amount below the denomination threshold.

See accompanying Notes to the Standalone Financial Statements 1 to 27

As per our report of even date.

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

Varsha A. Fadte

Varsha A. Fadte
Partner

CHARTERED ACCOUNTANTS Deloitte Haskins & Sells LLP

Date: June 07, 2021
Place: Chicalim, Goa

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

Sridhar Rengan
Chairperson of the Board
DIN: 03139082

Date: June 07, 2021
Place: Chennai

Dhananjay Joshi

Dhananjay Joshi
Member of Tower InvIT Committee
PAN: AASPJ9719K

Date: June 07, 2021
Place: Bangalore

TOWER INFRASTRUCTURE TRUST

Inder Mehta
Compliance Officer of the Trust
PAN: AAFPM5702N
Date: June 07, 2021
Place: Mumbai

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Tower Infrastructure Trust

Disclosures pursuant to SEBI Circulars

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

(A) Debt Payment History:

(Rs. in Million)

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

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

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

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

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

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

TOWER INFRASTRUCTURE TRUST

Dhananjay Joshi

Tower Infrastructure Trust

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

(Rs. in Million)

		Year ended March 31, 2021	Year ended March 31, 2020
(A)	**Unit Capital**		
	Balance at the beginning of the year	**-**	-
	Issuance during the year	2,52,150	-
	Balance at the end of the year	**2,52,150**	-
(B)	**Initial Contribution**		
	Balance at the beginning of the year	124	-
	Contribution during the year	116	124
	Balance at the end of the year	**240**	**124**

(C) Other Equity

	Retained Earnings	Total
As at March 31, 2020		
Balance at the beginning of the year	(1)	(1)
Total Comprehensive Loss for the year	(166)	(166)
Balance at the end of the year	**(167)**	**(167)**
As at March 31, 2021		
Balance at the beginning of the year	**(167)**	**(167)**
Total Comprehensive Income / (Loss) for the year	13,550	13,550
Return on Capital distribution#	(10,306)	(10,306)
Units issuance costs	(24)	(24)
Other Adjustments (Refer Note 18)	(2,020)	(2,020)
Balance at the end of the year	**1,033**	**1,033**

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

Significant Accounting Policies

See accompanying Notes to the Standalone Financial Statements 1 to 27

"0" represents the amount below the denomination threshold.

As per our report of even date.

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

Varsha A. Fadte
Partner

Date: June 07, 2021
Place: Chicalim, Goa

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

Sridhar Rengan
Chairperson
of the Board
DIN: 03139082

Date: June 07, 2021
Place: Chennai

Dhananjay Joshi
Member of Tower InvIT
Committee
PAN: AASPJ9719K

Date: June 07, 2021
Place: Bangalore

Inder Mehta
Compliance Officer of the Trust
PAN: AAFPM5702N

Date: June 07, 2021
Place: Mumbai

Tower Infrastructure Trust

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

A CORPORATE INFORMATION

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

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

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

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

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

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

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

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

B ACCOUNTING POLICIES

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

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

Statement of compliance to Ind AS:

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

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

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

TOWER INFRASTRUCTURE TRUST

Dhananjay Joshi

B.2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(a) Current and Non-Current Classification:

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

An asset is treated as Current when it is:

i Expected to be realised or intended to be sold or consumed in normal operating cycle;
ii Held primarily for trading;
iii Expected to be realised within twelve months after the reporting period, or
iv Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is current when:

It is expected to be settled in normal operating cycle;
i Held primarily for trading;
ii It is due to be settled within twelve months after the reporting period, or
iii There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The Trust classifies all other liabilities as non-current.
Deferred tax assets and liabilities are classified as non-current assets and liabilities.
The Trust has considered 12 months as its normal operating cycle.

(b) Finance Cost

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

(c) Provisions

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

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

(d) Taxation

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

Current tax

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

Deferred tax

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

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

(e) Cash and cash equivalents

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

(f) Revenue recognition

The Trust earns revenue primarily from Investments.

Interest income

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

CHARTERED ACCOUNTANTS

TOWER INFRASTRUCTURE TRUST

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

(h) Earnings Per Unit (EPU)
Basic earnings per unit is computed using the net profit for the period attributable to the unitholders' and weighted average number of units outstanding during the period.

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

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

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

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

TOWER INFRASTRUCTURE TRUST

(I) Borrowing Costs

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

C Critical accounting judgements and key sources of estimation uncertainty:

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

(a) Determination of Fair Value

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

Standards issued but not effective:

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

TOWER INFRASTRUCTURE TRUST

Dhananjay Joshi

(Rs. in Million)

		As at March 31, 2021	As at March 31, 2020
1	**Investment in Subsidiary Company**		
	Investments measured at Cost		
	In Equity Shares of Summit Digitel Infrastructure Private Limited ("Subsidiary")* (formerly known as Reliance Jio Infratel Private Limited) unquoted, fully paid-up (215,00,00,000 shares of Re. 1 each) (Previous year: 1,09,65,00,000 shares of Re. 1 each)	2,150	1,097
	Total	**2,150**	**1,097**

*The Trust holds 100% equity ownership in the Subsidiary as at March 31, 2021

	Additional Information		
	Aggregated value of Unquoted Investment	**2,150**	**1,097**
	Aggregated value of Quoted Investment	**-**	-
	Aggregate provision for increase/diminution in the value of Investments	**-**	-
2	**Loans and advances**		
	Loan to Summit Digitel Infrastructure Private Limited (formerly known as Reliance Jio Infratel Private Limited)	2,50,000	-
	Total	**2,50,000**	-

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

3	**Cash and Cash Equivalents**		
	Balances with Banks in current accounts	133	15
	Total	**133**	**15**
4	**Other Current Assets**		
	Accrued interest on loan to Summit Digitel Infrastructure Private Limited (formerly known as Reliance Jio Infratel Private Limited)	3,495	-
	Total	**3,495**	-

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

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

Note:

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

Rights and Restrictions to Units

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

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

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

TOWER INFRASTRUCTURE TRUST

Dhananjay Joshi

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

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

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

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

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

*No units were issued as at March 31, 2020

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

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

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

TOWER INFRASTRUCTURE TRUST

Dhananjay Joshi

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

(Rs. in Million)

		As at March 31, 2021	As at March 31,2020
8	**Other financial liabilities**		
	Call Option written on Shares of Subsidiary (Refer Note 18)	2,215	-
		2,215	-
9	**Trade Payables due to**		
	Other than Micro and Small Enterprises (Refer Note 21)	-	40
	Total	-	**40**
10	**Other Financial Liabilities**		
	Current maturities of Borrowing	-	1,100
	Total	-	**1,100**
11	**Other Current Liabilities**		
	Statutory dues	127	15
	Accrued liabilities	10	-
	Other Payables	3	-
	Total	**140**	**15**

(Rs. in Million)

		Year ended March 31, 2021	Year ended March 31, 2020
12	**Revenue from Operations**		
	Interest on loan	13,860	-
	Total	**13,860**	-
13	**Finance Costs**		
	Interest	41	99
	Total	**41**	99
14	**Other Expenses**		
	Fair value of call option	195	-
	General Expenses	1	0
	Total	**196**	**0**

TOWER INFRASTRUCTURE TRUST

15 Earnings Per unit (EPU)

Rs. in Million except per share data

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

16 RELATED PARTY DISCLOSURES

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

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

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

i) Name of Related Party

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

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

Subsidiary (SPV)

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

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

A Parties to Tower Infrastructure Trust

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

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

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

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

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

Sridhar Rengan
Chetan Rameshchandra Desai
Narendra Aneja
Rishi Tibriwal

Directors of Axis Trustee Services Limited

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

Directors of Infinite India Investment Managment Limited

Shailesh Shankarlal Vaidya
Vishal Nimesh Kampani
Rajendra Dwarkadas Hingwala
Dipti Neelakantan

Director of Jio Infrastructure Management Services Limited

Sudhakar Saraswatula
Nikhil Chakrapani Suryanarayana Kavipurapu
Hariharan Mahadevan

Director of Reliance Industrial Investments and Holdings Limited

Hital Rasiklal Meswani

TOWER INFRASTRUCTURE TRUST

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

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

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

IV **Transactions during the year with related parties :**

(Rs. in Million)

Particulars	Relationship	For the period ended March 31 2021	For the period ended March 31 2020
Trustee Fee			
Axis Trustee Services Limited	Trustee	2	2
Investment Management Fees			
Infinite India Investment Management Limited	Erstwhile Investment Manager	13	24
Brookfield India Infrastructure Manager Private Limited (formerly known as WIP (India) Private Limited) (Appointed w.e.f. October 13, 2020)	Investment Manager	13	-
Reimbursement of Expenses			
Brookfield India Infrastructure Manager Private Limited (formerly known as WIP (India) Private Limited) (Appointed w.e.f. October 13, 2020)	Investment Manager	4	-
Infinite India Investment Management Limited	Erstwhile Investment Manager	5	-
Acquisition of shares of Summit Digitel Infrastructure Private Limited (formerly known as Reliance Jio Infratel Private Limited)			
Reliance Industries Limited	Promotor of Sponsor	1,054	-
Project Manager Fees			
Jio Infrastructure Management Services Limited	Project Manager	24	24
Issue of units capital to Sponsor			
BIF IV Jarvis India Pte Ltd.	Sponsor	2,26,410	-
Interest Income			
Summit Digitel Infrastructure Private Limited (formerly known as Reliance Jio Infratel Private Limited)	Subsidiary (SPV)	13,860	-
Distribution to Unitholders			
BIF IV Jarvis India Pte Ltd.	Sponsor	9,254	-
Contribution to Corpus			
Reliance Industrial Investments and Holdings Limited	Sponsor	116	124
Loans and Advances given			
Summit Digitel Infrastructure Private Limited (formerly known as Reliance Jio Infratel Private Limited)	Subsidiary (SPV)	2,50,000	-
Shareholder Option Agreement	Refer Note 7	2,020	-

TOWER INFRASTRUCTURE TRUST

Dhananjay Joshi

V **Balances as at end of the year:**

Particulars	Relationship	As at March 31 2021	As at March 31 2020
Professional Fees			
Axis Trustee Services Limited	Trustee	-	2
Infinite India Investment Management Limited	Erstwhile Investment Manager	-	24
Units Capital of Tower trust			
BIF IV Jarvis India Pte Ltd.	Sponsor	2,26,410	-
Contribution to Corpus			
Reliance Industrial Investments and Holdings Limited	Sponsor	240	124
Interest Receivable			
Interest Receivable on Loan to Summit Digitel Infrastructure Private Limited (formerly known as Reliance Jio Infratel Private Limited)	Subsidiary (SPV)	3,494	-
Loans and Advances given			
Summit Digitel Infrastructure Private Limited (formerly known as Reliance Jio Infratel Private Limited)	Subsidiary (SPV)	2,50,000	-
Other Payables			
Brookfield India Infrastructure Manager Private Limited (formerly known as WIP (India) Private Limited)	Investment Manager	3	-

17 **CONTINGENT LIABILITIES AND COMMITMENTS**
As on March 31, 2021 - NIL (March 31, 2020: NIL)

18 **FINANCIAL INSTRUMENTS**

FAIR VALUE MEASUREMENT HIERARCHY:

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

The financial instruments are categorized into three levels based on inputs used to arrive at fair value measurements as described below:
Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities; and
Level 2: Inputs other than the quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.
Level 3: Inputs which are significantly from unobservable market data.

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

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

b) The fair value of call option written on shares of subsidiary is measured using Black Scholes Formula. Key inputs used in the measurement are:
(i) Stock Price: It is estimated based on the stock price as of the date of the transaction August 31,2020 of INR 2,150 million, as increased for the interim period between August 31,2020 and March 31,2021 by the Cost of Equity as this would be expected return on the investment for the acquirer.
(ii) Exercise Price: Rs. 2,150 Million
(iii) Option Maturity: 30 years from August 31, 2020 i.e., August 31, 2050.
(iv) Risk free rate as on date of valuation - 6.77%.

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

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

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

TOWER INFRASTRUCTURE TRUST

Maturity profile of financial assets as on March 31, 2021

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

Maturity profile of financial assets as on March 31, 2020

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

Maturity profile of financial liabilities as on March 31, 2021

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

Maturity profile of financial liabilities as on March 31, 2020

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

Credit Risk

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

20 Segment Reporting

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

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

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

TOWER INFRASTRUCTURE TRUST

Tower Infrastructure Trust
Notes to standalone Financial Statements for the year ended March 31, 2021

22 Statement of Net Distributable Cash Flows (NDCFs)

(Rs. in Million)

Description	Year ended March 31, 2021	Year ended March 31, 2020
Cash flows received from SPV in the form of interest / accrued interest	10,365	-
Cash flows received from SPV in the form of dividend / buy-back of equity shares / capital reduction of equity shares	-	-
Any other income accruing at the Trust level and not captured above, including but not limited to interest /return on surplus cash invested by the Trust	-	-
Add: Cash flows/ Proceeds from the SPV towards the repayment of the debt issued to the SPV by the Trust	-	-
Total cash flow at the Trust level (A)	**10,365**	**-**
Less: issue expenses payable by Trust including as reimbursements towards expenses of Trust met by the Sponsors	(24)	-
Less: annual expenses of the Trust including audit fees, project manager fees, investment management fees, stock exchange fees, other statutory fees, depository fees, legal expenses, credit rating fees and valuer fees	(73)	(67)
Less: income tax (if applicable) at the standalone Trust level and payment of other statutory dues	-	-
Less: Repayment of external debt (including interest) / redeemable preference shares / debentures, etc., if deemed necessary by the Investment Manager	(1,141)	(99)
Less: net cash set aside to comply with DSRA requirement under loan agreements, if any	-	-
Add: Net proceeds (after applicable taxes) from sale of infrastructure assets adjusted for the following:	-	-
- related debts settled or due to be settled from sale proceeds;	-	-
- directly attributable transaction costs;	-	-
- proceeds reinvested or planned to be reinvested as per Regulation 18(7)(a) of the InvIT Regulations	-	-
Add: Net proceeds (after applicable taxes) from sale of infrastructure assets not distributed pursuant to an earlier plan to re-invest, if such proceeds are not intended to be invested subsequently	-	-
Less: Amount invested in any of the Portfolio Assets for service of debt or interest	(2,50,000)	-
Less: Capital expenditure if any (including acquisition of other infrastructure assets / SPVs)	(1,054)	-
Add: Proceeds from fresh issuance of units	2,52,266	-
Less: Reserve for debentures / loans / capex expenditure in the intervening period till next proposed distribution if deemed necessary by the Investment Manager invested in permitted investments	-	-
Total cash outflows/retention at the Trust level (B)	**(26)**	**(166)**
Net Distributable Cash Flows (C) = (A+B)	**10,339**	**(166)**

(Rs. in Million)

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

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

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

23 Taxes

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

(Rs. in Million)

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

TOWER INFRASTRUCTURE TRUST

24 PAYMENT TO AUDITORS (Rs. in Million)

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

25 CAPITAL MANAGEMENT

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

i) Ensure Financial flexibility and diversify sources of financing and their maturities to minimize liquidity risk while meeting investment requirements.
ii) Leverage optimally in order to maximize unit holder return while maintaining strength and flexibility of the Balance Sheet.

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

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

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

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

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

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

Sridhar Rengan
Chairperson of the Board
DIN: 03139082

Date: June 07, 2021
Place: Chennai

Dhananjay Joshi
Member of Tower InvIT Committee
PAN: AASPJ9719K

Date: June 07, 2021
Place: Bangalore

Inder Mehta
Compliance Officer of the Trust
PAN: AAFPM5702N
Date: June 07, 2021
Place: Mumbai

TOWER INFRASTRUCTURE TRUST

Deloitte Haskins & Sells LLP

Chartered Accountants
One International Center,
27th-32nd Floor, Tower 3,
Senapati Bapat Marg,
Elphinstone Road (West),
Mumbai - 400 013.
Phone: +91 22 6185 4000
Fax: +91 22 6185 4001

INDEPENDENT AUDITOR'S REPORT
To The Unitholders of Tower Infrastructure Trust
Report on the Audit of Consolidated Financial Statements

Opinion

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

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

Basis for Opinion

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

Emphasis of Matter

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

Key Audit Matters

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

CHARTERED ACCOUNTANTS Deloitte Haskins & Sells LLP

Sl. No	Key Audit Matter	Auditors' Response
1	**Assessment of accounting for Restated and Amended Master Services Agreement under Ind AS 115** The Group's contract with its customer is governed by Master Services Agreement (MSA) that contains the terms and conditions relating to the Group's obligations under the Contract with its customers. This key audit matter pertains to accounting for contract modification under Ind AS 115 - *Revenue from Contracts with Customers* (Ind AS 115), wherein the Group entered into a Restated and Amended MSA (Amended MSA) effective August 31, 2020, as stated in Note C (c) of the financial statements. In evaluating the impact of the Amended MSA, the Management of the Group exercised significant judgement in assessing the following: • Determination of the performance obligations of the Group as per the Amended MSA. • Determination of the contract with the customer being in the nature of a service contract. • Assessment of whether the Group controls the services before it is transferred to the customer. The Group considers whether it has the primary obligation to fulfil the contract, inventory risk, pricing discretion and other factors to determine whether it controls the service and therefore, is acting as a principal or an agent. We identified the accounting for contract modification under Ind AS 115 as a key audit matter because this involved significant judgements and estimates in determining appropriate accounting of revenue from contract with customer.	**Principal Audit Procedures Performed** • Our audit procedures relating to the contract modification included procedures for (1) identification of distinct performance obligations (2) determination of whether the Group is acting as a principal or an agent and (3) whether accounting for modification reflects the accounting in accordance with Ind AS 115. • We tested the design and implementation and effectiveness of the controls established by the Group around evaluation of accounting impact of Contract modification. • We evaluated the Group's significant accounting policies on accounting for contract modification under Ind AS 115 for reasonableness and compliance with accounting standards. • Read and evaluated critical terms of the Amended MSA to assess completeness of Management's identification of significant terms and obligations of parties where contractors or vendors are involved in providing services to the customer against the assessment provided by the Group's Management. • For each identified significant terms in the Amended MSA, assessed reasonableness of the management's basis of conclusion for the accounting treatment and • Tested the appropriateness of presentation of revenue and operating costs.

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

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

CHARTERED ACCOUNTANTS Deloitte Haskins & Sells LLP

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

- In connection with our audit of the consolidated financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

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

Management's Responsibility for the Consolidated Financial Statements

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

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

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

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

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

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

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

CHARTERED ACCOUNTANTS Deloitte Haskins & Sells LLP

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

- Obtain an understanding of internal financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on the effectiveness of the Trust's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities within the Group to express an opinion on the consolidated financial statements.

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

We communicate with those charged with governance of the Trust and subsidiary included in the consolidated financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings that we identify during our audit.

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

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

Report on Other Legal and Regulatory Requirements

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

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

CHARTERED ACCOUNTANTS Deloitte Haskins & Sells LLP

b) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including Other Comprehensive Loss, Consolidated Statement of Changes in Unitholders' Equity, the Consolidated Statement of Cash Flow of the Trust and of its subsidiary dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of consolidated financial statements;

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

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

Varsha A. Fadte
Partner
(Membership No. 103999)
(UDIN: 21103999AAAAGQ1955)

Chicalim, Goa, June 07, 2021

Tower Infrastructure Trust

Consolidated Balance Sheet as at March 31 2021

(Rs. in Million)

Particulars	Notes	As at March 31, 2021	As at March 31, 2020
ASSETS			
NON-CURRENT ASSETS			
Property, Plant And Equipment	1	3,80,105	3,87,266
Right of Use Assets	2	206	117
Capital Work In Progress	1	18	-
Financial Assets			
Other Financial Assets	3	4,571	3,072
Other Non-Current Assets	4	3,236	3,236
Total Non-Current Assets		**3,88,136**	**3,93,691**
CURRENT ASSETS			
Financial Assets			
Trade Receivables	5	153	153
Cash and Cash Equivalents	6	10,047	461
Other Bank Balances	7	3	3
Other Financial Assets	8	4,531	24,099
Other Current Assets	9	11,589	22,553
Total Current Assets		**26,323**	**47,269**
Total Assets		**4,14,459**	**4,40,960**
EQUITY AND LIABILITIES			
EQUITY			
Unit Capital	10	2,52,150	-
Contribution	10A	240	124
Other Equity	11	(51,462)	(10,402)
Total Equity		**2,00,928**	**(10,278)**
Non-controlling interest	12	**-**	**(9,212)**
LIABILITIES			
Non - Current Liabilities			
Financial Liabilities			
Borrowings	13	1,81,851	2,28,194
Right of use liabilities	2	88	-
Other financial liabilities	14	2,215	-
Provisions	15	11,235	10,854
Total Non-Current Liabilities		**1,95,389**	**2,39,048**

Tower Infrastructure Trust

Consolidated Balance Sheet as at March 31 2021

(Rs. in Million)

Particulars	Notes	As at March 31, 2021	As at March 31, 2020
Current Liabilities			
Financial Liabilities			
Borrowings	16	-	30,050
Trade Payables due to			
- total outstanding dues of micro enterprises and small enterprises	17	0	-
- total outstanding dues of creditors other than micro enterprises and small enterprises	17	1,958	3,097
Right of use liabilities	2	18	-
Other Financial Liabilities	18	11,213	72,242
Creditors for Capital Expenditure		-	1,14,610
Other Current Liabilities	19	4,949	1,403
Provisions	15	4	-
Total Current Liabilities		**18,142**	**2,21,402**
Total Liabilities		**2,13,531**	**4,60,450**
Total Equity and Liabilities		**4,14,459**	**4,40,960**
Significant Accounting Policies			
See accompanying Notes to the Consolidated Financial Statements	1 to 42		

"0" represents the amount below the denomination threshold.

As per our report of even date.

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

Varsha A. Fadte
Partner

Date:June 07, 2021
Place: Chicalim, Goa

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

Sridhar Rengan
Chairperson of the Board
DIN: 03139082

Date: June 07, 2021
Place: Chennai

Dhananjay Joshi
Member of Tower InvIT Committee
PAN: AASPJ9719K

Date: June 07, 2021
Place: Bangalore

Inder Mehta
Compliance Officer of the Trust
PAN: AAFPM5702N

Date: June 07, 2021
Place: Mumbai

Tower Infrastructure Trust

Consolidated Statement of Profit & Loss for the year ended March 31 2021

(Rs. in Million)

Particulars	Notes	Year ended March 31, 2021	Year ended March 31, 2020
INCOME			
Revenue from Operations	20	82,442	74,767
Other Income	21	153	125
Total Income		**82,595**	**74,892**
EXPENSES			
Investment Manager Fee		26	24
Trustee Fee		2	2
Project Manager Fee		24	24
Audit Fees		30	23
Listing Fees		1	-
Network Operating Expenses	22	51,360	45,878
Employee Benefits Expense	23	164	1
Finance Costs	24	20,772	32,039
Depreciation and Amortisation Expense	25	19,560	17,784
Legal and Professional Fees		151	42
Other Expenses	26	335	209
Total Expenses		**92,425**	**96,026**
Loss before Tax		**(9,830)**	**(21,134)**
Tax Expenses		**-**	**-**
Loss for the year		**(9,830)**	**(21,134)**
Other Comprehensive Loss		**-**	-

Dhananjay Joshi

Tower Infrastructure Trust

Consolidated Statement of Profit & Loss for the year ended March 31 2021

(Rs. in Million)

Particulars	Notes	Year ended March 31, 2021	Year ended March 31, 2020
Total Comprehensive Loss for the year		**(9,830)**	**(21,134)**
Attributable to Owners of the Trust		**(5,681)**	**(10,885)**
Attributable to Non Controlling Interest		**(4,149)**	**(10,249)**
Earnings Per Unit (EPU)	27		
Basic (in Rupees)		**(6.68)**	**-**
Diluted (in Rupees)		**(6.68)**	**-**
Significant Accounting Policies			
See accompanying Notes to the Consolidated Financial Statements	1 to 42		

“0” represents the amount below the denomination threshold.
As per our report of even date.

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

Varsha A. Fadte
Partner

Date:June 07, 2021
Place: Chicalim, Goa

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Date: June 07, 2021
Place: Bangalore

Inder Mehta
Compliance Officer of the Trust
PAN: AAFPM5702N
Date: June 07, 2021
Place: Mumbai

Tower Infrastructure Trust

Consolidated Statement of Changes in Unitholders' Equity for the year ended March 31 2021

(Rs. in Million)

	Year ended March 31, 2021	Year ended March 31, 2020
(A) Unit capital		
Balance at the beginning of the year	2,52,150	-
Changes in equity share capital during the year	-	-
Balance at the end of the year	**2,52,150**	**-**
(B) Initial Contribution	124	124
Balance at the beginning of the year	116	-
Contribution during the year	**240**	**124**
Balance at the end of the year		
(C) Non Controlling Interest		
Balance at the beginning of the year	(9,212)	1,037
1,05,00,000 Equity shares of Re. 1 each fully paid up in Summit Digitel Infrastructure Private Limited (Formerly as Reliance Jio Infratel Private Limited)	(1,054)	-
Loss for the year	(4,149)	(10,249)
Acquisition (Refer Note 10.2)	14,415	-
Balance at the end of the year	**-**	**(9,212)**

(D) Other Equity	**Instrument classified as Equity: 10% Cumulative Optionally Convertible Preference Share Capital Fully paid up**	**Reserves and Surplus: Retained Earnings**	**Total**
As on March 31, 2020			
Balance at the beginning of the year	500	(17)	483
Total Comprehensive Loss for the year	-	(10,885)	(10,885)
Balance at the end of the year	**500**	**(10,902)**	**(10,402)**
As on March 31, 2021			
Balance at the beginning of the year	500	(10,902)	(10,402)
Total Comprehensive Loss for the year	-	(5,681)	(5,681)
Return on Capital#		(10,306)	(10,306)
Change in non controlling interest during the year		(14,415)	(14,415)
Other adjustments (Refer note 13 (III) and Note 11)	(500)	(10,158)	(10,658)
Balance at the end of the year	**-**	**(51,462)**	**(51,462)**

#Return on capital distribution during the year as per NDCF duly approved by investment manager. Refer Note 39.

Significant Accounting Policies
See accompanying Notes to the Consolidated Financial Statements 1 to 42
"0" represents the amount below the denomination threshold.

As per our report of even date.

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

Varsha A. Fadte
Partner

Place: Chicalim, Goa
Date: June 07, 2021

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

Sridhar Rengan
Chairperson of the Board
DIN: 03139082

Date: June 07, 2021
Place: Chennai

Dhananjay Joshi
Member of Tower InvIT Committee
PAN: AASPJ9719K

Date: June 07, 2021
Place: Bangalore

Inder Mehta
Compliance Officer of the Trust
PAN: AAFPM5702N

Date: June 07, 2021
Place: Mumbai

Tower Infrastructure Trust

Consolidated Statement of Cash Flow for the year ended March 31 2021

(Rs. in Million)

	Particulars	Year ended March 31, 2021	Year ended March 31, 2020
A	**CASH FLOW FROM OPERATING ACTIVITIES:**		
	Net Loss before tax as per Profit and Loss Statement	(9,830)	(21,134)
	Adjusted for		
	Fair Valuation measurement losses on call option	195	-
	Depreciation and Amortisation Expense	19,560	17,784
	Gain on Investments (Net)	(49)	(119)
	Interest Income	(64)	-
	Interest on income tax refund	(40)	(6)
	Finance Costs	20,772	32,039
		40,374	**49,698**
	Operating profit before working capital changes	**30,544**	**28,564**
	Adjusted for :		
	Trade and Other Receivables	12,505	(11,182)
	Trade and Other Payables	(40,824)	13,377
		(28,319)	**2,195**
	Cash (Utilised in)/Generated from Operations	**2,225**	**30,759**
	Income taxes refund/(paid)	**488**	**(695)**
	Net Cash (Utilised in)/Generated from Operations (A)	**2,713**	**30,064**
B	**CASH FLOW FROM INVESTING ACTIVITIES:**		
	Acquisition of subsidiary	(1,054)	-
	Purchase of Property, Plant and Equipment	(1,10,631)	(84,639)
	Purchase of Investments	(45,029)	(1,66,930)
	Sale of Investments	45,078	1,67,194
	Investments in bank deposits	(30)	(6)
	Interest received	55	-
	Net Cash flow used in Investing Activities (B)	**(1,11,611)**	**(84,382)**
C	**CASH FLOW FROM FINANCING ACTIVITIES:**		
	Proceeds from Units Issued	2,52,150	-
	Payment of lease liabilities	(4)	-
	Proceeds from Long term Borrowings	3,01,835	50,000
	Repayment of Long term Borrowings	(3,57,820)	(10,000)
	Proceeds from Short term Borrowings	-	38,312
	Repayment of Short term Borrowings	(30,050)	(37,912)
	Deposit Received	-	35,940
	Working capital adjustment (Refer Note 11(i))	(3,824)	-
	Finance Costs Paid	(33,589)	(21,691)
	Distribution to Unitholders	(10,306)	-
	Unit issuance costs	(24)	-
	Contribution received during the year	116	124
	Net Cash flow generated from financing activities (C)	**1,18,484**	**54,773**
	Net Increase in Cash and Cash Equivalents (A+B+C)	**9,586**	**455**
	Opening Balance of Cash and Cash Equivalents	**461**	**6**
	Closing Balance of Cash and Cash Equivalents	**10,047**	**461**

CHARTERED ACCOUNTANTS Deloitte Haskins & Sells LLP

TOWER INFRASTRUCTURE TRUST

Dhananjay Joshi

Tower Infrastructure Trust

Changes in Liability arising from financing activities

(Rs. in Million)

	As at April 1, 2020	Cash Flow	Non Cash Unamortised Prepaid finance charges	Transfer from Equity	As at March 31, 2021
Borrowings (Refer Note - 13)	2,39,294	(55,985)	(1,584)	126	1,81,851
Borrowings - Current (Refer Note - 16)	30,050	(30,050)	-	-	-
Total	**2,69,344**	**(86,035)**	**(1,584)**	**126**	**1,81,851**

(Rs. in Million)

	As at April 1, 2019	Cash Flow	Non Cash Unamortised Prepaid finance charges	Transfer from Equity	As at March 31, 2020
Borrowings (Refer Note - 13 and 18)	1,99,460	40,000	(166)	-	2,39,294
Borrowings - Current (Refer Note - 16)	29,650	400	-	-	30,050
Total	**2,29,110**	**40,400**	**(166)**	**-**	**2,69,344**

Notes:

1 The above Statement of Cash Flow has been prepared under the "Indirect Method" as set out in IND AS - 7 "Statement of Cash Flows"

2 Non-cash investing activity -
Call Option written on shares of subsidiary Rs. 2,215 Mn for year ended March 31, 2021 (Previous year :Nil)

Significant Accounting Policies
“0” represents the amount below the denomination threshold.

See accompanying Notes to the Consolidated Financial Statements

As per our report of even date attached.

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

CHARTERED ACCOUNTANTS Deloitte Haskins & Sells LLP

Varsha A. Fadte
Partner

Place: Chicalim, Goa
Date: June 07, 2021

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

Sridhar Rengan
Chairperson of the Board
DIN: 03139082

Date: June 07, 2021
Place: Chennai

TOWER INFRASTRUCTURE TRUST

Dhananjay Joshi
Member of Tower InvIT Committee
PAN: AASPJ9719K

Date: June 07, 2021
Place: Bangalore

Inder Mehta
Compliance Officer of the Trust
PAN: AAFPM5702N
Date: June 07, 2021
Place: Mumbai

Disclosure as required by SEBI Circular no. IMD/DF/114/2016 dated October 20, 2016

(A) Debt Payment History:

(Rs. in Million)

		As at March 31, 2021	As at March 31, 2020
i	**Loan from Banks**		
	Carrying amount of debt at the beginning of the year	1,19,834	80,000
	Additional borrowing during the year	65,115	50,000
	Repayments during the year	(1,20,000)	(10,000)
	Other adjustments	(1,584)	(166)
	Carrying amount of debt at the end of the year	**63,365**	**1,19,834**
ii	**Non-convertible debentures (NCD)**		
	Carrying amount of NCD at the beginning of the year	1,18,360	1,48,010
	NCD issued during the year	2,36,720	-
	Repayment during the year	(2,36,720)	(29,650)
	Carrying amount of NCD at the end of the year	**1,18,360**	**1,18,360**
iii	**Loan from others**		
	Carrying amount of debt at the beginning of the year	31,150	1,100
	Additional borrowing during the year	-	30,050
	Repayments during the year	(31,150)	-
	Reclassification of Preference Shares	126	-
	Carrying amount of debt at the end of the year	**126**	**31,150**
iv	**Total (i to iii)**		
	Carrying amount of debt at the beginning of the year	2,69,344	2,29,110
	Additional borrowing during the year	3,01,835	80,050
	Repayments during the year	(3,87,870)	(39,650)
	Other adjustments	(1,584)	(166)
	Reclassification of Preference Shares	126	-
	Carrying amount of debt at the end of the year	**1,81,851**	**2,69,344**

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

	As at March 31, 2021	
	Book Value	**Fair Value***
A. Assets	4,14,459	4,40,055
B. Liabilities	1,75,769	1,75,769
C. Net Assets (A-B)	**2,38,691**	**2,64,286**
D. No. of Units	**2,522**	**2,522**
D. NAV(C/D)	**94.66**	**104.81**

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

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

	Year ended March 31, 2021	Year ended March 31, 2020
Total Comprehensive Income (As per Statement of Profit and Loss)	(9,830)	(21,134)
Add/(Less): Other changes in fair value (e.g. Property, Plant and Equipment)	-	-
Total Return	**(9,830)**	**(21,134)**

CHARTERED ACCOUNTANTS Deloitte Haskins & Sells LLP

TOWER INFRASTRUCTURE TRUST

Dhananjay Joshi

Tower Infrastructure Trust

Notes forming part of Consolidated Financial Statements for the year ended March 31, 2021

A GROUP INFORMATION

The Consolidated Financial Statements comprise Finanicial Statements of Tower Infrastructure Trust (“Tower InvIT/Trust”) and its subsidiary "Summit Digitel Private Limited" ("SDIPL or Project SPV") (collectively, the Group) for the year ended March 31, 2021

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

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

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

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

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

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

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

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

B ACCOUNTING POLICIES

B.1 BASIS OF ACCOUNTING AND PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS

The Consolidated Financial Statements of Trust comprises the Consolidated Balance Sheet as at March 31, 2021; the Consolidated Statement of Profit and Loss, the Consolidated Statement of Cash Flows and the Consolidated Statement of Changes in Unitholders’ Equity for the year ended March 31, 2021 and a summary of significant accounting policies and other explanatory information. Additionally, it includes the Consolidated Statement of Net Assets at Fair Value as at March 31, 2021, the Statement of Total Returns at Fair Value for year then ended and other additional financial disclosures as required under the InvIT Regulations. The Consolidated Financial Statements were authorized for issue in accordance with resolutions passed by the Board of Directors of the Investment Manager on behalf of the Trust on June 07, 2021. The Consolidated Financial Statements have been prepared in accordance with the requirements of InvIT Regulations, as amended from time to time read with the SEBI circular number CIR/IMD/DF/127/2016 dated November 29, 2016 (“SEBI Circular”); Indian Accounting Standards as defined in Rule 2(1)(a) of the Companies (Indian Accounting Standards) Rules, 2015 prescribed under Section 133 of the Companies Act, 2013 (‘Ind AS’), to the extent not inconsistent with the InvIT Regulations (Refer Note 11 on presentation of “Unit Capital” as “Equity” instead of compound instruments under Ind AS 32 – Financial Instruments: Presentation), read with relevant rules issued thereunder and other accounting principles generally accepted in India.

Statement of compliance to Ind AS:

These Consolidated financial statements for the year ended March 31, 2021 have been prepared in accordance with Ind AS, to the extent not inconsistent with the InvIT Regulations as more fully described above.

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

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

CHARTERED ACCOUNTANTS Deloitte Haskins & Sells LLP

TOWER INFRASTRUCTURE TRUST

Dhananjay Joshi

B2 BASIS OF CONSOLIDATION

The Consolidated Ind AS Financial Statements incorporate the Financial Statements of the Trust and entities controlled by the Trust. Control is achieved when the Group:
- has power over the investee;
- is exposed, or has rights, to variable returns from its involvement with the investee; and
- has the ability to use its power to affects its returns.

Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Specifically, income and expenses of a subsidiary acquired or disposed of during the period are included in the consolidated Statement of Profit and Loss from the date the Group gains control until the date when the Group ceases to control the subsidiary.

Profit or loss and each component of other comprehensive income are attributed to the owners of the Group and to the non-controlling interests. Total comprehensive income of subsidiaries is attributed to the owners of the Group and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

Consolidated Financial Statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances. When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with the Group's accounting policies.

The Financial Statements of all entities used for the purpose of consolidation are drawn upto the same reporting date as that of the trust i.e. year ended on March 31, 2021

All intra Group assets and liabilities, equity, income, expenses, and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

Changes in the Group's ownership interests in existing subsidiaries that do not result in the Group losing the control over the subsidiaries are accounted for as equity transactions. The carrying amounts of the Group's interests and the non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiaries. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognised directly in equity and attributed to owners of the Group.

When the Group loses control of a subsidiary, a gain or loss is recognised in Statement of Profit and Loss and is calculated as the difference between (i) the aggregate of the fair value of the consideration received and the fair value of any retained interest and (ii) the previous carrying amount of the assets (including goodwill), and liabilities of the subsidiary and any non-controlling interests. All amounts previously recognised in other comprehensive income in relation to that subsidiary are accounted for as if the Group had directly disposed of the related assets or liabilities of the subsidiary (i.e. reclassified to profit or loss or transferred to another category of equity as specified /permitted by applicable Ind AS). The fair value of any investment retained in the former subsidiary at the date when control is lost is regarded as the fair value on initial recognition for subsequent accounting under Ind AS 109, or, when applicable, the cost on initial recognition of an investment in an associate or joint venture.

Goodwill

Goodwill arising on an acquisition of a business is carried at cost established at the date of acquisition of the business less accumulated impairment loss if any. For the purpose of impairment testing, goodwill is allocated to each of the Group's cash generating units (CGU) that is expected to benefit from the synergies of the combination. A CGU to which goodwill has been allocated is tested for impairment annually, or more frequently when there is an indication that the CGU may be impaired, if the recoverable amount of the CGU is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the units pro-rata based on the carrying amount of each asset in the unit, any impairment loss or goodwill is not reversed in subsequent period. On disposal of relevant CGU the attributable amount of goodwill is included in the determination of the profit or loss on disposal.

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B3 BUSINESS COMBINATIONS

Acquisitions of businesses are accounted for using the acquisition method. The consideration transferred in a business combination is measured at fair value, which is calculated as the sum of the acquisition date fair values of the assets transferred by the Group, liabilities incurred by the Group to the former owners of the acquiree and the equity interests issued by the Group in exchange of control of the acquiree. Acquisition related costs are generally recognised in Statement of Profit and Loss as incurred.

At the acquisition date, the identifiable assets acquired and the liabilities assumed are recognised at their fair value, except that deferred tax assets or liabilities related to employee benefits arrangements are recognised and measured in accordance with Ind AS 12 Income taxes and Ind AS 19 Employee benefits respectively.

Goodwill is measured as the excess of the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree (if any) over the net of the acquisition date amounts of the identifiable assets acquired and the liabilities assumed.

Non-controlling interests that are present ownership interests and entitle their holders to a proportionate share of the entity's net assets in the event of liquidation may be initially measured either at fair value or at the non-controlling interests' proportionate share of the recognised amounts of the acquiree's identifiable net assets.

When a business combination is achieved in stages, the Group's previously held equity interest in the acquiree is remeasured to its acquisition-date fair value and the resulting gain or loss, if any, is recognised in profit or loss. Amounts arising from interests in the acquiree prior to the acquisition date that have previously been recognised in other comprehensive income are reclassified to profit or loss where such treatment would be appropriate if that interest were disposed of.

B.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(a) Current and Non-Current Classification:

The Group presents assets and liabilities in the Balance Sheet based on Current/ Non-Current classification as per Schedule III Division II of the Companies Act, 2013.
An asset is treated as Current when it is:
i) Expected to be realised or intended to be sold or consumed in normal operating cycle;
ii) Held primarily for trading;
iii) Expected to be realised within twelve months after the reporting period, or
iv) Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.
All other assets are classified as non-current.

A liability is treated as Current when:
i) It is expected to be settled in normal operating cycle;
ii) Held primarily for trading;
iii) It is due to be settled within twelve months after the reporting period, or
iv) There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.
The Group classifies all other liabilities as non-current.
Deferred tax assets and liabilities are classified as non-current assets and liabilities.
The Group has considered 12 months as its normal operating cycle.

(b) Property, Plant and Equipment:

Property, Plant and Equipment is stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. Such cost includes purchase price, borrowing cost and any cost directly attributable to bringing the assets to its working condition for its intended use.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the entity and the cost can be measured reliably.

Depreciation on Plant and Equipment and building is provided using straight-line method based on estimated useful life of 20 years. The estimated useful life is different from the useful life as prescribed under Schedule II to the Companies Act, 2013 and in the opinion of the Group this represents the best estimate thereof on the basis of technical evaluation and actual usage period. Leasehold land and leasehold improvements are amortised over the period of lease or useful life whichever is less.

The residual values, useful lives and methods of depreciation of Property, Plant and Equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

Gains or losses arising from derecognition of a Property, Plant and Equipment are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the Statement of Profit and Loss when the asset is derecognised.

(c) Leases

A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

As a Lessee

The Group's lease asset classes primarily consist of leases for land and buildings. The Group assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Group assesses whether: (i) the contract involves the use of an identified asset (ii) the Group has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Group has the right to direct the use of the asset.

At the date of commencement of the lease, the Group recognizes a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the Group recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

Certain lease arrangements includes the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised.

The right-of-use assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses.

The Group's agreements with the landowners for taking land on lease for construction of Towers thereon, read with the stipulations of the Master Service Agreements with its customers have been concluded to be short term lease.

Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. Right of use assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of these leases. Lease liabilities are remeasured with a corresponding adjustment to the related right of use asset if the Group changes its assessment if whether it will exercise an extension or a termination option.

As a Lessor

Leases are classified as finance leases when substantially all of the risks and rewards of ownership transfer from the Group to the lessee. Amounts due from lessees under finance leases are recorded as receivables at the Group's net investment in the leases. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the net investment outstanding in respect of the lease.

Leases where the Group does not transfer substantially all the risks and rewards incidental to ownership of the asset are classified as operating leases. Lease rentals under operating leases are recognized as income on a straight-line basis over the lease term. Contingent rents are recognized as revenue in the period in which they are earned.

(d) Finance Cost

Borrowing costs include exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost. Borrowing costs that are directly attributable to the acquisition or construction of qualifying assets are capitalised as part of the cost of such assets. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use.

Interest income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

All other borrowing costs are charged to Statement of Profit and Loss as per effective interest rate method in the period in which they are incurred.

(e) Provisions

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

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

Asset Retirement Obligation:
Asset Retirement Obligation (ARO) is provided for where the Group has an obligation to restore the rented premises at the end of the period in a condition similar to inception of the arrangement.

The obligation arising on account of such costs are provided at present value of future restoration and dismantling costs and are recognised as part of the cost of underlying assets. Any change in the present value of the expenditure, other than unwinding of discount on the provision, is reflected as adjustment to the provision and the corresponding asset. The change in the provision due to the unwinding of discount is recognized in the Statement of Profit and Loss.

(f) Impairment of Financial Assets

In accordance with Ind AS 109, the Group uses 'Expected Credit Loss'(ECL) model, for evaluating impairment of Financial Assets other than those measured at Fair Value Through Profit and Loss (FVTPL).

Expected Credit Losses are measured through a loss allowance at an amount equal to:
The 12-months expected credit losses (expected credit losses that result from those default events on the financial instrument that are possible within 12 months after the reporting date); or

Full lifetime expected credit losses (expected credit losses that result from all possible default events over the life of the financial instrument)

For Trade Receivables the Group applies' simplified approach which requires expected life time losses to be recognized from initial recognition of the receivables.

For other assets, the Group uses 12 month ECL to provide for impairment loss where there is no significant increase in credit risk. If there is significant increase in credit risk full lifetime ECL is used.

(g) Taxation

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

Current tax

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

Deferred tax

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

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

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(h) Cash and cash equivalents

Cash and cash equivalents includes cash at banks, cash on hand and short term deposits with an original maturity of 3 months or less, which are subject to an insignificant risk of changes in value. For the purpose of the statement of cash flow, cash and cash equivalents consist of cash and short term benefits, as defined above, net of outstanding bank overdrafts, if any as they are considered an integral part of the Group's cash management.

(i) Impairment of Non-Financial Assets - Property, Plant and Equipment

The Group assesses at each reporting date as to whether there is any indication that any item of Property, Plant and Equipment or group of assets, called Cash Generating Units (CGU) may be impaired. If any such indication exists the recoverable amount of an asset or CGU is estimated to determine the extent of impairment, if any. When it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the CGU to which the asset belongs.

An impairment loss is recognised in the Statement of Profit and Loss to the extent, asset’s carrying amount exceeds its recoverable amount. The recoverable amount is higher of an asset’s fair value less cost of disposal and value in use. Value in use is based on the estimated future cash flows, discounted to their present value using pre-tax discount rate that reflects current market assessments of the time value of money and risk specific to the assets.

The impairment loss recognised in prior accounting period is reversed if there has been a change in the estimate of recoverable amount.

(j) Foreign Currencies

Transactions and Translation

Transactions in foreign currencies are recorded at the exchange rate prevailing on the date of transaction. Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date.

Exchange differences arising on settlement or translation of monetary items are recognised in Statement of Profit and Loss except to the extent of exchange differences which are regarded as an adjustment to interest costs on foreign currency borrowings and that are directly attributable to the acquisition or construction of qualifying assets, are capitalized as cost of assets.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e. translation differences on items whose fair value gain or loss is recognised in Other Comprehensive Income (OCI) or profit or loss are also recognised in OCI or Statement of profit or loss, respectively).

In case of an asset, expense or income where an non-monetary advance is paid/received, the date of transaction is the date on which the advance was initially recognized. If there were multiple payments or receipts in advance, dates of transactions are determined for each payment or receipt of advance consideration.

(k) Revenue recognition

The Group earns revenue i.e. infrastructure provisioning fees (IP Fees) and related income primarily from providing passive infrastructure and related services. Revenue is recognized when the Group satisfies the performance obligation by transferring the promised services to the customers. IP Fees are recognized as and when services are rendered on a monthly basis as per the contractual terms prescribed under master services agreement entered with customer. Revenue is recognised to the extent it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured, regardless of when the payment is being made. Revenues from fixed-price and fixed-timeframe contracts, where the performance obligations are satisfied over time and where there is no uncertainty as to measurement or collectability of consideration, are recognised to the extent the Group has rendered the services, as per the contractual arrangements. Revenue is measured at the fair value of the consideration received or receivable in exchange for transferring the promised services, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government.

Contracts with customers includes certain services received from third-party contractors or vendors. Revenue from such customer contracts is recorded net of costs when the Group is not the principal. In doing so, the Group evaluates whether it controls the good or service before it is transferred to the customer. In determining control, the Group considers whether it has the primary obligation to fulfil the contract, inventory risk, pricing discretion and other factors to determine whether it controls the goods or service and therefore is acting as a principal.

Unbilled revenue represents revenues recognized after the last invoice raised to customer to the period end. These are billed in subsequent periods based on the prices specified in the master service agreement with the customers, whereas invoicing in excess of revenues are classified as unearned revenues.

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

Dividends
Dividends are recognised when the Group's right to receive the payment is established.

(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 uses various derivative financial instruments such as forwards to mitigate the risk of changes in interest rates and exchange rates. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are also subsequently measured at fair value. Derivatives are carried as Financial Assets when the fair value is positive and as Financial Liabilities when the fair value is negative.

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

D. Fair Value Hedge
The Group designates derivative contracts or non derivative Financial Assets / Liabilities as hedging instruments to mitigate the risk of change in fair value of hedged item due to movement in interest rates and foreign exchange rates.

Changes in the fair value of hedging instruments and hedged items that are designated and qualify as fair value hedges are recorded in the Statement of Profit and Loss. If the hedging relationship no longer meets the criteria for hedge accounting, the adjustment to the carrying amount of a hedged item for which the effective interest method is used is amortised to Statement of Profit and Loss over the period of maturity.

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(m) Earnings per Share

Basic earnings per share is calculated by dividing the net profit / loss after tax by the weighted average number of equity shares outstanding. Diluted earnings per share adjusts the figures used in determination of basic earnings per share to take into account the conversion of all dilutive potential equity shares. Dilutive potential equity shares are deemed converted as at the beginning of the period unless issued at a later date.

(n) Cash Flow Statement

Cash flows are reported using indirect method, whereby net profits / loss before tax is adjusted for the effects of transactions of a non-cash nature and any deferrals or accruals of past or future cash receipts or payments and items of income or expenses associated with investing or financing cash flows. The cash flows from regular revenue generating (operating activities), investing and financing activities of the Group are segregated.

(o) Contingent Liabilities

Contingent liabilities are disclosed in notes to accounts when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made.

(p) Fair Value Measurement

Fair Value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:
- in the principal market for the asset or liability, or
- in the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.
Valuation techniques used are those that are appropriate in the circumstances and for which sufficient data are available to measure fair value.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows,
Level 1: Quoted (unadjusted) market prices in active markets for identical assets or liabilities
Level 2: Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
Level 3: Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

(q) Retirement Benefits

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees rendered the related services are recognized in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled.

Defined Contribution Plan

A defined contribution plan is a post-employment benefit plan under which the Group pays specified contributions to a separate entity. The Group makes specified monthly contributions towards Provident Fund. The Group's contribution is recognised as an expense in the Statement of Profit and Loss during the period in which the employee renders the related service.

Defined Benefit Plan

The Group provides for gratuity, a defined benefit plan covering eligible employees. The gratuity plans provides lump sum payment to vested employees at retirement, death, incapacitation or termination of employment, of an amount base on the respective employees base salary and the tenure of employment. A provision for gratuity liability to the employee is made on the basis of actuarial valuation determined using the projected unit credit method. The benefits are discounted using the discount rates for Government Securities at the end of the reporting period that have terms approximating to the terms of the related obligation.

Remeasurements, comprising of actuarial gains and losses, excluding amounts included in net interest on the net defined benefit liability are recognized immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur.

Remeasurement as a result of experience adjustments and changes in actuarial assumptions are recognized in the statement of profit and loss.

C Critical accounting judgements and key sources of estimation uncertainty:

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

(a) Depreciation and useful lives of Property, Plant and Equipment

Plant and Equipment are depreciated over their estimated useful life which is based on technical evaluation, actual usage period and operations and maintenance arrangements with a vendor, after taking into account estimated residual value. Management reviews the estimated useful lives and residual values of the assets periodically in order to determine the amount of depreciation to be recorded during any reporting period.

(b) Asset Retirement Obligation

Asset Retirement Obligation created for the cost to dismantle equipment and restore sites at the rented premises upon vacation thereof, which is estimated based on actual quotes, which are reasonable and appropriate under these circumstances.

(c) Revenue from Operations

The Group constructs towers on parcels of land taken on lease to provide tower infrastructure and related operations and maintenance services to multiple parties inter-alia engaged in rendering telecommunication services. The Group's business is predominantly of rendering of services and not providing a right of use of part or whole of the asset to its customers.

The Group's contract with its largest customer was amended during the year effective from August 31, 2020 with a corresponding amendment to the O&M contract and other contracts. On account of this, the Group had to exercise significant judgement in evaluating the accounnting for the Contract Modifications under Ind AS 115 during the current year as well as other consequential accounting adjustments such as working capital adjustments pursuant to the amended terms.

(d) Recoverability of trade receivable

Judgements are required in assessing the recoverability of overdue trade receivables and determining whether a provision against those receivables is required. Factors considered include the credit rating of the counterparty, the contractual terms, the amount and timing of anticipated future payments and any possible actions that can be taken to mitigate the risk of non-payment.

(e) Provisions

Provisions and liabilities are recognized in the period when it becomes probable that there will be a future outflow of funds resulting from past operations or events and the amount of cash outflow can be reliably estimated. The timing of recognition and quantification of the liability require the application of judgement to existing facts and circumstances, which can be subject to change. Since the cash outflows can take place many years in the future, the carrying amounts of provisions and liabilities are reviewed regularly and adjusted to take account of changing facts and circumstances.

(f) Impairment of Non-Financial Assets

The Group assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, the Group estimates the asset’s recoverable amount. An asset’s recoverable amount is the higher of an asset’s or Cash Generating Units (CGU’s) fair value less costs of disposal and its value in use. It is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or a groups of assets. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account, if no such transactions can be identified, an appropriate valuation model is used.

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(g) Leases

As a lessee - Determination of lease term

The Group determines the lease term as the non-cancellable period of a lease, together with both periods covered by an option to extend the lease if the Group is reasonably certain to exercise that option; and periods covered by an option to terminate the lease if the Group is reasonably certain not to exercise that option. In determining the lease term and assessing the length of the non-cancellable period of a lease, an entity shall apply the definition of a contract and determine the period for which the contract is enforceable. A lease is no longer enforceable when the lessee and the lessor each has the right to terminate the lease without permission from the other party with no more than an insignificant penalty. Further, in assessing whether the Group is reasonably certain to exercise an option to extend a lease, or not to exercise an option to terminate a lease, it considers all relevant facts and circumstances that create an economic incentive for the Group to exercise the option to extend the lease, or not to exercise the option to terminate the lease. The Group uses significant judgement in assessing the lease term, including anticipated renewals and the arrangements as per the contract with its customers.

(h) Recognition of Deferred Tax Assets & Liabilities

Deferred tax assets and liabilities are recognised for deductible temporary differences and unused tax losses for which there is probability of utilisation against the future taxable profit. The Group uses judgement to determine the amount of deferred tax that can be recognised, based upon the likely timing and the level of future taxable profits and business developments.

(i) Determination of Fair Value of Call option

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

Standards issued but not effective:

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

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Tower Infrastructure Trust

Notes forming part of Consolidated Financial Statements for the year ended March 31, 2021

NOTE 1. Property, Plant and Equipment

Note for FY 2020-21

(Rs. in Million)

Description	**Gross Block**				**Accumulated depreciation**				**Net Block**	
Property, Plant and Equipment	**As at April 01, 2020**	**Additions**	**Deductions**	**As at March 31, 2021**	**As at April 01, 2020**	**Additions**	**Deductions**	**As at March 31, 2021**	**As at March 31, 2021**	**As at March 31, 2020**
Tangible Assets :										
Own Assets :										
Freehold Land	96	-	-	96	-	-	-	-	96	96
Leasehold Improvements	110	-	-	110	5	5	-	10	100	105
Buildings	17	-	-	17	1	1	-	2	15	16
Computers	-	6	-	6	-	1		1	5	-
Plant and Equipments	4,04,821	12,376	-	4,17,197	17,772	19,536	-	37,308	3,79,889	3,87,049
Total	**4,05,044**	**12,382**	**-**	**4,17,426**	**17,778**	**19,543**	**-**	**37,321**	**3,80,105**	**3,87,266**
Capital work in progress									**18**	**-**

Note for FY 2019-20

(Rs. in Million)

Description	**Gross Block**				**Depreciation and Amortisation**				**Net Block**	
	Gross Block April 01, 2019	Additions	Deduction	**As at March 31, 2020**	**As at April 01, 2019**	**Additions**	Deduction	**As at March 31, 2020**	**As at March 31, 2020**	As at **March 31, 2019**
Tangible Assets :										
Own Assets :										
Land	96	-	-	96	-	-	-	-	96	96
Building	110	-	-	110	-	5	-	5	105	110
Leasehold Improvements	17	-	-	17	-	1	-	1	16	17
Plant and Equipments	2,47,862	1,56,959	-	4,04,821	-	17,772	-	17,772	3,87,049	2,47,862
Office Equipments	-	-	-	-	-	-	-	-	-	-
Total	**2,48,085**	**1,56,959**	**-**	**4,05,044**	**-**	**17,778**	**-**	**17,778**	**3,87,266**	**2,48,085**

Notes

1.1. For properties mortgaged / hypothecated (Refer note 13)

1.2. Title deeds for the Immovable Properties are in the process of being transferred in the name of the Group.

2 Right of Use (ROU) Assets and Liabilities

2A. Right of Use Assets

Following are the changes in the carrying value of right of use assets ("ROU") for the year ended March 31, 2021:

(Rs. in Million)

Particulars	Buildings	Land	Total
Balance as on March 31, 2019	-	123	123
Additions during the year			-
Depreciation	-	(6)	(6)
Balance as on March 31, 2020	-	117	117
Additions during the year	106	-	106
Depreciation	(10)	(7)	(17)
Balance as on March 31, 2021	**96**	**110**	**206**

The aggregate depreciation expense on ROU assets is included under depreciation and amortization expense in the statement of Profit and Loss. Lease deeds for leeasehold lands are in process of being transferred in the name of the Group.

2B. Right of Use Liabilities

The following is the break-up of current and non-current lease liabilities as at March 31, 2021

(Rs. in Million)

Particulars	As at March 31, 2021	As at March 31, 2020
Current lease liabilities	18	-
Non-current lease liabilities	88	-
Total	**106**	**-**

The following is the movement in lease liabilities during the year ended March 31, 2021

(Rs. in Million)

Particulars	Total
Balance as on March 31, 2020	-
Additions	106
Finance cost accrued during the year	4
Payment of lease liabilities	(4)
Balance as on March 31, 2021	**106**

The table below provides details regarding the contractual maturities of lease liabilities as at March 31, 2021 on an undiscounted basis:

(Rs. in Million)

Particulars	Total
Less than One year	26
One to five years	100
More than five years	-
Total	126

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3 Other Financial Assets - Non Current

(Rs. in Million)

Particulars (Unsecured and Considered Good)	**As at March 31, 2021**	**As at March 31, 2020**
Security Deposits	4,538	3,069
Fixed Deposit with Banks	33	3
Total	**4,571**	**3,072**

3.1 Fixed Deposits with Bank of Rs. 33 million (Previous year Rs. 3 million) have been pledged against bank guarantees issued to Government and other regulatory authorities.

4 Other Non-Current Assets

(Rs. in Million)

Particulars (Unsecured and Considered Good)	**As at March 31, 2021**	**As at March 31, 2020**
Advance Income Tax / TDS (Refer note below)	253	701
Amount Paid under Protest - GST	2,944	2,535
Prepaid expenses	39	-
Total	**3,236**	**3,236**

Note: Advance Income Tax:

At start of year	701	-
Charge for the year - Current Tax	-	-
Income tax refund	(668)	-
Tax Deducted at Source during the year	220	701
At end of year	**253**	**701**

Component of Deferred tax asset / (liabilities)
Deferred tax asset / (liabilities) in relation to:

Property, Plant and Equipment	(19,505)	(10,282)
Carried Forward Losses (restricted to the extent of deferred tax liability)	19,505	10,282
Total	**-**	**-**

The recoverability of deferred income tax assets is based on estimates of future taxable income in which the relevant entity operates and the period over which deferred income tax assets will be recovered.

The amount of unused tax losses for which no deferred tax is recognised:
Tax Loss carried Forward

(Rs. in Million)

Particulars	**March 31, 2021**	**March 31, 2020**
Depreciation Loss (Carried forward indefinetely).	39,667	19,696

The amount of unused tax losses for which deferred tax is recognised
Tax Loss carried Forward

(Rs. in Million)

Particulars	**March 31, 2021**	**March 31, 2020**
Business Loss (can be c/f till 2027-2028)	2,235	2,235
Business Loss (can be c/f till 2028-2029)	3,820	-
Depreciation Loss (Carried Forward indefinitely)	71,444	38,617
Deferred Tax Assets	19,505	10,282

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(Rs. in Million)

4.1 Reconciliation of income tax expenses for the year to the accounting profit:	March 31, 2021	March 31, 2020
Loss before Tax	(9,830)	**(21,134)**
Applicable Tax Rate	25.17%	**25.17%**
Computed Tax Expense / (Income)	(2,474)	**(5,319)**
Add: Tax effect on disallowance of expenses	-	-
Tax effect of:		
Unused tax losses for which no deferred tax assets is recognised	**(2,474)**	**(5,319)**
Current Tax Provision (A)	-	-
Deferred Tax Provision (B)	-	-
Total Tax Expense / (Income) recognised in Statement of Profit and Loss (A+B)	-	-

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

5 Trade Receivables (Rs. in Million)

Particulars (Unsecured and considered good)	**As at March 31, 2021**	**As at March 31, 2020**
Trade Receivables	153	153
Total	**153**	153

6 Cash and Cash Equivalents (Rs. in Million)

Particulars	**As at March 31, 2021**	**As at March 31, 2020**
Balances with Banks in Current Account	2,997	461
Fixed deposits with banks	7,050	-
Total	**10,047**	**461**

7 Bank balances other than covered in Cash and Cash Equivalents (Rs. in Million)

Particulars	**As at March 31, 2021**	**As at March 31, 2020**
Fixed Deposits with Banks	3	3
Total	**3**	3

Fixed Deposits with Bank of Rs. 3 million (Previous year Rs. 3 million) have been pledged against bank guarantees issued to Government and other regulatory authorities.

8 Other Financial Assets - Current (Rs. in Million)

Particulars	**As at March 31, 2021**	**As at March 31, 2020**
Deposit for capital expenditure	-	16,000
Other Receivables*	4,531	8,099
Total	**4,531**	**24,099**

*Balance as on March 31, 2021 includes contractually reimbursable / receivable amount and balance as on March 31, 2020 includes contractually reimbursable / receivable amount and derivative assets.

9 Other Current Assets (Rs. in Million)

Particulars (Unsecured and considered good)	**As at March 31, 2021**	**As at March 31, 2020**
Balance with GST authorities	9,276	19,624
Advance to vendors	2,313	2,929
Total	**11,589**	**22,553**

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10 Unit capital (Rs. in Million)

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

Rights and Restrictions to Units

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

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

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

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

Name of the Unitholders	Relationship	As at March 31,2021	
		Number of units	Percentage
BIF IV Jarvis India Pte. Ltd.	Sponsor	2,26,41,00,000	89.79
Anahera Investment Pte. Ltd.	Unitholder	17,90,00,000	7.10

Note: All the Units were issued during the current year hence no disclosure is required as at March 31, 2020
On 31st August 2020, the Trust issued 2,521,500,000 units at an Issue Price of INR 100 per unit to the subscribers. BIF IV Jarvis India Pte. Ltd. subscribed 89.79% of the units and is the immediate parent company.

10.3 Reconciliation of the unit and amount outstanding at the beginning and at the end of reporting year:

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

Note: All the Units were issued during the current year hence no disclosure is required as at March 31, 2020

10A Contribution (Rs. in Million)

Particulars	As at March 31, 2021	As at March 31, 2020
Opening Balance	124	-
Changes in Contribution during the year	116	124
Balance at end of the year	**240**	**124**

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11 **Other Equity** (Rs. in Million)

Instrument classified as equity	As at March 31, 2021	As at March 31, 2020
10% Cumulative, Participating, Optionally Convertible Preference Shares Rs. 10 fully paid up (Refer Note 13 (iii), Note iv and v below)	-	500
Reserves and Surplus		
Retained earning		
Opening Balance	(10,902)	(17)
Total Comprehensive loss for the year	(5,681)	(10,885)
Return on Capital#	(10,306)	-
Change in non controlling interest during the year	(14,415)	-
Other adjustments (Refer note 13 (III), Note 35, Note i & ii Below)	(10,158)	-
Balance at end of the year	**(51,462)**	(10,902)

#Return on capital distribution during the year as per NDCF duly approved by investment manager. Refer Note 39.

Notes

(i) The Group has recorded Net current liability of Rs. 8,505 Million towards the working capital adjustment payable to RJIL under Amended and Restated MSA with a corresponding impact to 'other equity' as this relates to aquisition transaction (Refer Note 10.2). As at March 31, 2021, Net current liability of Rs. 4,681 Million was payable to Reliance Jio Infocom Limited ("RJIL").

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

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

(iv) Terms, rights and restrictions attached to Preference Shares :
5,00,00,000 10% Cumulative, Participating and Optionally Convertible Preference Shares are convertible into 10 (Ten) Equity Shares of Re.1 each for every 1 (One) Preference Share of Rs. 10 each at any time at the option of the SDIPL but in any case not later than March 31, 2039 and in the event the shares are not converted, these will be redeemed at any time at the option of the Company at Rs. 10 each but not in any case later than March 31, 2039. The Preference Shares shall be entitled to the Surplus Assets either on winding up or liquidation or otherwise.

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

(Rs. in Million)

Particulars	As at March 31, 2021		As at March 31, 2020	
	No.of Shares	Amount	No.of Shares	Amount
Preference shares at the beginning of the year	**5,00,00,000**	**500**	**5,00,00,000**	**500**
Add: Issue of Shares	-	-	-	-
Less: Reclassification due to Modification in terms	(5,00,00,000)	**(500)**	-	-
Preference shares at the end of the year	**-**	**-**	**5,00,00,000**	**500**

12 **Non Controlling Interest** (Rs. in Million)

Particulars	As at March 31, 2021	As at March 31, 2020
Opening balance as at beginning of the year	(9,212)	1,037
1,05,00,000 Equity shares of Re. 1 each fully paid up in in Summit Digitel Infrastructure Private Limited (Formerly as Reliance Jio Infratel Private Limited)	(1,054)	-
Loss for the year	(4,149)	(10,249)
Acquisition (Refer Note 10.2)	14,415	-
Balance at the end of the year	**-**	**(9,212)**

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13 Borrowings (Rs. in Million)

	Particulars	**As at March 31, 2021**	**As at March 31, 2020**
(I)	**Term Loans**		
(a)	Secured:		
	(i) From banks	62,115	53,334
	Less Unamortised finance cost	(1,714)	(166)
		60,401	53,168
	(ii) From others	3,000	-
	Less Unamortised finance cost	(36)	-
		2,964	-
(b)	Unsecured:		
	From banks	-	56,666
	From others	-	-
(II)	**Redeemable Non Convertible Debentures (Secured)**	1,18,360	1,18,360
(III)	**Noncumulative Redeemable Preference shares**	126	-
	Total	**1,81,851**	**2,28,194**

Year ended March 31, 2021

(i) Secured Loans from Banks consist of:

1. Rs. 14,115 million of loan, carrying interest rate of 1Y MCLR + 70bps repayable till September 01, 2032 in 40 equal consecutive quarterly installments starting from December 2022. In additon to the security disclosed in note (v) below, secured by a first charge by way of hypothecation on the Designated Accounts of the Borrower for receipt of Receivables and all proceeds lying to the credit thereof from time to time and deposits maintained utilising funds from the Designated Accounts.
2. Rs. 6,000 million of loan, carrying interest rate of 1Y MCLR + 50bps repayable till September 01, 2032 in 40 equal consecutive quarterly instalments starting from December 2022.
3. Rs. 8,000 million of loan, carrying interest rate of 1Y MCLR + 45 bps repayable till September 01, 2032 in 40 equal consecutive quarterly instalments starting from December 2022.
4. Rs. 3,000 million of loan, carrying interest rate of 1Y MCLR + 75 bps repayable till September 01, 2032 in 40 equal consecutive quarterly instalments starting from December 2022.
5. Rs. 6,000 million of loan, carrying interest rate of 1Y MCLR + 65 bps repayable till September 01, 2032 in 40 equal consecutive quarterly instalments starting from December 2022.
6. Rs. 12,000 million of loan, carrying interest rate of 1Y MCLR + 75 bps repayable till September 01, 2032 in 40 equal consecutive quarterly instalments starting from December 2022 for an amount equal to 2.5% of the total loan drawn down at the end of the Availability Period
7. Rs. 3,000 million of loan, carrying interest rate of 1Y BPLR - 195 bps repayable till September 01, 2032 in 40 consecutive quarterly instalments starting from December 2022.
8. Rs. 6,000 million of loan, carrying interest rate of 1Y MCLR + 35 bps repayable till September 01, 2032 in 40 equal consecutive quarterly instalments starting from December 2022.
9. Rs. 7,000 million of loan, carrying fixed interest rate of 6.15% for next 3 years and floating interest rate of 1Y MCLR + 75 bps thereafter until maturity reyapable till September 01, 2032. The loan is repayable in in 40 equal consecutive quarterly instalments starting from December 2022 for an amount equal to 2.5% of the total loan drawn down at the end of the availability period.

If any of the above facilities is not availed fully then the repayment instalment shall be proportionately reduced.

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(ii) Secured Redeemable Non-Convertible Debentures consist of:
118,360(SBI 1Y MCLR + 0.97%) Secured redeemable Non-Convertible Debentures (NCD – Series PPD 5) of face value of Rs.1,000,000 each redeemable at par, on or before August 31, 2032. The debentures are redeemable at par in 40 equal quarterly consecutive instalments of INR 2,950 Million.

With respect to the Listed NCDs, the holders have the ability in certain circumstances to opt for early redemption of all or part of the NCDs at par. This option is available after the expiry of 6 months but prior to 2 years from the date of issue. The terms of the NCD also give an option to the Group for early redemption on maxmium 20,000 NCDs at par and until expiry of 6 months from date of issue.

The proceeds raised from the said issue have been fully utilized for the purpose for which they were issued i.e. the redemption of 118,360 Secured, Unlisted, Redeemable Non-Convertible Debentures ('Unlisted NCDs') of Rs. 1,000,000 each aggregating to Rs. 118,360 Million issued on August 31, 2020. This redemption was completed on March 15, 2021.

(iii) The Group had outstanding 50,000,000 Cumulative, Participating, Optionally Convertible Preference Shares of Rs. 10/- each aggregating to Rs. 500,000,000 as on April 1, 2020 held by Reliance Industries limited. With effect from August 21, 2020, the terms of the Cumulative, Participating, Optionally Convertible Preference Shares of Rs. 10/- each were amended to Redeemable, Non-Participating, Non-Cumulative, Non-Convertible Preference Shares of Rs. 10/- each. The preference shares are mandatorily redeemable at par for an amount equal to the aggregate par value at the end of 20 years from the date of issuance i.e. March 31, 2039. Accordingly, the Preference Shares have been reclassified as a liability and have been recognised at the present value of redemption of INR 126 Mn as on March 31, 2021.

(iv) All the term loans from banks and financial institutions and the Secured Redeemable Non-convertible Debentures are secured by first ranking pari passu charge by way of hypothecation on the following assets:
(a) All movable fixed assets (present and future) of the borrower;
(b) All current assets (present and future) of the borrower; and
(c) All rights of the borrower under the Material Documents,
(The security creation in respect of Secured Redeemable Non-convertible Debentures has been completed subsequent to March 31, 2021.)

Year ended March 31 2020

(i) Secured Loans from Banks consist of:
Rs.6,667 million of loan, (Previous year was Rs. 10,000 Million) of loan, carrying interest rate of 8.75% p.a. repayable in 12 quarterly instalments starting from June 2019, transferred from Reliance Jio Infocomm Limited, pursuant to Composite Scheme of Arrangement approved by NCLT with effect from March 31 2019. The Group is in the process of transferring the assets and liabilities in its name. The registration of charges in respect of the said loan in the name of the Group will be carried out on 30th March 2020. Consequently, the said loan is secured by the floating charge by way of hypothecation of movable property and book debts of the Group.

Loan of Rs.30,000 million carrying interest rate of 8.65% p.a. repayable after 2 years, secured by First Pari Passu Charge by way of hypothecation on all fixed assets and current assets (present and future) of the Group excluding Cash and Investments from non-operating activities. Further Reliance Industries Limited (RIL) has provided an undertaking for the loan.
Loan of Rs.20,000 Million carrying interest rate of 8.75% p.a. repayable over a period of 12 years including moratorium of 2 years, secured by First Pari Passu Charge by way of hypothecation on all fixed assets and current assets (present and future) of the Group. Further Reliance Industries Limited (RIL) has provided an undertaking for the loan.

(ii) Unsecured Loans from Banks consist of:
Loan of Rs.13,333 million carrying interest rate of 8.75% p.a. repayable in 3 equated yearly instalments, starting from September 2019. Loan of Rs.50,000 million carrying interest rate of 8.50% p.a. repayable in 5 years with an option to pay after 2 years.

(iii) Payment obligations under Unsecured Loans referred to in (ii) above to the extent of Rs.50,000 million is guaranteed by Reliance Industries Limited.

(iv) Non-Convertible Debentures consist of:
1,18,360 9.00% Non-Convertible Debentures – Series II (NCD – Series II) of face value of Rs.1,000,000 each, aggregating to Rs.118,360 million redeemable at par on or before March 31, 2029 at the option of the Group.

(v) In absence of profit as per Section 71(4) of Companies Act, 2013, the Group has not created the Debenture Redemption Reserve for cumulative amount of Rs.1,184 Million. The Group shall create the Debenture Redemption Reserve out of Profits, if any in the future years.

14 Other Non-Current financial Liabilities (Rs. in Million)

Particulars	As at March 31, 2021	As at March 31, 2020
Call Option written on Shares of Subsidiary (Refer Note 35)	2,215	-
Total	**2,215**	**-**

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15 Provisions (Rs. in Million)

Particulars	**As at March 31, 2021 Non-Current**	**As at March 31, 2021 Current**	**As at March 31, 2020 Non-Current**	**As at March 31, 2020 Current**
Asset Retirement Obligation (Refer Note 29)	11,234	-	10,854	-
Provision for Leave Encashment	1	4	-	-
Total	**11,235**	**4**	**10,854**	**-**

16 Borrowings - Current (Rs. in Million)

Particulars	**As at March 31, 2021**	**As at March 31, 2020**
Term loans (Unsecured): from others	-	30,050
Total	**-**	**30,050**

17 Trade Payables (Rs. in Million)

Particulars	**As at March 31, 2021**	**As at March 31, 2020**
- Total outstanding dues of micro enterprises and small enterprises (Refer Note 28)	0	-
- Total outstanding dues of creditors other than micro enterprises and small enterprises	1,958	3,097
Total	**1,958**	**3,097**

18 Other Financial Liabilities (Rs. in Million)

Particulars	**As at March 31, 2021**	**As at March 31, 2020**
Current maturities of long term debt (Secured)	-	3,333
Current maturities of long term debt (Unsecured)	-	7,767
Interest accrued but not due	534	11,908
Security Deposit	10,173	13,250
Others*	506	35,984
Total	**11,213**	**72,242**

* The figures of March 31, 2020 includes derivative liability and deposit payable on demand.

19 Other Current Liabilities (Rs. in Million)

Particulars	**As at March 31, 2021**	**As at March 31, 2020**
Other liabilities payable (Refer Note 11 (i))	4,681	-
Statutory liabilities payable (Provident fund and GST)	268	1,403
Total	**4,949**	**1,403**

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20 Revenue from Operations (Rs. in Million)

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
Sale of Services (Refer Note below and Note 38)	82,442	74,767
Total	**82,442**	**74,767**

During the year ended on March 31 2021, the Group revised the presentation of income from reimbursements of Power & Fuel and Site Rent, to present these as part of Revenue from Operations, as these more appropriately reflect the substance of the transactions wherein the Group provides these services as a principal. Previously, these were presented net as a recovery under Network Operating Expenses. The change in presentation has been applied retrospectively to March 2020 presented and accordingly, an amount of Rs. 41,363 million has been re-presented and included under Revenue from Operations for the year ended year ended March 31 2020. The above change in presentation does not affect Total Loss, Total Comprehensive Loss and the Loss per share for the periods presented.

21 Other Income (Rs. in Million)

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
Interest on income tax refund	40	6
Interest income on fixed deposits	64	-
Net Gain on sale of investments (net)	49	119
Total	**153**	125

22 Network Operating Expenses (Rs. in Million)

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
Power and Fuel (Refer Note 20)	33,108	28,628
Rent (Refer Note 20)	13,241	12,735
Repairs and Maintenance	5,011	4,492
Other Network Cost	-	23
Total	**51,360**	**45,878**

23 Employee Benefits Expense (Rs. in Million)

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
Salaries and Wages	158	1
Contribution to Provident Fund and Other Funds	4	0
Staff Welfare Expenses	1	0
Gratuity	1	-
Total	**164**	**1**

24 Finance Costs (Rs. in Million)

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
Interest Expenses	20,013	30,805
Exchange loss (attributable to finance costs)	409	1,073
Other borrowing cost	346	161
Interest on finance lease	4	-
Total	**20,772**	32,039

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25 Depreciation and Amortisation Expense (Rs. in Million)

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
Depreciation on Property, Plant and Equipment	19,543	17,778
Depreciation on Right to use assets	17	6
Total	**19,560**	17,784

26 Other Expenses (Rs. in Million)

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
Rates and taxes	18	6
Traveling expenses	3	-
Fair value of call option	195	-
General Expenses	119	203
Total	**335**	209

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27 Earnings Per unit (EPU)

Rs. in Million except per share data

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
Net Profit/(loss) as per statement of Profit & Loss attributable to unit	(9,830)	(21,134)
Less: Dividend on Cumulative Preference Shares	-	(50)
Earnings attributable to Unitholders (Rs. in Million)	**(9,830)**	(21,184)
Units used as denominator for calculating Basic	2,522	
Reporting Period (In days)	365	
Unit allotted (In days)	213	
Total Weighted Average number of units used as denominator for calculating	1,471	
Earnings per unit of unit		
- For Basic (Rs.)	(6.68)	
- For Diluted (Rs.)	(6.68)	

28 Dues to micro, small & medium enterprises as defined under the MSMED Act, 2006

The Group does not have any over dues outstanding to the micro small & medium enterprises as defined in Micro, Small and Medium Enterprises Development Act, 2006. The identification of micro and small enterprises is based on information available with the management.

(Rs. in Million)

	Particulars	March 31, 2021	March 31, 2020
a	Principal amount overdue to micro and small enterprises	-	-
b	Interest due on above	-	-
c	The amount of interest paid by the buyer in terms of section 16 of the MSMED Act 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year.	-	-
d	The amount of interest due and payable for the year of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act 2006.	-	-
e	The amount of interest accrued and remaining unpaid at the end of each accounting year.	-	-
f	The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the MSMED Act 2006.	-	-

29 Assets Retirement Obligation (ARO)

Asset Retirement Obligation created for the cost to dismantle equipment and restore sites at the rented premises upon vacation thereof. The provision represents the Group's best estimate of the amount that may be required to settle the obligation. The Provisions are expected to be settled at the end of the respective contact terms. No recoveries are expected in respect of the same.

Movement in Assets Retirement Obligation (ARO)

(Rs. in Million)

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
At beginning of the year	10,854	7,414
Provided during the year	380	3,440
At end of the year	**11,234**	10,854

30 As per Indian Accounting Standard 19 "Employee benefits" the disclosures as defined are given below :

Defined Contribution Plans

Contribution to Defined Contribution Plans, recognised as expense for the year is as under :

(Rs. in Million)

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
Employer's Contribution to Provident Fund	4	-
Employer's Contribution to Pension Fund	-	-

CHARTERED ACCOUNTANTS Deloitte Haskins & Sells LLP

TOWER INFRASTRUCTURE TRUST

Dhananjay Joshi

Notes forming part of Consolidated Financial Statements for the year ended March 31, 2021

Defined benefit Plan:- The Plan is unfunded hence there are no Planned assets

I) Reconciliation of opening and closing balances of Defined Benefit Obligation (Rs. in Million)

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
Defined Benefit obligation at beginning of the year	-	-
Add : Transfers	-	-
Current Service Cost	1	-
Interest Cost	-	-
Actuarial (gain) / loss	-	-
Business Transfer	-	-
Defined Benefit obligation at year end	**1**	-

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

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
Fair value of Plan assets	-	-
Present value of obligation	1	-
Amount recognised in Balance Sheet	**1**	**-**

III) Expenses recognised during the year (Rs. in Million)

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
Current Service Cost	1	-
Interest Cost	-	-
Expected return on Plan assets	-	-
Actuarial (gain) / loss	-	-
Net Cost	**1**	**-**

IV) Actuarial assumptions (Rs. in Million)

Particulars	As at March 31 2021	As at March 31 2020
Mortality Table	**IALM (2012-14) Ultimate**	**-**
Withdrawal rate	10%	
Retirement age (Years)	65	
Discount rate (per annum)	6.41%	**-**
Rate of escalation in salary (per annum)	8.00%	**-**

V) Maturity Profile (Rs. in Million)

Particulars	As at March 31 2021	As at March 31 2020
Average Expected Future Working life (Years)	8.73	-
Expected future cashflows		
Year 1	0.01	-
Year 2	0.01	-
Year 3	0.01	-
Year 4	0.01	-
Year 5	0.43	-
Year 6 to year 10	0.52	-
Above 10 Years	0.56	-

CHARTERED ACCOUNTANTS Deloitte Haskins & Sells LLP

TOWER INFRASTRUCTURE TRUST

VI) Sensitivity Analysis (Rs. in Million)

Particulars	As at March 31 2021	As at March 31 2020
Discount rate		
a. Discount rate - 100 basis points (Rs. 12,80,361)	1	-
a. Discount rate - 100 basis points impact (%)	9.78%	-
b. Discount rate + 100 basis points (Rs. 10,66,163)	1	-
b. Discount rate + 100 basis points impact (%)	(8.59%)	-
Salary increase rate		
a. rate - 100 basis points	1	-
a. rate - 100 basis points impact (%)	(8.54)%	-
b. rate + 100 basis points	1	-
b. rate + 100 basis points impact (%)	9.53%	-

The estimates of rate of escalation in salary considered in actuarial valuation, take into account inflation, seniority, promotion and other relevant factors including supply and demand in the employment market. The above information is certified by the actuary.

These plans typically expose the Group to actuarial risks such as: interest risk, longevity risk and salary risk.

Interest risk	Market risk is a collective term for risks that are related to the changes and fluctuations of the financial markets. The discount rate reflects the time value of money. An increase in discount rate leads to decrease in Defined Benefit Obligation of the plan benefits & vice versa. This assumption depends on the yields on the corporate/government bonds and hence the valuation of liability is exposed to fluctuations in the yields as at the valuation date.
Longevity risk	The impact of longevity risk will depend on whether the benefits are paid before retirement age or after. Typically for the benefits paid on or before the retirement age, the longevity risk is not very material.
Salary risk	Actual Salary increase that are higher than the assumed salary escalation, will result in increase to the Obligation at a rate that is higher than expected.

31 RELATED PARTY DISCLOSURES

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

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

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

i) Name of Related Party

Entities which exercise control on the Group

Brookfield Asset Management Inc.(w.e.f. August 31, 2020)	Ultimate Holding Company
BIF IV India Holdings Pte Ltd	Intermediate Holding Company
BIF IV Jarvis India Pte Ltd., Singapore (w.e.f August 31, 2020)	Immediate Holding Company

Members of same group (w.e.f. August 31, 2020)

Equinox Business Parks Private Limited
Vrihis Properties Private Limited (Brookfield Real Estate)
Schloss Udaipur Private Limited
Schloss Chennai Private Limited
Schloss Chanakya Private Limited

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

A Parties to Tower Infrastructure Trust

BIF IV Jarvis India Pte Ltd., Singapore (August 31, 2020)	Sponsor
Brookfield India Infrastructure Manager Private Limited (formerly known as WIP (India) Private Limited)	Investment Manager
Axis Trustee Servicess Limited	Trustee
Infinite India Investment Management Limited (Resigned w.e.f. October 12, 2020)	erstwhile Investment Manager
Jio Infrastructure Management Services Limited (formerly known as Reliance Digital Media Distribution Limited)	Project Manager
Reliance Industrial Investments and Holdings Limited	Sponsor

CHARTERED ACCOUNTANTS Deloitte Haskins & Sells LLP

TOWER INFRASTRUCTURE TRUST

Reliance Industries Limited	Promotor of Sponsor

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

Directors of BIF IV Jarvis India Pte Ltd., Singapore

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

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

Sridhar Rengan
Chetan Rameshchandra Desai
Narendra Aneja
Rishi Tibriwal

Directors of Axis Trustee Services Limited

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

Directors of Infinite India Investment Management Limited

Shailesh Shankarlal Vaidya
Vishal Nimesh Kampani
Rajendra Dwarkadas Hingwala
Dipti Neelakantan

Director of Jio Infrastructure Management Services Limited

Sudhakar Saraswatula
Nikhil Chakrapani Suryanarayana Kavipurapu
Hariharan Mahadevan

Director of Reliance Industrial Investments and Holdings Limited

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

III <u>**List of Additional Related Parties as per regulation 19 of the SEBI InvIT Regulations**</u>

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

CHARTERED ACCOUNTANTS Deloitte Haskins & Sells LLP

TOWER INFRASTRUCTURE TRUST

Tower Infrastructure Trust

Notes forming part of Consolidated Financial Statements for the year ended March 31, 2021

IV Transactions during the year with related parties

(Rs. in Million)

Particulars	Relationship	Year ended March 31, 2021	Year ended March 31, 2020
Trustee Fee			
Axis Trustee Services Limited	Trustee	2	2
Investment Management Fees			
Infinite India Investment Management Limited	Erstwhile Investment Manager	13	24
Brookfield India Infrastructure Manager Private Limited (formerly known as WIP (India) Private Limited) (Appointed w.e.f. October 13, 2020)	Investment Manager	13	-
Reimbursement of Expenses			
Brookfield India Infrastructure Manager Private Limited (formerly known as WIP (India) Private Limited)	Investment Manager	4	-
Infinite India Investment Management Limited	Erstwhile Investment Manager	5	-
Acquisition of shares of Summit Digitel Private Limited from Reliance Industries Limited (formerly known as Reliance Jio Infratel Private Limited)			
Reliance Industries Limited	Promotor of Sponsor	1,054	-
Project Manager Fees			
Jio Infrastructure Management Services Limited	Project Manager	24	24
Issue of units capital to Sponsor			
BIF IV Jarvis India Pte Ltd.	Sponsor	2,26,410	-
Distribution to Unitholders			
BIF IV Jarvis India Pte Ltd.	Sponsor	9,254	-
Contribution to Corpus			
Reliance Industrial Investments and Holdings Limited	Sponsor	116	124
Deposit paid			
Equinox Business Parks Private Limited	Members of same group	14	-
Working Capital adjustment	Refer Note 11(i)	8,505	-
Shareholder Option Agreement	Refer Note 35(v)	2,020	-
Reliance Industries Ltd	Promotor of Sponsor		
Loan Taken		-	5,400
Loans Repaid		5,050	(350)
Interest on Non-Convertible Debenture		5,229	1,145
Interest on Inter-corporate Deposits		195	403
Other Borrowing Cost		91	125
Repayment of Non-Convertible Debentures		1,18,360	29,650
Issuance of Non-Convertible Debentures		1,18,360	-
Trade Payables -Commission on Corporate Guarantee		58	-
Expenses Incurred			
Equinox Business Parks Private Limited	Members of same group	5	-
Vrihis Properties Private Limited (Brookfield Real Estate)	Members of same group	12	-
Schloss Udaipur Private Limited	Members of same group	1	-

CHARTERED ACCOUNTANTS Deloitte Haskins & Sells LLP

TOWER INFRASTRUCTURE TRUST

Notes forming part of Consolidated Financial Statements for the year ended March 31, 2021

V Balance as at end of the year

(Rs. in Million)

Particulars	Relationship	As at March 31, 2021	As at March 31, 2020
Schloss Chennai Private Limited	Members of same group	2	-
Schloss Chanakya Private Limited	Members of same group	1	-
Professional Fees			
Axis Trustee Services Limited	Trustee	-	2
Infinite India Investment Management Limited	Erstwhile Investment Manager	-	24
Shares of Tower Trust			
BIF IV Jarvis India Pte Ltd.	Sponsor	2,26,410	-
Contribution to Corpus			
Reliance Industrial Investments and Holdings Limited	Sponsor	240	124
Other Payables			
Brookfield India Infrastructure Manager Private Limited (formerly known as WIP (India) Private Limited)	Investment Manager	3	-
Receivable/(Payable)			
Equinox Business Parks Private Limited	Members of same group	14	-
Vrihis Properties Private Limited (Brookfield Real Estate)	Members of same group	0	-
Schloss Chennai Private Limited	Members of same group	0	-
Schloss Chanakya Private Limited	Members of same group	0	-
Reliance Industries Ltd	Promotor of Sponsor		
Equity Shares subscribed		-	1,054
10% Convertible preference shares		-	500
0% Non- Convertible Preference Shares		126	-
Borrowing - Non-convertible Debentures		1,18,360	1,18,360
Borrowing - Term Loan (Current)		-	5,050
Borrowing - Non-convertible Debentures(unsecured)		-	5,050
Borrowing - Term Loan (Current)		-	9,587

32 CONTINGENT LIABILITIES AND COMMITMENTS

(i) Contingent Liabilities

Municipal Tax

The Group based on its assessment of the applicability and tenability of certain municipal taxes, which is an industry wide phenomenon, does not consider the impact of such levies to be material.

Further, in the event these levies are confirmed by the respective authorities, the Group would recover these amounts from its customers in accordance with the terms of Master Service Agreement.

(ii) Commitments

(Rs. in Million)

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
Estimated amount of contracts remaining to be executed on Capital	74,809	11,475
Other Commitments related to bank guarantee	36	-

The Group's network operating expenses include repairs and maintenance for which the Group has entered into an Operations and Maintenance Agreement for 30 years. Costs are recognised as services are rendered.

CHARTERED ACCOUNTANTS Deloitte Haskins & Sells LLP

TOWER INFRASTRUCTURE TRUST

33 Arrears of fixed cumulative dividend on Optionally Convertible Preference Shares classified as 'Other Equity' Rs. Nil (March 31 2020: Rs. 50 million).

34 Capital Management

The Group adheres to a Disciplined Capital Management framework, the pillars of which are as follows:

a) Maintain diversity of sources of financing and spreading the maturity across tenure buckets in order to minimize liquidity risk.

b) Maintain AAA rating by ensuring that the financial strength of the Balance Sheet is preserved.

c) Manage financial market risks arising from foreign exchange and interest rates, and minimise the impact of market volatility on earnings.

Gearing Ratio

The net gearing ratio at the end of the year was as follows:

(Rs. in Million)

Particulars	**Year ended March 31, 2021**	**Year ended March 31, 2020**
Gross Debt	1,81,851	2,69,344
Cash and bank balance	(10,047)	(464)
Net debt (A)	1,71,804	2,68,880
Total Equity (B)	2,00,928	(10,278)
Net debt to equity ratio (A/B)*	**86%**	-

*Net debt to equity ratio is not calculated when the total equity value is negative.

35 FINANCIAL INSTRUMENTS

A. FAIR VALUE MEASUREMENT HIERARCHY:

(Rs. in Million)

Particulars	As at March 31, 2021				As at March 31, 2020		
	Carrying Amount	Level of input used in			Carrying Amount	Level of input used in	
		Level 1	Level 2	Level 3		Level 1	Level 2
Financial Assets							
At Amortised Cost							
Trade Receivables	153	-	-		153	-	-
Cash and Bank Balances	10,050	-	-		464	-	-
Other Financial Assets	9,102	-	-		26,472	-	-
At FVTPL							
Other receivables	-		-		699	-	699
Investments	-	-	-	-	-	-	-
Financial Liabilities							
At Amortised Cost							
Borrowings	1,81,851	-	-		2,69,344	-	-
Trade Payables	1,958	-	-		3,097	-	-
Other Financial Liabilities	11,213	-	-		61,142	-	-
Creditors for Capital Expenditure	-				1,14,610	-	-
At FVTPL							
Call Option written on Shares of Subsidiary	-	-	-	2,215	-	-	-

The financial instruments are categorized into three levels based on inputs used to arrive at fair value measurements as described below:
Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities; and
Level 2: Inputs other than the quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.
Level 3: Inputs which are significantly from unobservable market data.

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

a) The fair value of investment in Mutual Funds is measured at NAV.
b) The fair value of Forward Foreign Exchange contracts is determined using observable forward exchange rates at the balance sheet date.
c) The Group considers that the carrying amount recognised in the financial statements for financial assets and financial liabilities measured at amortised cost approximates their fair value.
d) The fair value of call option written on shares of subsidiary is measured using Black Scholes Formula. Key inputs used in the measurement are:
(i) Stock Price: It is estimated based on the stock price as of the date of the transaction August 31,2020 of INR 2,150 million, as increased for the interim period between August 31,2020 and March 31,2021 by the Cost of Equity as this would be expected return on the investment for the acquirer.
(ii) Exercise Price: Rs. 2,150 Million
(iii) Option Maturity: 30 years from August 31, 2020 i.e., August 31, 2050.
(iv) Risk free rate as on date of valuation - 6.77%.
(v) The fair value on the date of acquisition of Rs. 2,020 Million was recognised as a liability with a corresponding debit to equity as this is part of the acquisition transaction described in Group Information.

B. Financial Risk Management

The different types of risks the Group is exposed to are market risk, credit risk and liquidity risk. The Group takes measures to judiciously mitigate the above mentioned risks.

i) Market Risk

a) Foreign Currency Risk

Foreign currency risk is the risk that the Fair Value or Future Cash Flows of an exposure will fluctuate because of changes in foreign currency rates. Exposures can arise on account of the various assets and liabilities which are denominated in currencies other than Indian Rupee.

The Group uses derivative financial instruments such as forward contracts to minimise any adverse effect on its financial performance. All such activities are undertaken within an approved Risk Management Policy framework.

The following table shows foreign currency exposures in USD on financial instruments at the end of the year.

(Rs. in Million)

Particulars	Foreign Currency Exposure	
	As at March 31, 2021	As at March 31, 2020
Creditors for capital expenditure	-	23,620
Forward	-	23,599
Net Exposure	-	21

Particulars	Foreign Currency Sensitivity	
	As at March 31, 2021	As at March 31, 2020
1% Depreciation in INR	-	(0)
Impact on Equity		-
Impact on P&L	-	(0)
1% Appreciation in INR	-	0
Impact on Equity		
Impact on P&L	-	0

b) Interest Rate Risk

The Group's exposure to the risk of changes in market interest rate relates to the floating rate debt obligations.
The exposure of the Group's borrowings at the end of the year are as follows:

Particulars	Interest Rate Exposure	
	As at March 31, 2021	As at March 31, 2020
Borrowings		
Non-Current - Floating (Includes Current Maturities)*	1,81,725	1,20,000
Non-Current - Fixed (Includes Current Maturities)	126	1,19,460
Current - Fixed	-	30,050
Total	**1,81,851**	**2,69,510**

*Includes Rs.1,750 million (March 31 2020: 166 Million) as Prepaid Finance Charges and Rs.7,000 Million with a fixed interest rate for next 3 years.

Fair value sensitivity analysis for fixed-rate borrowings:
Sensitivity analysis of 1% (floating rate borrowings) change in Interest rate:

(Rs. in Million)

Particulars	Interest Rate Sensitivity as at				
	March 31, 2021			March 31, 2020	
	Up Move		Down Move	Up Move	Down Move
Total Impact	(1,817)		1,817	(1,200)	1,200
Impact on Equity	-		-	-	-
Impact on P&L	(1,817)		1,817	(1,200)	1,200

ii) Credit risk

Credit risk is the risk that a customer or counterparty to a financial instrument will fail to perform or pay amounts due causing financial loss to the Group. Credit risk arises from Group's activities in investments and outstanding receivables from customers.

The Group has a prudent and conservative process for managing its credit risk arising in the course of its business activities. Credit risk is actively managed through advance payments.

iii) Liquidity Risk

Liquidity risk arises from the Group's inability to meet its cash flow commitments on the due date. The Group accesses global and local financial markets to meet its liquidity requirements. It uses a range of products and a mix of currencies to ensure efficient funding from across well-diversified markets and investor pools. Treasury monitors rolling forecasts of the Group's cash flow position and ensures that the Group is able to meet its financial obligation at all times including contingencies.

CHARTERED ACCOUNTANTS Deloitte Haskins & Sells LLP

TOWER INFRASTRUCTURE TRUST

Maturity Profile as at March 31, 2021 (Rs. in Million)

Particulars	0-1 Years	1-3 Years	3-5 Years	Above 5 years	Total
Trade Payable (Refer Note 18)	1,958	-	-	-	**1,958**
Creditors for Capital Expenditure	-	-	-	-	**-**
Other Current Financial Liabilities	11,213	-	-	-	**11,213**
Other Non-Current Financial Liabilities	-	-	-	2,215	**2,215**
Borrowings* (Refer Note 13 and 16)	-	27,025	36,325	1,18,501	**1,81,851**
Total	**13,171**	**27,025**	**36,325**	**1,20,716**	**1,97,237**

*Includes Rs.1,750 million as Prepaid Finance Charges.

Maturity Profile as at March 31, 2020 (Rs. in Million)

Particulars	0-1 Years	1-3 Years	3-5 Years	Above 5 years	Total
Trade Payable	3,097	-	-	-	**3,097**
Creditors for Capital Expenditure	1,14,610	-	-	-	**1,14,610**
Other Current Financial Liabilities	61,142	-	-	-	**61,142**
Borrowings* (Refer Note 13 and 16)	41,150	43,000	54,000	1,31,360	**2,69,510**
Total	**2,19,999**	**43,000**	**54,000**	**1,31,360**	**4,48,359**

*Includes Rs. 166 Million as Prepaid Finance Charges.

36 SEGMENT REPORTING

The Group is primarily engaged in setting up, operating and maintaining passive tower infrastructure and related assets and providing passive tower infrastructure related services. Accordingly, the Group has the single segment as per the requirements of Ind AS 108 - Operating Segments. All assets are located in India and revenue of the Group is earned in India hence, there is single geographic segment. Substantially all of the revenues of the Group are from a single customer (Refer note 20). Accordingly, the Group has the single segment as per the requirements of Ind AS 108 - Operating Segment.

37 PAYMENT TO AUDITORS (Rs. in Million)

Particulars	March 31, 2021	March 31, 2020
Audit Fees	14	20
Tax audit Fee	1	1
For Other Services	15	2
Total	**30**	23

38 REVENUE FROM CONTRACTS WITH CUSTOMERS

A. The Group has recognised following amounts relating to revenue in the Statement of Profit and Loss:

Revenue by nature: (Rs. in Million)

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
Infrastructure Provisioning Fees (Including reimbursement of power and fuel and site rent)	82,442	74,767

Note: The Group derives its revenue from the transfer of services over time.
The Group has entered into a 30 year master service agreement with its customer pursuant to which the Group provides the Passive Infrastructure and related services. Revenue related to the same will be accrued as services are provided.

B Reconciliation of revenue recognised (Rs. in Million)

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
Contracted price	83,712	74,767
Less: Discounts to customers	(1,270)	-
Net Revenue recognised	**82,442**	**74,767**

C. Requirement under Ind AS 115:
Transaction price allocated to unsatisfied performance obligations as at March 31, 2021 – Rs. Nil.

D. Contract balances (Rs. in Million)

Particulars	As at March 31, 2021	As at March 31, 2020
Unbilled Receivables	4,522	7,400

Deloitte Haskins & Sells LLP CHARTERED ACCOUNTANTS

TOWER INFRASTRUCTURE TRUST

Tower Infrastructure Trust

Notes forming part of Consolidated Financial Statements for the year ended March 31, 2021

39 Calculation of Net Distributable Cash Flows:

A. Statement of Net Distributable Cash Flows (NDCFs) of Summit Digitel Infrastructure Private Limited (SPV)

(Rs. in Million)

Description	March 31, 2021	March 31, 2020
Loss after tax as per profit and loss account (Standalone) (A)	**(23,380)**	**(20,968)**
Add: Depreciation and amortisation as per profit and loss account. In case of impairment reversal, same needs to be deducted from profit and loss.	19,560	17,784
Add: Interest on loan to the SPV from the Trust as per the profit and loss account	13,860	-
Add / less: Loss / gain on sale of infrastructure assets	-	-
Add: Net proceeds (after applicable taxes) from sale of infrastructure assets adjusted for the following:	-	-
• related debts settled or due to be settled from sale proceeds;	-	-
• directly attributable transaction costs;	-	-
• proceeds reinvested or planned to be reinvested as per Regulation 18(7)(a) of the InvIT Regulations	-	-
Add: Net proceeds (after applicable taxes) from sale of infrastructure assets not distributed pursuant to an earlier plan to re-invest, if such proceeds are not intended to be invested subsequently, net of any profit / (loss) recognised in profit and loss account	-	-
Less: Capital expenditure, if any	(1,10,631)	(84,639)
Less: Investments made in accordance with the investment objective, if any	-	-
Add / less: Any other item of non-cash expense / non-cash income charged / credited to profit and loss account, including but not limited to		
• any decrease/increase in carrying amount of an asset or a liability recognised in profit and loss account on measurement of the asset or the liability at fair value;	-	-
• provisions;	-	-
• deferred taxes;	-	-
• any other non-cash item, lease rents recognised on a straight-line basis, etc.	-	-
Add / less: Working capital changes	(55,006)	11,927
Add / less: Provisions made in earlier period and expensed in the current period		-
Less: Any cash paid to the lease owners not accounted for in the working capital changes or the profit and loss account	-	-
Add: Additional borrowings (including debentures / other securities) (external as well as borrowings from Trust)	5,51,835	1,24,252
Less: Repayment of external debt (principal) / redeemable preference shares / debentures, etc. (Excluding refinancing) / net cash set aside to comply with reserve requirements (including but not limited to DSRA) under loan agreements.	(3,86,770)	(47,912)
Less: Cash reserved to make due payments to secured lenders and any other transferrable debentures issued by RJIPL	-	-
Add / less: Proceeds from any fresh issuance of preference shares / redemption of any preference shares	-	-
Add: Proceeds from any fresh issuance of equity shares	-	-
Add/ less: Amounts added or retained to make the distributable cash flows in accordance with the Transaction Documents or the loan agreements	-	-
Total Adjustments (B)	**32,848**	**21,412**
Net Distributable Cash Flows (C) = (A+B)	**9,468**	**444**

CHARTERED ACCOUNTANTS Deloitte Haskins & Sells LLP

TOWER INFRASTRUCTURE TRUST

Notes forming part of Consolidated Financial Statements for the year ended March 31, 2021

B. Statement of Net Distributable Cash Flows (NDCFs) at the Consolidated Trust level:

(Rs. in Million)

Description	March 31, 2021	March 31, 2020
Cash flows received from SPV in the form of interest / accrued interest	10,365	-
Cash flows received from SPV in the form of dividend / buy-back of equity shares / capital reduction of equity shares	-	-
Any other income accruing at the Trust level and not captured above, including but not limited to interest /return on surplus cash invested by the Trust	-	-
Add: Cash flows/ Proceeds from the SPV towards the repayment of the debt issued to the SPV by the Trust	-	-
Total cash flow at the Trust level (A)	**10,365**	**-**
Less: issue expenses payable by Trust including as reimbursements towards expenses of Trust met by the Sponsors	(24)	-
Less: annual expenses of the Trust including audit fees, project manager fees, investment management fees, stock exchange fees, other statutory fees, depository fees, legal expenses, credit rating fees and valuer fees	(73)	(68)
Less: income tax (if applicable) at the standalone Trust level and payment of other statutory dues	-	-
Less: Repayment of external debt (including interest) / redeemable preference shares / debentures, etc., if deemed necessary by the Investment Manager	(1,141)	(98)
Less: net cash set aside to comply with DSRA requirement under loan agreements, if any	-	-
Add: Net proceeds (after applicable taxes) from sale of infrastructure assets adjusted for the following:	-	-
- related debts settled or due to be settled from sale proceeds;	-	-
- directly attributable transaction costs;	-	-
- proceeds reinvested or planned to be reinvested as per Regulation 18(7)(a) of the InvIT Regulations	-	-
Add: Net proceeds (after applicable taxes) from sale of infrastructure assets not distributed pursuant to an earlier plan to re-invest, if such proceeds are not intended to be invested subsequently	-	-
Less: Amount invested in any of the Portfolio Assets for service of debt or interest	(2,50,000)	-
Less: Capital expenditure if any (including acquisition of other infrastructure assets / SPVs)	(1,054)	-
Add: Proceeds from fresh issuance of units	2,52,266	-
Less: Reserve for debentures / loans / capex expenditure in the intervening period till next proposed distribution if deemed necessary by the Investment Manager invested in permitted investments	-	-
Total cash outflows/retention at the Trust level (B)	**(26)**	**(166)**
Net Distributable Cash Flows (C) = (A+B)	**10,339**	**(166)**

(Rs. in Million)

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

40 The outbreak of Coronavirus (COVID-19) pandemic globally and in India is causing significant disturbance and slowdown of economic activity. On March 24, 2020, the Government of India ordered a nationwide lockdown for 21 days, which further was extended up to June 30, 2020, to prevent community spread of COVID-19 in India resulting in significant reduction in economic activities. The Group is engaged in the business of providing tower infrastructure and related operations in India. The Group has executed a long term MSA with RJIL (one of the largest telecommunication service provider in India) as its customer, which results into committed revenues and cash flows for the Group, on a long term basis. Moreover, the COVID-19 pandemic has not had a material adverse impact on the operations of the telecommunication industry to which the Group currently caters to. Also, the Group has completed substantial portion of its planned capital expenditure and for the balance as well as for the operations and maintenance of the tower sites, the Group has in place long-term arrangements with reputed and experienced contractors/service providers. Further, part of its sanctioned borrowings are available to the Group for utilization on need basis to meet its liquidity requirements. In view of all of the above, the Group does not expect any significant challenges, including emanating out of COVID-19, particularly in the next 12 months.

CHARTERED ACCOUNTANTS Deloitte Haskins & Sells LLP

TOWER INFRASTRUCTURE TRUST

Tower Infrastructure Trust

Notes forming part of Consolidated Financial Statements for the year ended March 31, 2021

41 Composite Scheme of Arrangement

The Board of Directors of the SDIPL at their meeting held on January 2, 2019 approved a composite scheme of arrangement (herein after referred to as "the scheme") between RJIL, Jio Digital Fibre Private Limited (JDFPL) and SDIPL and their respective shareholders and creditors, inter-alia for purchase of the Tower Infrastructure undertaking (Transferred undertaking) of RJIL for a lumpsum consideration, with effect from the appointed date March 31, 2019. Consequent to the scheme, SDIPL is in the process of transferring the Freehold Land, Leasehold Land, Land reflected in Right of Use Assets and Building in its name.

42 APPROVAL OF FINANCIAL STATEMENTS

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

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

Sridhar Rengan
Chairperson of the Board
DIN: 03139082
Date: June 07, 2021
Place: Chennai

CHARTERED ACCOUNTANTS Deloitte Haskins & Sells LLP

Dhananjay Joshi
Member of Tower InvIT Committee
PAN: AASPJ9719K

TOWER INFRASTRUCTURE TRUST

Date: June 07, 2021
Place: Bangalore

Inder Mehta
Compliance Officer of the Trust
PAN: AAFPM5702N

Date: June 07, 2021
Place: Mumbai

SUNIL KUMAR SAINI

IBBI Registration number: IBBI/RV/06/2018/10385

Valuation Report

Tower Infrastructure Trust ("Trust")
(Acting through the Trustee Axis Trustee Services Limited)

And

Brookfield India Infrastructure Manager Private Limited
(Acting in its capacity as the Investment Manager of the Trust)

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

June 2021

 # 102, Mohyal Colony, Unitech Cyber Park Sector 40 Gurgaon, Haryana – 122001
M: 99997 30536, Email: ssainisuniil@gmail.com

UDIN: 21503604AAAAEH1978
Date: June 01, 2021

To
Tower Infrastructure Trust (the "Trust")
Acting through its Trustee - Axis Trustee Services Limited
9th Floor, Maker Chamber IV
222 Nariman Point, Mumbai - 400021, 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

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

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

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

Sunil Kumar Saini ★ IBBI/RV/06/ 2018/10385 ★ REGISTERED VALUER exercise to be March 31, 2021 (**"Valuation Date"**) and market factors, have been considered up to March 31, 2021.

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

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

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

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

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

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

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

Regards,
Sunil Kumar Saini

Sunil Kumar Saini
IBBI/RV/06/2018/10385
REGISTERED VALUER

Registered Valuer
Reg. No. - IBBI/RV/06/2018/10385
UDIN: 21503604AAAAEH1978

Encl: As above

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1 Definitions, Abbreviations & Glossary of Terms

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

Sunil Kumar Saini IBBI/RV/06/2018/10385 REGISTERED VALUER

	2021 proposed to be constructed as per the Project Execution Agreement.
Issue	The initial offer of units by the Trust by way of private placement in accordance with the SEBI InvIT Regulations.
InvIT Asset	Tower Co.
Macro Towers	Means ground-based towers, ground-based mast or pole or roof-top towers, roof-top poles, cell on wheels
Monthly Site Premium	The monthly site premium payable by RJIL to Tower Co. in terms of the Amended and Restated MSA
Monthly Site Reimbursement	The monthly site reimbursement payable by RJIL to Tower Co. in terms of the Amended and Restated MSA
Mn	Million
NAV	Net Asset Value
NCLT	National Company Law Tribunal
Passive Infrastructure	Means at any Site, the passive telecommunication infrastructure located at such Site, including the tower, room/shelter, diesel generator sets and electrical and civil works, DC power system and battery bank and any other passive telecom infrastructure (viz. air conditioners) installed at the Site
PM	Placement Memorandum
PPM	Preliminary Placement Memorandum
Transaction	Private placement of units by the InvIT, the proceeds of which was used for (i) acquisition of remaining 49% of the outstanding equity share capital of Tower Co. (INR 105.35 crore); (ii) repayment of loans taken by the Trust to fund acquisition of 51% of the outstanding equity share capital of Tower Co. (INR 109.65 crore); and (iii) extending loans to Tower Co. to enable Tower Co. to repay / pre-pay in part or in full certain of its existing borrowings and interest obligations (INR 25,000 crore)
Project Agreement	Together the Amended and Restated MSA, the Amended and Restated O&M Agreement and the Amended and Restated Project Execution Agreement
Project Manager or JIMSL	Jio Infrastructure Management Services Limited
Purpose	Enterprise valuation of Tower Co. for annual compliance requirements of the SEBI InvIT Regulations as well as for submission to SEBI or the statutory auditors of the Trust or any other regulatory or statutory authority as may be required and made in accordance with the SEBI InvIT Regulations guidelines requiring an independent valuation.
Reliance Sponsor/RIIHL	Reliance Industrial Investments and Holdings Limited
RJIL	Reliance Jio Infocomm Limited
RIL	Reliance Industries Limited
RTP Site	Means a roof-top pole site at which Passive Infrastructure is located on a building or a structure
RTT Site	Means a roof-top tower site at which Passive Infrastructure is located on a building or a structure
Shareholder and Option Agreement	Shareholder and Option Agreement entered into between the Trust, the Investment Manager, Reliance Industries Limited ("**RIL**"), RIIHL, Tower Co., RJIL and Jarvis
SEBI InvIT Regulations	Securities and Exchange Board of India (Infrastructure Investment Trusts) Regulations, 2014 and amendments thereto including any circulars and guidelines issued thereunder

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

Sunil Kumar Saini
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REGISTERED VALUER

2 Executive Summary

2.1 Brief Background and Purpose

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

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

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

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

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

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

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

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

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

2.1.10 Reliance Projects & Property Management Services (formerly known as Reliance Digital Platform & Project Services Limited and hereinafter referred to as **“RPPMSL”** or **“Contractor”** or “**Operator**”), a company wholly owned by RIL has been appointed as the “Contractor” in

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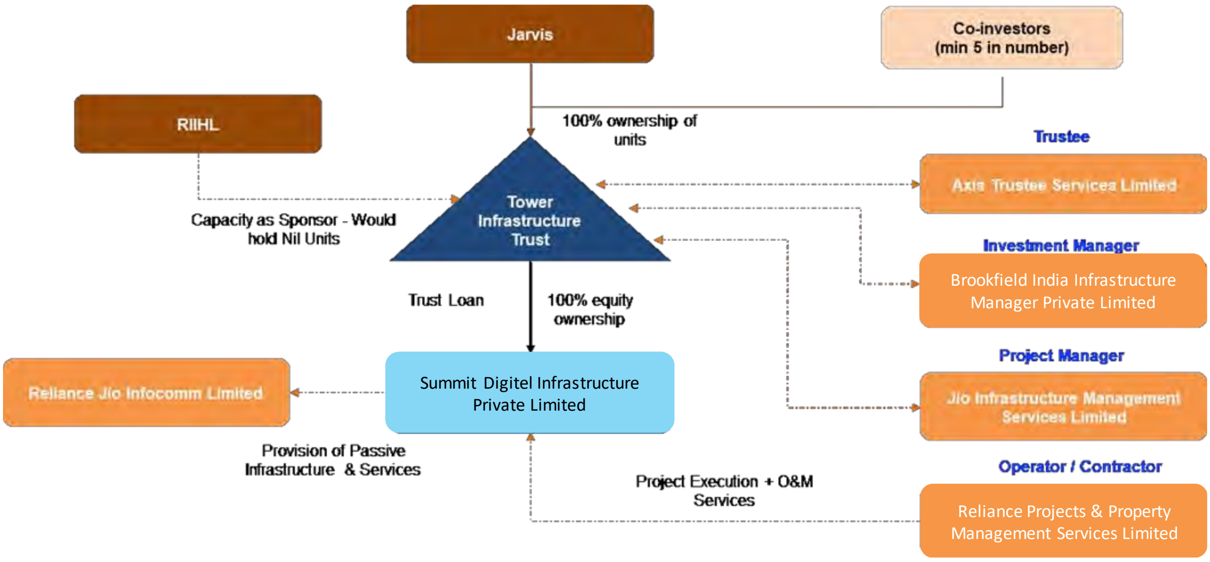
terms of the Amended and Restated Project Execution Agreement and as the "Operator" in terms of the Amended and Restated O&M Agreement.

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, Tower Co. and the Unitholders as of the Valuation Date.



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

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

2.2 Valuation Methodology Adopted

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

2.3 Valuation Conclusion

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

Sunil Kumar Saini IBBI/RV/06/ 2018/10385 REGISTERED VALUER

3 Introduction

3.1 Terms of Engagement

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

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

3.2 Background and Purpose of Valuation

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

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

3.3 Source of Information

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

i. Background of the Tower Infrastructure Business;

ii. Background of the Telecom industry;

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

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

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

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

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

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

4 Exclusions and Limitations

4.1 Restricted Audience

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

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

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

4.2 Limitation Clause

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

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

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

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

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

Sunil Kumar Saini IBBI/RV/06/2018/10385 REGISTERED VALUER

to me and within the scope of my engagement, others may place a different value on the businesses.

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

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

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

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

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

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

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

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

4.2.14 This Report does not look into the business/commercial reasons behind the Transaction or the Issue nor the likely benefits arising out of the same. Similarly, it does not address the relative merits of investing in InvIT as compared with any other alternative business transaction, or other alternatives, or whether or not such alternatives could be achieved or are available. The

Sunil Kumar Saini IBBI/RV/06/ 2018/10385 REGISTERED VALUER

assessment of commercial and investment merits of the Trust are sole responsibility of the investors of the Trust and I do not express any opinion on the suitability or otherwise of entering into any financial or other transactions with the Investment Manager, the Trust or Tower Co.

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

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

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

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

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

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

(This Space has been intentionally left blank)

Sunil Kumar Saini
IBBI/RV/06/2018/10385
REGISTERED VALUER

5 Assignment Approach

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

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

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

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

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

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

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

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

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

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6 Overview of Tower Infrastructure Business

6.1 Tower Infrastructure Business

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

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

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

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

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

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

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6.2 Location of the Towers

Source: As provided by the Management

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

State Name	Tower Type				Total
	GBM	GBT	RTP / RTT	COW	
Andhra Pradesh	338	3,440	1,302	46	5,126
Arunachal Pradesh		168	22		190
Assam	1	2,638	427	10	3,076
Bihar	94	5,263	942	12	6,311
Chhattisgarh	254	3,290	179	47	3,770
Delhi	748	195	3,593	277	4,813

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Goa	130	32	76	2	240
Gujarat	4,741	4,637	1,255	24	10,657
Haryana	100	2,040	449	69	2,658
Himachal Pradesh	21	1,595	90	7	1,713
Jammu	34	707	147	19	907
Jharkhand	231	3,431	572	34	4,268
Karnataka	332	4,302	1,854	37	6,525
Kashmir	42	1,279	102	33	1,456
Kerala	33	1,338	585	61	2,017
Kolkata	119	962	2,449	14	3,544
Madhya Pradesh	1,468	7,636	645	23	9,772
Maharashtra	654	6,701	2,282	32	9,669
Manipur		342	42		384
Meghalaya		602	7	3	612
Mizoram		172	19	1	192
Mumbai	657	380	2,353	35	3,425
Nagaland		269	27	1	297
Odisha	133	4,027	413	43	4,616
Punjab	854	1,459	1,353	81	3,747
Rajasthan	2,029	5,764	750	77	8,620
Tamil Nadu	992	4,857	2,814	31	8,694
Telangana	484	2,638	1,859	100	5,081
Tripura		498	33		531
Uttar Pradesh (East)	1,444	7,038	1,320	62	9,864
Uttar Pradesh (West)	394	4,782	1,147	26	6,349

Uttarakhand	66	1,599	391	25	2,081
West Bengal	64	6,197	579	41	6,881
Grand Total	**16,457**	**90,278**	**30,078**	**1,273**	**1,38,086**

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

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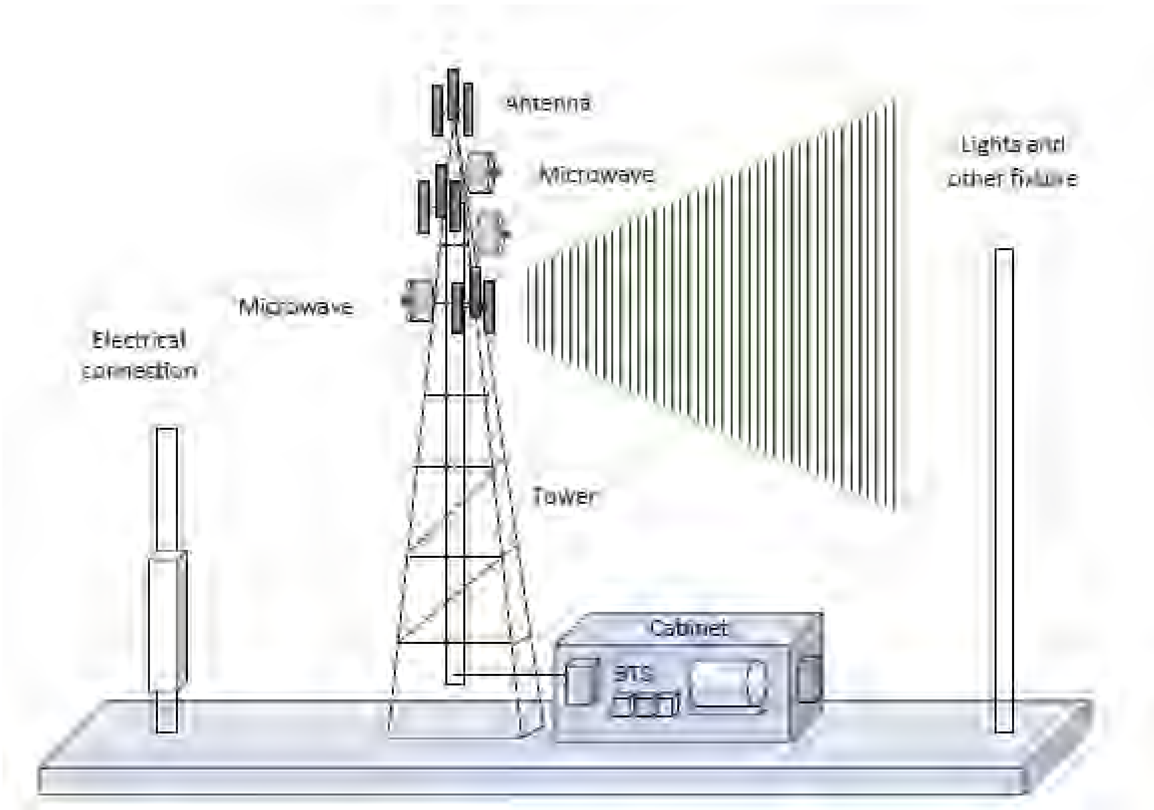
6.3 Tower Infrastructure

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

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



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

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

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

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

6.4 Site Visit Details

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

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

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

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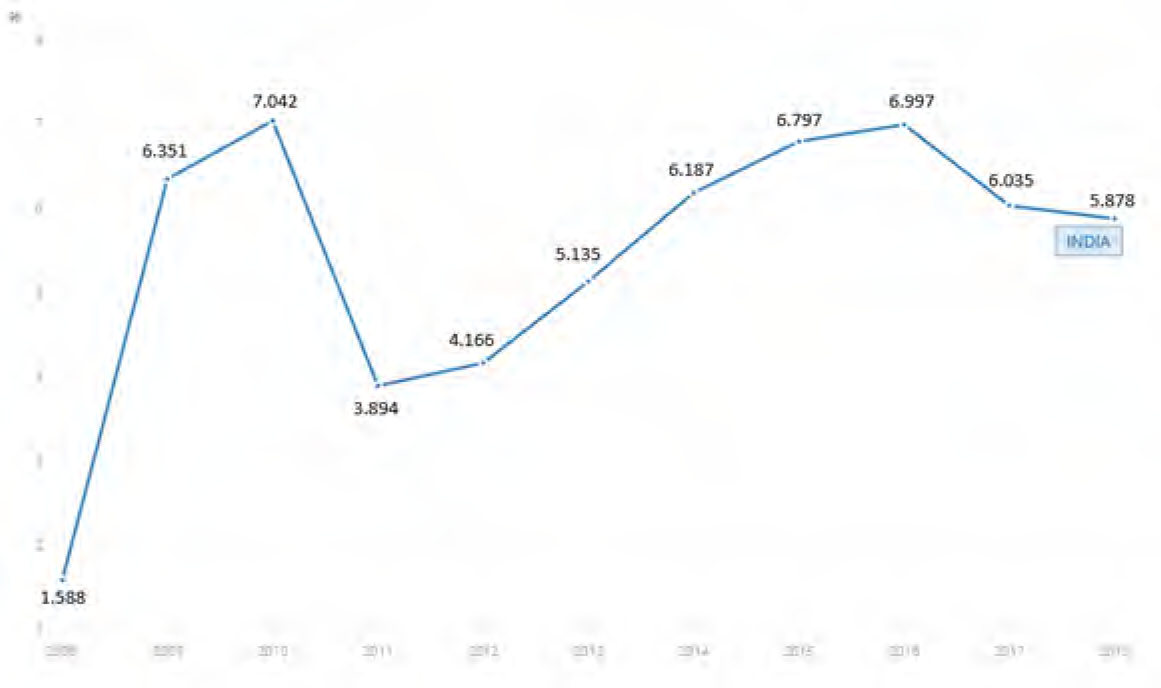
7 Industry Overview

7.1 The Indian Economy

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

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



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

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

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

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

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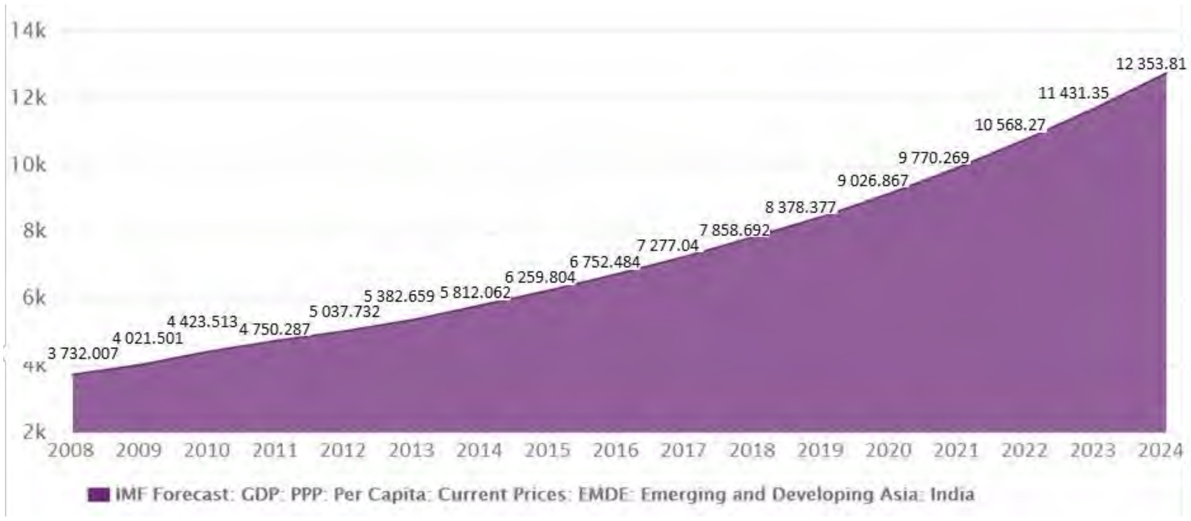

(Source: CEIC Data, accessed January 7, 2020)

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

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

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

			Reforms making it easier to do business									
Economy	Ease of doing business rank	Change in ease of doing business score	Starting a business	Dealing with construction permits	Getting electricity	Registering property	Getting credit	Protecting minority investors	Paying taxes	Trading across borders	Enforcing contracts	Resolving insolvency
Saudi Arabia	62	7.7	✔	✔	✔		✔	✔		✔	✔	✔
Jordan	75	7.6					✔		✔			✔
Togo	97	7.0	✔	✔	✔	✔	✔					
Bahrain	43	5.9		✔	✔	✔	✔	✔	✔	✔	✔	✔
Tajikistan	106	5.7	✔				✔			✔		
Pakistan	108	5.6	✔	✔	✔	✔			✔	✔		
Kuwait	83	4.7	✔	✔	✔	✔	✔	✔		✔		
China	31	4.0	✔	✔	✔			✔	✔	✔	✔	✔
India	63	2.5	✔	✔						✔		✔
Nigeria	131	3.4	✔	✔	✔	✔				✔	✔	

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7.2 Indian Telecommunication Industry

Indian mobile telecommunications services sector

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

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

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

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

(Source: TRAI)

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

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

(Source: TRAI)

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

[illegible]	[illegible]	[illegible]	[illegible]
Andhra Pradesh	[illegible]	[illegible]	[illegible]
Assam	[illegible]	[illegible]	[illegible]
Bihar	[illegible]	[illegible]	[illegible]
Delhi	[illegible]	[illegible]	[illegible]
Gujarat	[illegible]	[illegible]	[illegible]
Haryana	[illegible]	[illegible]	[illegible]
Himachal Pradesh	[illegible]	[illegible]	[illegible]
J&K	[illegible]	[illegible]	[illegible]
Karnataka	[illegible]	[illegible]	[illegible]
Kerala	[illegible]	[illegible]	[illegible]
Kolkata	[illegible]	[illegible]	[illegible]
Madhya Pradesh	[illegible]	[illegible]	[illegible]
Maharashtra	[illegible]	[illegible]	[illegible]
Mumbai	[illegible]	[illegible]	[illegible]
North East	[illegible]	[illegible]	[illegible]
Odisha	[illegible]	[illegible]	[illegible]
Punjab	[illegible]	[illegible]	[illegible]
Rajasthan	[illegible]	[illegible]	[illegible]
Tamil Nadu	[illegible]	[illegible]	[illegible]
U.P. (E)	[illegible]	[illegible]	[illegible]
U.P. (W)	[illegible]	[illegible]	[illegible]
West Bengal	[illegible]	[illegible]	[illegible]
Total	340.3	282.6	415.0

Source: TRAI

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

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

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

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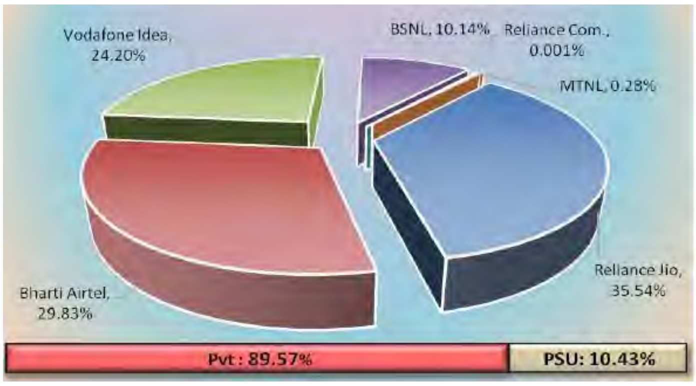
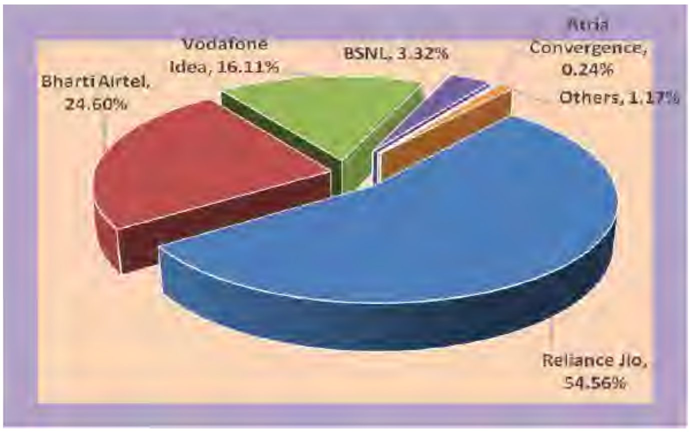


(Source: TRAI)

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



(Source: TRAI)

Recent updates on Telecom Industry:

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

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

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

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8 Valuation Approach

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

i. **"Cost"** Approach

ii. **"Income"** Approach

iii. **"Market"** Approach

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

8.1 Cost Approach

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

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

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

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

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

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8.2 Income Approach

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

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

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

8.3 Market Approach

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

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

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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. derives its true value from the potential to earn income in the future. Hence, I have considered DCF method under Income Approach for Valuation.
III	Market Approach	- Market Price	No	Tower Co. is not listed on any stock exchange, therefore I have not considered market price method of valuation.
		- Comparable Companies	No	There are no listed companies directly comparable to the business of the InvIT Asset considering the distinct nature of asset and capital structure. Hence, I have not considered CCM method.
		- Comparable Transactions	No	Due to unavailability of transactions in the public domain with business and characteristics similar to Tower Co., I have not considered CTM method.

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

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9 Valuation of InvIT Asset

9.1 DCF Method:

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

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

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

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

i. <u>Volumes:</u>

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

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

ii. <u>Monthly Site Premium:</u>

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

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

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

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iii. O&M Contract Price

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

iv. Other Expenses

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

v. Capital Expenditure

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

vi. Discounted Cash Flow

- The explicit period has been considered from April 1, 2021 to August 31, 2050.
- Working capital requirement and expected capital expenditure are considered as provided by the Management during forecast period.
- FCFF method under DCF is used to calculate enterprise value of Tower Co.
- In FCFF, the free cash flows available to the company are discounted by WACC to derive the net present value. WACC of 8.80% is considered.
- The projected net cash flows are discounted back to their present value using mid-year discounting convention. The use of mid-year discounting factors better reflects the assumption that net cash flows will be generated throughout the year, rather than at the beginning or at the end of the year.
- Given the fixed term of the Project Agreements, terminal cash flow discounting is not considered. Recoupment of all working capital at the end of the forecast period is considered.
- Tax rate of 25.17% being the tax rate prevailing in India.
- The enterprise value ("**Enterprise Value**") of Tower Co. is arrived at INR 440,055.1 Mn, determined as an aggregate of the present value of forecast period.

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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, 2021 is provided below

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

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

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

- The cost of equity ("CoE") has been calculated as per the Capital Asset Pricing Model based on the following parameters:

- Cost of equity = Risk Free Rate + [Beta X Equity Risk Premium]
- Risk free rate of return of 6.71% is based on yields of 10 year zero coupon bond yield as on March 31, 2021 having and as listed on www.ccilindia.com.
- Expected market premium of 8.29% has been calculated on the expected market return of 15.0% as prevalent in India based on historical market returns and my analysis.
- Beta is a measure of systematic risk of the company's stock as compared to the market risk. Since there are no listed companies directly comparable to the business of the InvIT Asset considering the distinct nature of asset and capital structure, I have considered a market beta

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of 1.0 for determination of CoE.

- Based on above, the base cost of equity is arrived at 15.00%.
- Further, I have considered post tax cost of external debt of 5.93% and post-tax cost of trust loan of 11.22% to arrive at WACC of 8.45%.
- I have reduced the risk premium over my last valuation by 0.5% given the demonstrated ability of the Tower Co to raise debt at lower cost, stabilisation of operations and the strategy of completion of the additional tower sites to take the total towers to 174,451 towers by way of inorganic acquisition as may be possible alongwith some greenfield construction. I have considered an additional risk premium of 0.35%.
- I have hence considered a WACC of 8.80% for the valuation.

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10 Valuation Summary

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

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

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

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11 Annexures

11.1 Annexure I

A. Valuation of InvIT Asset as per DCF Method

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

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

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

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

11.2 Annexure II - Details of all Permissions

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

11.3 Annexure III - Litigations Details

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

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

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

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

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

11.4 Annexure IV - Other Disclosures as required under SEBI InvIT Regulations

Statement of Assets

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

Details of Major Repairs - Past and Proposed

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

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

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

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

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

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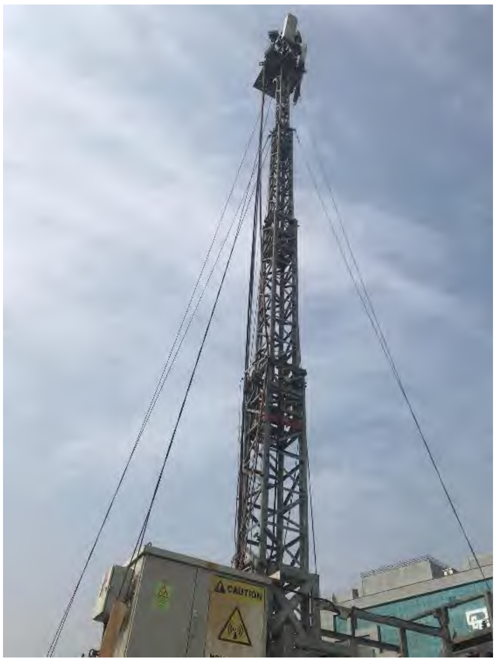
11.5 Earlier Site Visit Photographs



Mumbai - Cell on Wheels
Bandra Kurla Complex

Mumbai - Ground Based Mast
Anik Depot, Wadala

Mumbai - Roof Top Pole
Reliance Jio SRM Office, Worli

Mumbai - Roof Top Pole
Zinc Plaza, Dadar West

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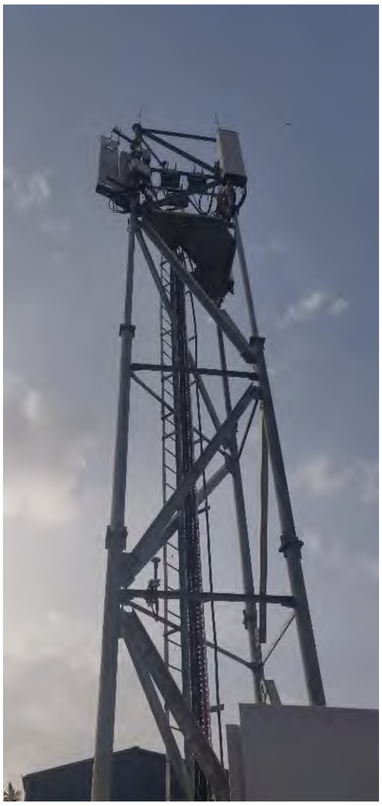
Kolkata - Ground Based Mast
Newtown Bus Stand

Kolkata - Ground Based Mast
Rajarhat



Bangalore - Roof Top Tower
Rajaji Nagar

Bangalore - Roof Top Tower
Tippenahalli

Delhi - Roof Top Tower
Ajisar Management Pvt Ltd, Okhla Phase II

Delhi - Roof Top Tower
G Healthcare, Okhla Phase II

Network Operations Centre - Reliance Corporate Park, Ghansoli