

DIGITAL FIBRE INFRASTRUCTURE TRUST

(Registered in the Republic of India as an irrevocable trust set up under the Indian Trusts Act, 1882, and registered as an infrastructure investment trust under the Securities and Exchange Board of India (Infrastructure Investment Trusts) Regulations, 2014, on March 20, 2019 having registration number IN/InvIT/18-19/0010)

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Sponsor
Reliance Industrial Investments and Holdings
Limited

Investment Manager
Infinite India Investment Management Limited

 **AXIS TRUSTEE**
Trustee
Axis Trustee Services Limited

ISSUE OF UP TO 478,866,821 UNITS OF DIGITAL FIBRE INFRASTRUCTURE TRUST ("TRUST" AND SUCH UNITS, THE "UNITS"), FOR CASH AT A PRICE OF ₹ 100 PER UNIT (THE "ISSUE PRICE"), AGGREGATING UP TO ₹ 47,886.68 MILLION TO THE ELIGIBLE UNITHOLDERS (AS DEFINED HEREINAFTER) ON A RIGHTS BASIS IN THE RATIO OF 1,000 UNITS FOR EVERY 3,071 UNITS HELD BY THEM ON THE RECORD DATE, BEING DECEMBER 3, 2021 (THE "ISSUE") IN ACCORDANCE WITH THE SECURITIES AND EXCHANGE BOARD OF INDIA (INFRASTRUCTURE INVESTMENT TRUSTS) REGULATIONS, 2014 INCLUDING THE RULES, CIRCULARS AND GUIDELINES ISSUED THEREUNDER, INCLUDING THE CIRCULAR BEARING NUMBER SEBI/HO/DDHS/DDHS/CIR/P/2020/223 ISSUED BY THE SECURITIES AND EXCHANGE BOARD OF INDIA ("SEBI") DATED NOVEMBER 4, 2020 ENTITLED "GUIDELINES FOR RIGHTS ISSUE OF UNITS BY AN UNLISTED INFRASTRUCTURE INVESTMENT TRUST (INVIT)" ("SEBI RIGHTS ISSUE GUIDELINES") (COLLECTIVELY, "INVIT REGULATIONS"). THE RECORD DATE IS DECEMBER 3, 2021. FOR FURTHER DETAILS, PLEASE SEE THE SECTION ENTITLED "THE ISSUE" ON PAGE 14.

THIS LETTER OF OFFER RELATES TO THE ISSUE BEING MADE TO THE EXISTING UNITHOLDERS AS ON RECORD DATE UNDER THE INVIT REGULATIONS AND THE SEBI RIGHTS ISSUE GUIDELINES.

GENERAL RISKS

Investments in Units involve a high degree of risk and Investors should not invest in the Issue unless they are prepared to take the risk of losing all or part of their investment. Investors are advised to carefully read the section entitled "Risk Factors" on page 35 and other disclosures included in this Letter of Offer before making an investment decision relating to the Issue. Each Investor is advised to consult its own advisors about the consequences of an investment in the Rights Entitlements and the Units issued pursuant to the Letter of Offer. The Rights Entitlements and the Units being offered in the Issue have not been recommended or approved by the Securities and Exchange Board of India ("SEBI") nor does SEBI guarantee the accuracy or adequacy of this the Letter of Offer. A copy of this Letter of Offer has been delivered to SEBI.

INVESTMENT MANAGERS' AND SPONSORS' ABSOLUTE RESPONSIBILITY

The Investment Manager having made all reasonable inquiries, accept responsibility for, and confirm that, this Letter of Offer contains all information with regard to the Trust and this Issue, which is material in the context of this Issue and that the information contained in this Letter of Offer is true and correct in all material respects and is not misleading in any material respect, that the opinions and intentions expressed herein are honestly held and that there are no other facts, the omission of which makes this Letter of Offer as a whole or any of such information or the expression of any such opinions or intentions, misleading in any material respect.

The Sponsor having made all reasonable inquiries, accepts responsibility for and confirms that this Letter of Offer contains all information with regard to itself, which is material in the context of this Issue and such information contained in this Letter of Offer is true and correct in all material respects and that the opinions and intentions expressed herein are honestly held. The Sponsor does not assume responsibility for any other statements including statements made by the Trust or any other person(s) in this Letter of Offer.

RIGHTS ENTITLEMENTS

The Units of the Trust shall be tradable only in dematerialized form. As per the SEBI Rights Issue Guidelines, the minimum allotment to any investor shall be ₹ 10 million. Accordingly, participation in the Issue by any investor shall be for a minimum of 100,000 Units. Further the Rights Entitlements may be transferred only in lots of 100,000 Units. Fractional Entitlements will not be credited to the Unitholders' accounts, but such Unitholders may apply for one additional Unit and would be given preference for allotment of one additional Unit, if so applied. For further details, please see the section entitled "Issue Information" on page 78.

LISTING

The Units of the Trust are not listed on the Stock Exchanges and the Units proposed to be issued pursuant to the Issue shall not be listed on the Stock Exchanges

REGISTRAR AND UNIT TRANSFER AGENT



KFin Technologies Private Limited
(formerly known as, Karyv Fintech Private Limited)
Selenium Tower – B
Plot No 31 & 32, Gachibowli Financial District
Nankramguda, Serilingampally
Hyderabad 500 032
Tel: +91 40 6716 2222
Fax: +91 40 2343 1551
E-mail: einward.ris@kfintech.com
Investor Grievance E-mail: digitalfibre.invit@kfintech.com
Website: www.kfintech.com
Contact Person: M. Murali Krishna
SEBI Registration No.: INR000000221

ISSUE SCHEDULE

ISSUE OPENS ON	LAST DATE FOR REQUEST FOR RENUNCIATION	ISSUE CLOSES AT 11:00 AM ON
WEDNESDAY, DECEMBER 8, 2021	THURSDAY, DECEMBER 9, 2021	MONDAY, DECEMBER 13, 2021

The Investment Manager (acting on behalf of the Trust) will have the right to extend the Issue period as it may determine from time to time, provided that this Issue will not remain open in excess of 15 Working Days from the Issue Opening Date (inclusive of the Issue Opening Date). Further, no withdrawal of Application shall be permitted by any Applicant after the Issue Closing Date.

This Letter of Offer is dated December 2, 2021.

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NOTICE TO INVESTORS

The distribution of this Letter of Offer and the issue of the Rights Entitlement and the Units on a rights basis to persons in certain jurisdictions outside India are restricted by legal requirements prevailing in those jurisdictions. Persons into whose possession this Letter of Offer or the Application Form may come, are required to inform themselves about and observe such restrictions, and the Investment Manager or the Sponsor shall bear no responsibility or liability in this regard. This Issue is being made on a rights basis to the Eligible Unitholders alone and shall not be construed as an offer or advertisement to offer Units to a persons or entities other than the Eligible Unitholders.

No action has been or will be taken by the Trust, the Investment Manager or the Sponsor to permit the Issue in any jurisdiction where action would be required for that purpose, except that the Letter of Offer has been filed with SEBI. Accordingly, the issue of the Rights Entitlement and the Units may not be offered or sold, directly or indirectly, and this Letter of Offer or any offering materials or advertisements in connection with the Issue may not be distributed, in any jurisdiction, except in accordance with legal requirements applicable in such jurisdiction. Receipt of this Letter of Offer or the Application Form will not constitute an offer in those jurisdictions in which it would be illegal to make such an offer and, in those circumstances, this Letter of Offer or the Application Form must be treated as sent for information only and should not be acted upon for subscription to the Rights Entitlements or the Units and should not be copied or re-distributed. Accordingly, persons receiving a copy of this Letter of Offer or the Application Form should not, in connection with the issue of the Rights Entitlements or the Units, distribute or send this Letter of Offer or the Application Form in or into any jurisdiction where to do so, would or might contravene local securities laws or regulations. If this Letter of Offer or the Application Form is received by any person in any such jurisdiction, or by their agent or nominee, they must not seek to subscribe to the Units or the Rights Entitlements referred to in this Letter of Offer or the Application Form.

Neither the delivery of this Letter of Offer nor any sale hereunder, shall, under any circumstances, create any implication that there has been no change in the affairs of Trust from the date hereof or the date of such information or that the information contained herein is correct as at any time subsequent to the date of this Letter of Offer or the date of such information. The contents of this Letter of Offer should not be construed as legal, tax or investment advice. Investors may be subject to adverse foreign, state or local tax or legal consequences as a result of the offer of Units or Rights Entitlements. As a result, each investor should consult its own counsel, business advisor and tax advisor as to the legal, business, tax and related matters concerning the offer of the Units or Rights Entitlements. In addition, none of the Trust, the Investment Manager or the Sponsor are making any representation to any offeree or purchaser of the Units regarding the legality of an investment in the Units by such offeree or purchaser under any applicable laws or regulations. This Letter of Offer contains a summary of some terms of, or references to summaries of some terms of, certain documents which are qualified in their entirety by the terms and conditions of those documents (as amended and/ or restated from time to time).

Each person by accepting the delivery of this Letter of Offer and its accompanying documents, submitting an Application Form for the exercise of any Rights Entitlements and subscription for any Units and accepting delivery of any Rights Entitlements or any Units, will be deemed to have represented, warranted and agreed as follows on behalf of itself and, if it is acquiring the Rights Entitlements or the Units as a fiduciary or agent for one or more investor accounts, on behalf of each owner of such account (such person being the “purchaser”, which term shall include the owners of the Investor accounts on whose behalf the person acts as fiduciary or agent):

1. The purchaser is, and the persons, if any, for whose account it is acquiring the Rights Entitlements and the Units are, entitled to subscribe for the Units, and the sale of the Units to it will not require any filing or registration by, or qualification of, the Trust with any court or administrative, governmental or regulatory agency or body, under the laws of any jurisdiction which apply to the purchaser or such persons.
2. The purchaser, and each account for which it is acting, satisfies (i) all suitability standards for investors in investments in the Rights Entitlements and the Units imposed by the jurisdiction of its residence, and (ii) is eligible to subscribe and is subscribing for the Units and Rights Entitlements in compliance with applicable securities and other laws of our jurisdiction of residence.
3. The purchaser has the full power and authority to make the acknowledgements, representations, warranties and agreements contained herein and to exercise the Rights Entitlements and subscribe for the Units, and, if the purchaser is exercising the Rights Entitlements and acquiring the Units as a fiduciary or agent for one or more investor accounts, the purchaser has the full power and authority to make the acknowledgements, representations, warranties and agreements contained herein and to exercise the Rights Entitlements and subscribe for the Units on behalf of each owner of such account.
4. The purchaser is aware and understands (and each account for which it is acting has been advised and understands) that an investment in the Rights Entitlements and the Units involves a considerable degree of risk and that the Rights Entitlements and the Units are a speculative investment, and further, that no U.S. federal or state or other agency has made any finding or determination as to the fairness of any such investment or any recommendation or endorsement of any such investment.
5. The purchaser understands (and each account for which it is acting has been advised and understands) that no action

has been or will be taken to permit an offering of the Rights Entitlements or the Units in any jurisdiction (other than the filing of the Letter of Offer with SEBI); and it will not offer, resell, pledge or otherwise transfer any of the Rights Entitlements or the Units which it may acquire, or any beneficial interests therein, in any jurisdiction or in any circumstances in which such offer or sale is not authorised or to any person to whom it is unlawful to make such offer, sale, solicitation or invitation except under circumstances that will result in compliance with any applicable laws and/or regulations. The purchaser agrees to notify any transferee to whom it subsequently reoffers, resells, pledges or otherwise transfers the Rights Entitlements and the Units of the restrictions set forth in the Letter of Offer under the heading “*Selling and Transfer Restrictions*”.

6. The purchaser (or any account for which it is acting) is an Eligible Unitholder and has received an invitation from the Trust, addressed to it and inviting it to participate in this Issue.
7. Neither the purchaser nor any of its affiliates or any person acting on its or their behalf has taken or will take, directly or indirectly, any action designed to, or which might be expected to, cause or result in the stabilization or manipulation of the price of any security of the Trust to facilitate the sale or resale of the Rights Entitlements or the Units pursuant to the Issue.
8. Prior to making any investment decision to exercise the Rights Entitlements and subscribe for the Units, the purchaser (i) will have consulted with its own legal, regulatory, tax, business, investment, financial and accounting advisers in each jurisdiction in connection herewith to the extent it has deemed necessary; (ii) will have carefully read and reviewed a copy of the Letter of Offer and its accompanying documents; (iii) will have possessed and carefully read and reviewed all information relating to the Trust and our group and the Rights Entitlements and the Units which it believes is necessary or appropriate for the purpose of making its investment decision, including, without limitation, the Unitholder Information (as defined below), and will have had a reasonable opportunity to ask questions of and receive answers from officers and representatives of the Trust concerning the financial condition and results of operations of the Trust and the purchase of the Rights Entitlements or the Units, and any such questions have been answered to its satisfaction; (iv) will have possessed and reviewed all information that it believes is necessary or appropriate in connection with an investment in the Rights Entitlements and the Units; (v) will have conducted its own due diligence on the Trust and this Issue (based on information provided in this Letter of Offer), and will have made its own investment decisions based upon its own judgement, such due diligence and advice from such advisers as it has deemed necessary and will not have relied upon any recommendation, promise, representation or warranty of or view expressed by or on behalf of the Trust or its affiliates (including any research reports) (other than, with respect to the Trust and any information contained in this Letter of Offer); and (vi) will have made its own determination that any investment decision to exercise the Rights Entitlements and subscribe for the Units is suitable and appropriate, both in the nature and number of Units being subscribed.
9. Without limiting the generality of the foregoing, the purchaser acknowledges that (i) the Units are not listed on the stock exchanges but the Trust provides information to the Unitholders from time to time in accordance with the policies adopted by the Investment Manager and the SEBI InvIT Regulations (which includes, but is not limited to, a description of the nature of the Trust’s business and the Trust’s most recent balance sheet and profit and loss account, and similar statements for preceding years together with the information on its website and its press releases, announcements, investor education presentations, annual reports, collectively constitutes “**Unitholder Information**”); (ii) the Trust does not expect or intend to become subject to the periodic reporting and other information requirements of the Securities and Exchange Commission; and (iii) neither the Trust nor any of its affiliates has made any representations or recommendations to it, express or implied, with respect to the Trust, the Rights Entitlements or the Units or the accuracy, completeness or adequacy of the Unitholder Information (other than with respect to the Trust any information contained in this Letter of Offer).
10. The purchaser understands that the Unitholder Information and this Letter of Offer have been prepared in accordance with content, format and style which is either prescribed by SEBI or under Indian laws, which differs from the content, format and style customary for similar offerings in the United States. In particular, the purchaser understands that (i) the Trust’s financial information contained in this Letter of Offer have been prepared in accordance with Ind AS, as prescribed by SEBI and other applicable statutory and/or regulatory requirements and not in a manner suitable for an offering registered with the SEC, and (ii) this Letter of Offer does not include all of the information that would be required if the Trust were registering the Issue of the Rights Entitlements and the Units with the SEC, such as a description of our business and industry, detailed operational data, our management’s discussion and analysis of our financial condition and results of operations and audited financial statements for prior years.
11. The purchaser acknowledges that any information that it has received or will receive relating to or in connection with this Issue, and the Rights Entitlements or the Units, including this Letter of Offer and the Unitholder Information, has been prepared solely by the Trust.
12. The purchaser confirms that, either: (i) it has not participated in or attended any investor meetings or presentations by the Trust or its agents (“**Presentations**”) with regard to the Trust, the Units or the Issue; or (ii) if it has participated in or attended any Presentations, it understands and acknowledges that the Trustee may not have

knowledge of the statements that the Trust or its agents may have made at such Presentations and are therefore unable to determine whether the information provided to it at such Presentations may have included any material misstatements or omissions, and, it acknowledges that the Trustee (or its agents), the Investment Manager or the Sponsor have advised it not to rely in any way on any information that was provided to it at such Presentations.

13. The purchaser is an institutional investor or bodies corporate as defined under the InvIT Regulations and has such knowledge and experience in financial, business and international investment matters and is capable of independently evaluating the merits and risks (including for tax, legal, regulatory, accounting and other financial purposes) of an investment in the Rights Entitlements and the Units. It, or any account for which it is acting, has the financial ability to bear the economic risk of investment in the Rights Entitlements and the Units, and is able to sustain a complete loss in connection therewith and it will not look to the Trust, for all or part of any such loss or losses it may suffer.
14. The purchaser understands that its receipt of the Rights Entitlements and any subscription it may make for the Units will be subject to and based upon all the terms, conditions, representations, warranties, acknowledgements, agreements and undertakings and other information contained in the Letter of Offer and the Application Form. The purchaser understands that neither the Trust, nor the Registrar or any other person acting on behalf of the Trust will accept subscriptions from any person, or the agent of any person, who appears to be, or who we, the Registrar, or any other person acting on behalf of the Trust have reason to believe is in the United States or outside of India and ineligible to participate in this Issue under applicable securities laws.
15. The purchaser understands that the foregoing representations and acknowledgments have been provided in connection with applicable United States, India and other securities laws. It acknowledges that the Trust, their affiliates and others (including legal counsels to each of the Trust) will rely upon the truth and accuracy of the foregoing acknowledgements, representations, warranties and agreements and agree that, if at any time before the closing of this Issue or the issuance of the Units, any of the acknowledgements, representations, warranties and agreements made in connection with its exercise of Rights Entitlements and subscription for the Units is no longer accurate, it shall promptly notify the Trust in writing.

DEFINITIONS AND ABBREVIATIONS

This Letter of Offer uses the definitions and abbreviations provided below which you should consider when reading the information contained herein.

References to any legislation, act, regulations, rules, guidelines, circulars, notifications, clarifications or policies shall be to such legislation, act, regulations, rules, guidelines, circulars, notifications, clarifications or policies as amended, supplemented, or re-enacted from time to time and any reference to a statutory provision shall include any subordinate legislation made under that provision.

The words and expressions used in this Letter of Offer, but not defined herein shall have the meaning ascribed to such terms under the InvIT Regulations, the SEBI Act, the Depositories Act, and the rules and regulations made thereunder.

Notwithstanding the foregoing, the terms not defined but used in the sections entitled “Audited Consolidated Financial Statements and Limited Review Financials” and “Legal and other Information” on pages 89 and 73, respectively, shall have the meanings ascribed to such terms in those respective sections.

In this Letter of Offer, unless the context otherwise requires, a reference to “we”, “us” and “our” refers to the Trust and the Fibre Co, on a consolidated basis.

Trust Related Terms

Term	Description
Additional InvIT Loan	Additional loan borrowed and to be borrowed by the Trust in terms of the InvIT Loan Agreement aggregating ₹ 81,310 million
Additional Trust Loan – I	Additional loan to be borrowed by JDFPL from the Trust in terms of the Trust Loan – I Agreement aggregating ₹ 47,830 million
Additional Trust Loan – II	Additional loan borrowed and to be borrowed by JDFPL from the Trust in terms of the Trust Loan – II Agreement aggregating ₹ 81,310 million
Amended and Restated Investment Manager Agreement	The amended and restated Investment Manager Agreement dated November 4, 2020 entered into between the Trust (acting through its Trustee) and the Investment Manager
Amended and Restated Indenture	The amended and restated Indenture of Trust of Digital Fibre Infrastructure Trust dated November 4, 2020 entered into between the Sponsor and the Trustee
Associate	Associate shall have the meaning under Regulation 2(1)(b) of the InvIT Regulations
Auditors	Deloitte Haskins & Sells LLP, the statutory auditors of the Trust
Audited Consolidated Financial Statements	Audited consolidated financial statements of the Trust, which comprise the consolidated balance sheets as at March 31, 2021, March 31, 2020 and March 31, 2019 and the related consolidated statements of profit and loss, consolidated cash flow statements, consolidated statements of changes in Unitholders’ equity and statement of net assets at fair value for the year ended March 31, 2021, March 31, 2020 and for the period from January 31, 2019 to March 31, 2019 and a summary of significant accounting policies and other explanatory information audited in accordance with Standards of Auditing and other pronouncements issued by the Institute of Chartered Accountants of India (ICAI)
Basic Maintenance Services	Basic maintenance services in respect of the Contract Fibres and Contract Ducts which Fibre Co has agreed to provide pursuant to the FUA
Capital Contribution	The aggregate per Unit price at which Units are issued by the Trust, as agreed and paid by a Unitholder to the Trust for acquiring Units of the Trust, in accordance with the provisions of the InvIT Documents
Corporate Governance Framework	The corporate governance framework adopted by the Investment Manager on behalf of the Trust. For details, please see the section entitled “Corporate Governance” on page 47
Digital Fibre Agreements	Collectively, the FUA, the O&M Agreement and the Project Execution Agreement
Digital Fibre Agreements Closing Date or SHOA Closing Date	September 29, 2020
Equity Shares	Equity shares of Fibre Co having a face value of ₹ 1 each
Fibre Assets	Fibre Co’s fibre cable assets and infrastructure, including dark fibres, ducts, entrance facilities, manholes, handholes, conduits and other associated support infrastructure

Term	Description
	which RJIL is entitled to use and Fibre Co is required to provide, replace and maintain pursuant to the FUA
Fibre Co or JDFPL	Jio Digital Fibre Private Limited
Fibre Duct and Use Agreement or FUA	The amended and restated fibre duct and use agreement dated September 21, 2020 entered into between RJIL and the Fibre Co together with the amendments dated October 28, 2020, December 18, 2020 and September 27, 2021
Fibre Infrastructure Business	The business of setting up, operating, maintaining and managing optic fibre cables and related assets and providing optic fibre infrastructure services to telecommunications service providers, which was transferred from RJIL to Fibre Co by way of a demerger on a going concern basis under the Scheme
Holding Company or HoldCo(s)	A holding company, as defined under Regulation 2(1)(sa) of the InvIT Regulations
Initial Digital Fibre Agreements	Collectively, the Original FUA, Original O&M Agreement and the Original Project Execution Agreement
Indenture or Indenture of Trust	The indenture of trust of Digital Fibre Infrastructure Trust dated January 31, 2019 entered into between the Sponsor and the Trustee, amended and restated <i>vide</i> the amended and restated indenture of trust dated September 21, 2020 and the Amended and Restated Indenture
Investment	Investment by the Trust in Holding Companies or SPVs in accordance with the InvIT Documents and as permitted under applicable law
Investment Management Agreement	The investment management agreement dated January 31, 2019 entered into between the Trust (acting through its Trustee) and the Investment Manager, amended and restated <i>vide</i> the amended and restated investment management agreement dated September 21, 2020 and the Amended and Restated Investment Management Agreement
Investment Manager or IIIML	Infinite India Investment Management Limited
Investment Objectives	The object and purposes of the Trust, as provided under the section entitled “ <i>Overview of the Trust</i> ” on page 15
InvIT Assets	The aggregate of the immovable, movable and other assets and cash (including cash equivalents) owned by the Trust (held either directly or through the Trustee), on a consolidated basis, and includes all rights, interests and benefits arising from, and incidental to, ownership thereof of such assets, as specified under, amongst others, the Indenture of Trust, the offer documents, and in accordance with applicable law
InvIT Documents	The Indenture of Trust, the Investment Management Agreement, the Project Implementation and Management Agreement, the Capital Contribution application form and such other documents as entered into between the Trustee and/or the Investment Manager with respect to the Trust or the Units, the Placement Memorandum, the Trust Loan Agreements, the Share Purchase Agreement, the amended and restated shareholders’ and option agreement dated October 29, 2020, the InvIT Loan Agreement, the cash escrow agreement dated September 21, 2020 and all policies to be adopted by the Investment Manager on behalf of the Trust and such other documents in connection herewith and designated as an ‘InvIT Document’ by the Trustee and/or the Investment Manager
InvIT or Trust or Digital Fibre InvIT	Digital Fibre Infrastructure Trust
InvIT Loan	The loan availed by the Trust for an aggregate principal amount of ₹ 250,000 million
InvIT Loan Agreement	The amended and restated loan agreement dated October 29, 2020 entered into between the Trust (acting through the Trustee and represented by the Investment Manager), Sikka Ports & Terminals Limited, Jamnagar Utilities & Power Private Limited and the Sponsor together with the amendment dated September 27, 2021 in relation to the InvIT Loan and Additional InvIT Loan
Limited Review Financials	Unaudited financial results of the Trust as at and for the six months period ended September 30, 2021 reviewed in accordance with the Standard on Review Engagements (SRE) 2410 ‘Review of Interim Financial Information Performed by the Independent Auditor of the Entity’, issued by the Institute of Chartered Accountants of India (ICAI)
Maintenance Fees	Monthly maintenance fees that RJIL is required to pay to Fibre Co towards the Basic Maintenance Services provided by Fibre Co under the FUA
Monthly Fibre Fee	Monthly fibre fees in respect of any Contract Fibre, that RJIL is required to pay for such Contract Fibre calculated in accordance with the FUA
O&M Agreement	The amended and restated operation and maintenance agreement for operation and maintenance of the contract fibres, contract ducts and associated support infrastructure, and for providing services in relation thereto dated September 21,

Term	Description
	2020, entered into between the Project Manager, Fibre Co and RPPMSL together with the amendments dated October 28, 2020 and September 27, 2021
Optionally Convertible Preference Shares	The fully paid up redeemable, cumulative, participating and optionally convertible preference shares of face value of ₹ 10 each
Original Fibre Duct and Use Agreement or Original FUA	The fibre duct and use agreement dated March 27, 2019 entered into between Fibre Co and RJIL together with the amendment agreement dated April 5, 2019
Original O&M Agreement	The operation and maintenance agreement effective from April 15, 2019 entered into between the Fibre Co, the Project Manager and Reliance Corporate IT Park Limited
Original Project Execution Agreement	The project execution agreement effective from April 15, 2019 entered into between the Fibre Co, the Project Manager and Reliance Corporate IT Park Limited
Parties to the Trust	Collectively, the Sponsor, the Trustee, the Investment Manager and the Project Manager
Portfolio Assets	The Fibre Co which is owned by the Trust and any other asset owned by the Trust from time to time
Project Execution Agreement	The amended and restated project execution agreement for establishment of digital fibre infrastructure dated September 21, 2020 entered into between Fibre Co, the Project Manager, RJIL and RPPMSL together with the amendments dated October 28, 2020 and September 27, 2021
Project Implementation and Management Agreement	The project implementation and management agreement dated April 14, 2020, entered into amongst the Trustee, the Project Manager, the Investment Manager, the Fibre Co and ICICI Securities Limited
Project Manager or JIMSL	Jio Infrastructure Management Services Limited
Redeemable Preference Shares	The fully paid up cumulative, non-participating and non-convertible redeemable preference shares of face value of ₹ 10 each
Related Parties	Related parties, as defined under Regulation 2(1)(zv) of the InvIT Regulations.
RIL	Reliance Industries Limited
RJIL	Reliance Jio Infocomm Limited
RPPMSL / Contractor / Operator	Reliance Projects & Property Management Services Limited (formerly known as, Reliance Digital Platform & Project Services Limited), being the contractor for the purposes of the Project Execution Agreement and the operator for the purposes of the O&M Agreement
Scheme of Arrangement or Scheme	The composite scheme of arrangement among RJIL, SDIPL, the Fibre Co and their respective shareholders and creditors under Sections 230 to 232 read with Section 52 and other applicable provisions of the Companies Act, 2013 approved by the National Company Law Tribunal, Ahmedabad bench on March 20, 2019.
SDIPL	Summit Digital Infrastructure Private Limited (formerly, Reliance Jio Infratel Private Limited)
Services	Operation and maintenance services in respect of any link-wise Contract Fibre or Contract Duct, and associated Support Infrastructure
Share Purchase Agreement	The share purchase agreement dated March 31, 2019 entered into between the Trust (acting through its Trustee), the Investment Manager, RIL, the Sponsor and DMDT (acting through its trustee, Reliance Media Transmission Private Limited) for the acquisition of 51% of the outstanding equity share capital in Fibre Co by the Trust
Sponsor or RIIHL	Reliance Industrial Investments and Holdings Limited
SPV(s)	Special purpose vehicles, as defined under Regulation 2(1)(zy) of the InvIT Regulations
Trust Assets	(a) The equity shares of the Holding Companies/ SPVs, (b) other investments made in any security issued by the Holding Companies/ SPVs, (c) any loan extended to the Holding Companies/ SPVs, each of the foregoing made from the Capital Contributions received by the Trust and income earned by the Trust, (d) any other investments made from the Capital Contributions, (e) assets or properties held by the Trust and/or income earned by the Trust and any additions, accretions or reductions thereto (including properties of any kind whatsoever to which the same may be converted or varied from time to time), and (e) any cash or bank balances held by the Trust
Trust Loans	Collectively, Trust Loan – I, Additional Trust Loan – I, Trust Loan – II and Additional Trust Loan - II
Trust Loan – I	The term loan granted by the Trust to the Fibre Co for an aggregate principal amount of ₹ 147,060 million
Trust Loan – II	The term loan granted by the Trust to the Fibre Co for an aggregate principal amount of ₹ 247,200 million

Term	Description
Trust Loan - III	The term loan granted by the Trust to the Fibre Co for an aggregate principal amount of ₹ 2,800 million
Trust Loan – I Agreement	The amended and restated facility agreement dated October 29, 2020 entered into between the Trust (acting through the Trustee and the Investment Manager) and the Fibre Co together with the amendments dated September 27, 2021 and December 2, 2021 in relation to Trust Loan – I and Additional Trust Loan - I
Trust Loan – II Agreement	The amended and restated facility agreement dated October 26, 2020 entered into between the Trust (acting through the Trustee and the Investment Manager) and the Fibre Co together with the amendments dated September 27, 2021 and December 2, 2021 in relation to Trust Loan – II and Additional Trust Loan - II
Trust Loan – III Agreement	The facility agreement dated December 22, 2020 entered into between the Trust and the Fibre Co in relation to Trust Loan – III
Trust Loan Agreements	Collectively, Trust Loan - I Agreement and Trust Loan - II Agreement
Trustee	Axis Trustee Services Limited
Unitholder	Any person who owns any Unit of the Trust
Units	An undivided beneficial interest in the Trust, and all issued and allotted Units together representing the entire beneficial interest in the Trust
Upfront Fibre Fees	Upfront fibre fees that RJIL is required to pay for use of the Contract Fibre and Contract Ducts under the Original FUA and the FUA
Valuation Report	The valuation report issued by the Valuer, which sets out its opinion as to the fair enterprise value of the Fibre Co as on September 30, 2021
Valuer	BDO Valuation Advisory LLP

Issue Related Terms

Term	Description
Allot/ Allotment/ Allotted	Unless the context otherwise requires, the issue and allotment of Units pursuant to the Issue
Allotment Date	Date on which Allotment is made
Allottees	Investors to whom Units are issued and Allotted pursuant to the Issue
Applicants	Eligible Unitholder(s) and/or Renouncee(s) who make an Application for the Units pursuant to the Issue in terms of the Letter of Offer
Application Form/ Application	Application form (including any rectifications of errors therein) including a plain paper application form pursuant to which an Eligible Unitholder shall submit a Bid for the Units in the Issue
Application Money	Aggregate amount payable in respect of the Units applied for in the Issue at the Issue Price
Banker(s) to the Issue	ICICI Bank Limited
Banker to the Issue Agreement	Banker to the Issue Agreement dated December 2, 2021 entered into between the Trust (acting through the Trustee), the Investment Manager and the Banker to the Issue
Eligible Unitholder(s)	Unitholder(s) of the Trust as on the Record Date
Issue	This issue of up to 478,866,821 Units for cash at a price ₹ 100 per Unit aggregating up to ₹ 47,886.68 million on a rights basis to the Eligible Unitholders of the Trust in the ratio of 1,000 Units for every 3,071 Units held by the Eligible Unitholders on the Record Date
Issue Closing	Issue closing is at 11:00 AM on the Issue Closing Date
Issue Closing Date	December 13, 2021
Issue Opening Date	December 8, 2021
Issue Price	₹ 100 per Unit
Issue Size	The issue of up to 478,866,821 Units aggregating up to ₹ 47,886.68 million
Letter of Offer	Letter of Offer dated December 2, 2021 filed with the SEBI
Placement Memorandum	The placement memorandum dated September 29, 2020 issued in relation to the issue of 1,470,600,000 Units at a price of ₹ 100 per Unit, aggregating to ₹ 147,060 million, on a private placement basis, in accordance with the InvIT Regulations
Record Date	December 3, 2021
Registrar to the Issue or Registrar	Kfin Technologies Private Limited (formerly, Karvy Fintech Private Limited)
Renouncee(s)	Person(s) who have acquired Rights Entitlements from the Eligible Unitholders
Rights Entitlement	The number of Units that an Eligible Unitholder is entitled to in proportion to the number of Units held by the Eligible Unitholder on the Record Date, in this case being 1,000 Units for every 3,071 Units held by an Eligible Unitholder
Working Day(s)	Working Day shall mean all days, excluding Saturdays, Sundays and public holidays, on which commercial banks in Mumbai are open for business

Technical and Industry Related Terms

Term	Description
Analysys Mason Report or Technical Report	The report entitled “Update on the fibre market in India and demand for JDFPL’s fibre” dated August 10, 2021 issued by Analysys Mason India Private Limited
EA	Enterprise Access
FOR	Field Observation Report
FTTH	Fibre-to-the-home
FTTX	Fibre-to-the-x
GPON	Gigabyte Passive Optical Network
IRU	Indefeasible Rights of Use
NCR	Non-conformance Report
NLD	National Long Distance
FPKM / fpkm	Fibre Pair Kilometre
O&M	Operation and maintenance
Technical Consultant	Analysys Mason India Private Limited

Abbreviations

Term	Description
AIF	Alternative Investment Fund as defined in and registered with SEBI under the SEBI AIF Regulations
BSE	BSE Limited
CAN	Confirmation of Allocation Note
CCI	Competition Commission of India
CDMA	Code Division Multiple Access
CDSL	Central Depository Services (India) Limited
CGU	Cash Generating Units
CIN	Corporate Identity Number
Civil Code	The Code of Civil Procedure, 1908
Companies Act	Companies Act, 1956 and the Companies Act, 2013, as applicable
Companies Act, 1956	Companies Act, 1956 (without reference to the provisions thereof that have ceased to have effect upon notification of the sections of the Companies Act, 2013) along with the relevant rules made thereunder
Companies Act, 2013	Companies Act, 2013, to the extent in force pursuant to the notification of the Notified Sections, along with the relevant rules, regulations, clarifications, circulars and notifications issued thereunder
Competition Act	Competition Act, 2002
Consolidated FDI Policy	Consolidated Foreign Direct Investment Policy notified by the DPIIT under D/o IPP F.No. 5(1)/2017-FC-1 dated the August 28, 2017, effective from August 28, 2017
CRISIL	CRISIL Limited
Depository	A depository registered with SEBI under the Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018
Depositories Act	Depositories Act, 1996
Depository Participant	A depository participant as defined under the Depositories Act
DIN	Director Identification Number
DoT	Department of Telecommunications, Government of India
ECB Master Directions	The master directions issued by the Reserve Bank of India on External Commercial Borrowings, Trade Credits and Structured Obligations dated March 26, 2019
ECR	Energy Consumption Rating
FBIL	Financial Benchmark India Private Limited
FEMA	Foreign Exchange Management Act, 1999, read with rules and regulations thereunder
FEMA Rules	Foreign Exchange Management (Non-debt Instruments) Rules, 2019
Financial Year or Fiscal Year or Fiscal	Period of 12 months ended March 31 of that particular year, unless otherwise stated
FPI	Foreign portfolio investors
FVCI	Foreign venture capital investors, as defined under the SEBI FVCI Regulations
GAAR	General Anti-Avoidance Rules
GoI or Government	Government of India
GSM	Global System for Mobile communication

Term	Description
GST	Goods and Services Tax
ICAI	Institute of Chartered Accountants of India
IFRS	International Financial Reporting Standards
Ind AS	Indian Accounting Standards as defined in Rule 2(1)(a) of the Companies (Indian Accounting Standards) Rules, 2015
Indian GAAP	Generally Accepted Accounting Principles in India
Indian GAAS	Standards on Auditing (SAs) and other pronouncements issued by the Institute of Chartered Accountants of India (ICAI)
InvIT	Infrastructure Investment Trust
InvIT Regulations	Securities and Exchange Board of India (Infrastructure Investment Trusts) Regulations, 2014 including the rules, circulars and guidelines issued thereunder, including the SEBI Rights Issue Guidelines, as amended
IRDAI	Insurance Regulatory and Development Authority of India
IT Act	The Income Tax Act, 1961
MCA	Ministry of Corporate Affairs
MoA	Memorandum of Association
MoEF	Ministry of Environment, Forest and Climate Change
NACH	National Automated Clearing House
NASD	National Association of Securities Dealers
NDCF	Net distributable cash flows available for distribution
NCLAT	The National Company Law Appellate Tribunal, New Delhi
NCLT	The National Company Law Tribunal, Ahmedabad Bench
NECS	National Electronic Clearing Services
NEFT	National Electronic Funds Transfer
Notified Sections	The sections of the Companies Act, 2013 that were notified by the Ministry of Corporate Affairs, Government of India
NSDL	National Securities Depository Limited
NSE	The National Stock Exchange of India Limited
PAN	Permanent Account Number
RBI	Reserve Bank of India
Regulation S	Regulation S under the Securities Act
RoC	Registrar of Companies
Rs./Rupees/INR/₹	Indian Rupees
RTGS	Real Time Gross Settlement
SCRA	Securities Contracts (Regulation) Act, 1956
SCRR	Securities Contracts (Regulation) Rules, 1957
SCR (SECC) Regulations	Securities Contract (Regulation) (Stock Exchanges and Clearing Corporations) Regulations, 2018
SEBI	Securities and Exchange Board of India
SEBI Act	The Securities and Exchange Board of India Act, 1992
SEBI AIF Regulations	Securities and Exchange Board of India (Alternative Investments Funds) Regulations, 2012
SEBI FPI Regulations	Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2019
SEBI FVCI Regulations	Securities and Exchange Board of India (Foreign Venture Capital Investors) Regulations, 2000
SEBI ICDR Regulations	Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018
SEBI Rights Issue Guidelines	Circular bearing number SEBI/HO/DDHS/DDHS/CIR/P/2020/223 issued by the SEBI dated November 4, 2020 entitled “Guidelines for Rights Issue of Units by an Unlisted Infrastructure Investment Trust (Invit)”
SEBI VCF Regulations	Securities and Exchange Board of India (Venture Capital Funds) Regulations, 1996
Securities Act	U.S. Securities Act of 1933, as amended
Securities Exchange Act	U.S. Securities Exchange Act of 1934, as amended
TRAI	Telecom Regulatory Authority of India
U.S./USA/United States	United States of America
USD/US\$	United States Dollars
VCF	Venture capital funds as defined under the SEBI VCF Regulations

PRESENTATION OF FINANCIAL DATA AND OTHER INFORMATION

Certain Conventions

All references in this Letter of Offer to “India” are to the Republic of India.

Unless stated otherwise, all references to page numbers in this Letter of Offer are to the page numbers of this Letter of Offer.

Financial Data

Unless stated otherwise, the financial information in this Letter of Offer is derived from the Audited Consolidated Financial Statements and the Limited Review Financials.

Further, this Letter of Offer includes summary financial statements of the (i) Sponsor, as of and for the financial years ended March 31, 2021, March 31, 2020 and March 31, 2019, prepared in accordance with Ind AS and the Companies Act; and (ii) Investment Manager, for the financial years ended March 31, 2021 and March 31, 2020 and the comparative financial year ended March 31, 2019, prepared in accordance with Ind AS. For further details, please see the sections entitled “*Summary Financial Information of the Sponsor*” and “*Summary Financial Information of the Investment Manager*” on pages 25 and 29, respectively.

The financial year for the Trust, the Sponsor, the Investment Manager and the Fibre Co, commences on April 1 and ends on March 31 of the next year, and accordingly, all references to a particular financial year or fiscal year, for each of the Trust, the Sponsor, the Investment Manager and the Fibre Co, unless stated otherwise, are to the 12-month period ended on March 31 of that year.

The degree to which the financial information included in this Letter of Offer will provide meaningful information is entirely dependent on the reader’s level of familiarity with Indian accounting policies and practices, the Companies Act, the Indian GAAP, Ind AS and the InvIT Regulations. Any reliance by persons not familiar with Indian accounting policies and practices on the financial disclosures presented in this Letter of Offer should accordingly be limited.

In this Letter of Offer, any discrepancies in any table between the total and the sums of the amounts listed are due to rounding off. All figures and percentage figures have been rounded off to two decimal places.

Currency and Units of Presentation

All references to:

- “Rupees” or “₹” or “INR” or “Rs.” are to Indian Rupees, the official currency of the Republic of India; and
- “USD” or “US\$” or “\$” or “U.S. dollars” are to United States Dollars, the official currency of the United States.

Except otherwise specified, certain numerical information in this Letter of Offer has been presented in “million” units. One million represents 1,000,000 and one billion represents 1,000,000,000.

Unless the context requires otherwise, any percentage amounts, in relation to us as set forth in this Letter of Offer, have been calculated on the basis of the Audited Consolidated Financial Statements and the Limited Review Financials.

Exchange Rates

This Letter of Offer contains conversion of certain other currency amounts into Indian Rupees. These conversions should not be construed as a representation that these currency amounts could have been, or can be converted into Indian Rupees, at any particular rate.

The following table sets forth, for the periods indicated, information with respect to the exchange rate between the Rupee and the US\$:

Currency	(in ₹ per US\$)		
	As of March 31, 2021	As of March 31, 2020	As of March 31, 2019*
1 US\$	73.50	75.39	69.17

Source: www.rbi.org.in and www.fbil.org.in

*Exchange rate as on March 29, 2019, as FBIL reference rate is not available for March 31, 2019 and March 30, 2019 being a Sunday and Saturday, respectively.

Industry and Market Data

Unless stated otherwise, industry and market data used in this Letter of Offer has been obtained or derived from publicly available information, publications of the Government, the Technical Report, the report entitled “Update on the fibre market in India and demand for JDFPL’s fibre” dated August 10, 2021 prepared by Analysys Mason India Private Ltd. (the “**Analysys Mason Report**”) and other sources. Such information has not been independently verified by us, the Sponsor, or their respective legal, financial or other advisors, and no representation is made as to the accuracy of such information. The industry and market data provided in this Letter of Offer is presented as of specific dates and may no longer be current or reflect current trends.

For further details, please see the section entitled “*Risk Factors*” on page 35 of this Letter of Offer.

Industry publications as well as Government publications generally state that the information contained in such publications has been obtained from various sources believed to be reliable but that their accuracy and completeness are not guaranteed and their reliability cannot be assured. Accordingly, no investment decisions should be based solely on such information. Although the Investment Manager and the Sponsor believe that the industry and market data used in this Letter of Offer is reliable, it has not been independently verified by the Investment Manager or the Sponsor or the Trustee or any of their respective affiliates or financial, legal or other advisors. The data used in these sources may have been re-classified for the purposes of presentation. Data from these sources may also not be comparable. Such data involves risks, uncertainties and numerous assumptions and is subject to change based on various factors, including those disclosed in the section entitled “*Risk Factors*” on page 35. Accordingly, investment decisions should not be based solely on such information.

The extent to which the market and industry data used in this Letter of Offer is meaningful depends on the reader’s familiarity with and understanding of the methodologies used in compiling such data. There are no standard data gathering methodologies in the industry in which the business of the Trust is conducted, and methodologies and assumptions may vary widely among different industry sources.

FORWARD-LOOKING STATEMENTS

Certain statements contained in this Letter of Offer that are not statements of historical fact constitute “forward-looking statements”. Investors can generally identify forward-looking statements by terminology such as “aim”, “anticipate”, “believe”, “continue”, “can”, “could”, “estimate”, “expect”, “intend”, “may”, “objective”, “plan”, “potential”, “project”, “pursue”, “shall”, “should”, “will”, “would”, or other words or phrases of similar import. Similarly, statements that describe the strategies, objectives, plans or goals of the Trust are also forward-looking statements. However, these are not the exclusive means of identifying forward-looking statements.

All statements regarding the Trust’s expected financial conditions, results of operations, business plans and prospects are forward-looking statements. These forward-looking statements include statements as to the Trust’s business strategy, planned projects, revenue and profitability (including, without limitation, any financial or forecasts), new business and other matters discussed in this Letter of Offer that are not historical facts.

The Valuation Report included in this Letter of Offer, is based on certain projections and accordingly, should be read together with assumptions and notes thereto. For further details, please see the “*Valuation Report*” attached as Annexure A.

Actual results may differ materially from those suggested by forward-looking statements due to certain known or unknown risks or uncertainties associated with the Investment Manager’s expectations with respect to, but not limited to, the actual growth in the infrastructure sector, the Investment Manager’s ability to successfully implement the strategy, growth and expansion plans, technological changes, exposure to market risks, general economic and political conditions in India, changes in competition in the infrastructure sector, the outcome of any legal or regulatory proceedings and the future impact of new accounting standards. By their nature, certain of the market risk disclosures are only estimates and could be materially different from what actually occurs in the future. As a result, actual future gains, losses or impact on net income could materially differ from those that have been estimated.

Factors that could cause actual results, performance or achievements of the Trust to differ materially include, but are not limited to, those discussed under the sections entitled “*Risk Factors*”, “*Industry Overview*”, “*Business*” and “*Management’s Discussion and analysis of the financial condition and results of operations*”, on pages 35, 50, 51 and 61, respectively. Some of the factors that could cause the Trust’s actual results, performance or achievements to differ materially from those in the forward-looking statements and financial information include, but are not limited to, the following:

- RJIL currently contributes to substantially all of Fibre Co’s revenues and is expected to continue to contribute significantly to its revenues going forward. Accordingly, its results of operations and financial condition are linked to those of RJIL. As a result, any and all the factors that may adversely affect the business of RJIL would adversely and materially affect the results of operations and financial condition of Fibre Co. Further, any delay in payments from RJIL would materially and adversely affect Fibre Co’s cash flows and distributions to our Unitholders;
- The business growth strategy for Fibre Co may not be successfully implemented;
- We are subject to risks associated with outbreaks of diseases or similar public health threats, such as the recent coronavirus disease (“**COVID-19**”) pandemic, which could have a material adverse impact on Fibre Co’s business and our results of operations and financial condition;
- The composite scheme of arrangement undertaken by RJIL, Fibre Co, SDIPL and their respective shareholders in relation to transfer of RJIL’s Fibre Assets are subject to several risks in relation to the transfer of the relevant ROW Approvals;
- The Trust’s substantial indebtedness could adversely affect our business, prospects, financial condition, results of operations and cash flows;
- A decrease in demand for optic fibre infrastructure in India could materially and adversely affect new customer acquisitions at Fibre Co;
- Technological changes, evolving customer requirements and emerging industry trends may affect our business, may render current technologies obsolete and may require us to make substantial capital investments;
- Further development and expansion of our optic fibre cable network and maintenance of our existing network may be limited by our ability to obtain or renew access rights or ROW Approvals from local government authorities or societies;
- The continuity of Fibre Co’s services is highly dependent on the proper functioning of its network and physical infrastructure, and any damage to or failure in its network or such infrastructure could lead to significant costs and disruptions and materially and adversely affect our business; and
- A failure by Fibre Co to meet its service level obligations could have an adverse impact on our reputation and therefore, our business, prospects, results of operations, cash flows and financial condition.

The forward-looking statements, Valuation Report and Technical Report reflect current views as of the date of this Letter of Offer and are not a guarantee of future performance or returns to investors. These statements are based on certain beliefs and assumptions, which in turn are based on currently available information. Although the Investment Manager and the

Sponsor believe that the expectations and the assumptions upon which such forward-looking statements are based, are reasonable at this time, none of the Investment Manager or the Sponsor can assure investors that such expectations will prove to be correct or accurate.

The Trust, the Investment Manager and the Sponsor or any of their affiliates or advisors (financial, legal or otherwise), undertake no obligation to update or revise any of statements reflecting circumstances arising after the date hereof or to reflect the occurrence of underlying events, whether as a result of new information, future events or otherwise after the date of this Letter of Offer. If any of these risks and uncertainties materialize, or if any of the Investment Manager's underlying assumptions prove to be incorrect, the actual results of operations or financial condition or cash flow of the Trust could differ materially from that described herein as anticipated, believed, estimated or expected. All subsequent forward-looking statements attributable to the Trust are expressly qualified in their entirety by reference to these cautionary statements. Given these uncertainties, investors are cautioned not to place undue reliance on such forward-looking statements, and not to regard such statements to be a guarantee or assurance of the Trust's future performance or returns to investors.

THE ISSUE

The following is a general summary of the terms of this Issue. This summary should be read in conjunction with, and is qualified in its entirety by, the detailed information appearing elsewhere in this Letter of Offer:

Issue	Issue of up to 478,866,821 Units of the Trust aggregating to approximately ₹ 47,886.68 million
Issue Price	₹ 100
Issue Opening Date	December 8, 2021
Issue Closing	11:00 AM on the Issue Closing Date
Issue Closing Date	December 13, 2021
Record Date	December 3, 2021
Rights Entitlements	1,000 Units for every 3,071 Units
Sponsor	Reliance Industrial Investments and Holdings Limited
Trustee	Axis Trustee Services Limited
Investment Manager	Infinite India Investment Management Limited
Project Manager	Jio Infrastructure Management Services Limited
Authority for this Issue	This Issue was authorised, and approved by the board of directors of the Investment Manager on August 3, 2021 and the Unitholders on December 2, 2021
Tenure of the Trust	The Trust shall remain in force for 99 years or until it is dissolved or terminated in accordance with the Indenture of Trust. For details, please see the section entitled “ <i>Parties to the Trust</i> ” on page 42
Units issued and outstanding as of the date of this Letter of Offer	1,470,600,000
Units issued and outstanding immediately after this Issue	1,949,466,821 Units
Sponsor Units as on the date of this Letter of Offer	220,600,000 Units The Units held by the Sponsor shall rank <i>pari passu</i> with, and have the same rights as the Units to be Allotted to other Unitholders / investors pursuant to this Issue.
Distribution	Please see the section entitled “ <i>Distribution</i> ” on page 59
Use of Proceeds	Please see the section entitled “ <i>Use of Proceeds</i> ” on page 54
Closing Date	The date on which Allotment of the Units pursuant to this Issue shall be made, i.e. on or about December 13, 2021
Ranking	The Units being issued shall rank <i>pari passu</i> in all respects, including rights in respect of distribution. Please see the section entitled “ <i>Rights of Unitholders</i> ” on page 76
Lock-in and Rights of Unitholders	For details, please see the sections entitled “ <i>Information Concerning the Units</i> ” and “ <i>Rights of Unitholders</i> ” on pages 53 and 76, respectively

In accordance with the InvIT Regulations, no Unitholder shall enjoy superior voting or any other rights over another Unitholder. Further, there shall not be multiple classes of Units. However, in the future, the Trust may issue subordinate units of the Trust only to the Sponsor and its Associates, in compliance with the InvIT Regulations and subject to the Amended and Restated Shareholders’ and Option Agreement, where such subordinate units of the Trust shall carry only inferior voting or other rights compared to the Units.

For further details in relation to this Issue, including the method of application, please see the section entitled “*Issue Information*” on page 78.

OVERVIEW OF THE TRUST

For an overview of the Trust, please see the section entitled “*Overview of the Trust*” on page 19 of the Placement Memorandum available at https://www.sebi.gov.in/filings/invit-private-issues/sep-2020/digital-fibre-infrastructure-trust_47743.html.

FORMATION TRANSACTIONS IN RELATION TO THE TRUST

Except as stated herein below, for an overview of the formation transactions in relation to the Trust, please see the section entitled “*Formation Transactions in Relation to the Trust – Details of arrangement pertaining to the Trust*” on page 21 of the Placement Memorandum available at https://www.sebi.gov.in/filings/invit-private-issues/sep-2020/digital-fibre-infrastructure-trust_47743.html.

Utilisation of Issue Proceeds

Upon the Allotment of the Units, the Trust shall utilize the Issue Proceeds net of Issue expenses towards extending the Additional Trust Loan – I to the Fibre Co in terms of the Trust Loan – I Agreement.

SUMMARY FINANCIAL STATEMENTS OF THE FIBRE CO

For the summary financial statements of the Fibre Co for the financial years ended March 31, 2020 and March 31, 2019, please see the section entitled “*Summary Financial Statement of the Fibre Co*” on page 26 of the Placement Memorandum, available at https://www.sebi.gov.in/filings/invit-private-issues/sep-2020/digital-fibre-infrastructure-trust_47743.html.

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Jio Digital Fibre Private Limited

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

STATEMENT OF UNAUDITED FINANCIAL INFORMATION

I. Unaudited Statement of Profit and Loss for the half year ended 30th September 2021

(INR Million)

Sr. No	Particulars	Half year ended		
		30th September 2021	31st March 2021	30th September 2020
		Unaudited	Unaudited	Unaudited
I	INCOME AND GAINS			
	Revenue from Operations	52,567	44,495	31,902
	Interest Income	1	3	0
	Provision Written Back	-	0	34
	Gain on Investments	92	132	75
	Total Income and Gains	52,660	44,630	32,011
II	EXPENSES AND LOSSES			
	Network Operating Expenses	6,133	5,622	4,786
	Depreciation and Amortisation expenses	28,981	32,024	31,103
	Employee Cost	24	3	2
	Audit Fees	3	7	2
	General and Administrative expenses	20	92	83
	Finance Costs	47,589	41,398	32,211
	Total Expenses and Losses	82,750	79,146	68,187
III	Loss for the period before Taxes (I-II)	(30,090)	(34,516)	(36,176)
IV	Tax Expenses - Deferred Tax	(7,574)	(8,689)	(9,104)
V	Loss for the period after Taxes (III-IV)	(22,516)	(25,827)	(27,072)
VI	Other Comprehensive Income			
	(i) Items that will not be reclassified to profit or loss	1	0	-
	(ii) Income tax relating to items that will not be reclassified to profit or loss	0	0	-
	Total Other Comprehensive Income for year (Net of Tax)	1	0	-
VII	Total Comprehensive Income for the period (V+VI)	(22,516)	(25,827)	(27,072)

Note: "0" represents the amount below the denomination threshold.



JIO DIGITAL FIBRE PRIVATE LIMITED
Balance Sheet as at 31st March, 2021

		(Rs. in Crore)	
Particulars	Notes	As at 31st March, 2021	As at 31st March, 2020
ASSETS			
NON-CURRENT ASSETS			
Property, Plant and Equipment	1	1,17,627	1,04,998
Goodwill		13,931	13,931
Other Intangible Assets	1	47,554	50,344
Financial Assets			
Other Financial Assets	2	790	524
Other Non-Current Assets	3	800	59
Total Non-Current Assets		1,80,702	1,69,856
CURRENT ASSETS			
Financial Assets			
Investments	4	149	-
Trade Receivables	5	9	1
Cash and Cash Equivalents	6A	11	14
Other Bank Balances	6B	9	4
Other Financial Assets	7	302	2,689
Other Current Assets	8	3,864	2,547
Total Current Assets		4,344	5,255
Total Assets		1,85,046	1,75,111
EQUITY AND LIABILITIES			
EQUITY			
Equity Share Capital	9	515	515
Other Equity	10	40,781	46,071
Total Equity		41,296	46,586
LIABILITIES			
Non - Current Liabilities			
Financial Liabilities			
Borrowings	11	1,01,399	40,819
Deferred Tax Liabilities (Net)	12	23,398	25,177
Other Non-Current Liabilities	13	15,307	15,602
Provisions	17	0	-
Total Non-Current Liabilities		1,40,104	81,598
Current Liabilities			
Financial Liabilities			
Borrowings	14	-	14,500
Other Financial Liabilities	15	30	22,139
Creditors for Capital Expenditure		3,003	9,083
Other Current Liabilities	16	613	1,205
Provisions	17	0	-
Total Current Liabilities		3,646	46,927
Total Liabilities		1,43,750	1,28,525
Total Equity and Liabilities		1,85,046	1,75,111

Note: "0" represents the amounts below the denomination threshold.

Significant Accounting Policies

See accompanying Notes to the Financial Statements

As per our Report of even date

For Pathak H. D. & Associates LLP
Chartered Accountants
Firm Regn No: 107783W / W100593



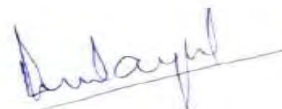
Gopal Chaturvedi
Partner

For Deloitte Haskins & Sells
Chartered Accountants
Firm Regn No: 117364W

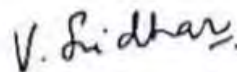


Varsha A. Fadte
Partner
Place: Chicalim Goa
Date: 14 May, 2021

For and on behalf of the Board



Dhruv Kumar Tayal
Managing Director
(DIN: 09100482)



Sridhar Vaidyanadhan
Director
(DIN: 03303448)



Natarajan Tanjore Gnanaskandan
Independent Director
(DIN: 00013939)



Atul Jain
Chief Financial Officer
(Membership No: FCA 76153)



Vijay Shah
Company Secretary
(Membership No: ACS A21103)

Place: Mumbai
Date: 14 May, 2021

JIO DIGITAL FIBRE PRIVATE LIMITED
Statement of Profit and Loss for the year ended 31st March, 2021

(Rs. in Crore)

Particulars	Notes	2020-21	2019-20
INCOME			
Revenue from Operations	18	7,640	6,126
Other Income	19	24	14
Total Income		7,664	6,140
EXPENSES			
Network Operating Expenses	20	1,041	862
Employee Benefits Expense	21	0	0
Finance Costs	22	7,361	6,238
Depreciation and Amortisation Expense	1	6,313	5,906
Other Expenses	23	18	8
Total Expenses		14,733	13,014
Loss before Tax		(7,069)	(6,874)
Tax expenses / (Benefits)			
i Current tax		-	-
ii Deferred tax	12	(1,779)	(1,730)
Loss for the year		(5,290)	(5,144)
Other Comprehensive Income			
(I) Items that will not be reclassified to profit or loss		0	-
(II) Income tax relating to items that will not be reclassified to profit or loss		0	-
Total Other Comprehensive Income for year (Net of Tax)		0	-
Total Comprehensive Loss for the year		(5,290)	(5,144)
Earnings Per Equity Share of Face Value Of Re. 1 Each			
Basic and Diluted (in Rupees)	25	(32.98)	(25.16)

Note: "0" represents the amounts below the denomination threshold.

Significant Accounting Policies

See accompanying Notes to the Financial Statements

1 to 34

As per our Report of even date

For Pathak H. D. & Associates LLP
Chartered Accountants
Firm Regn No: 107783W / W100593



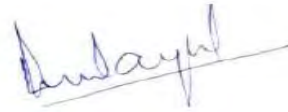
Gopal Chaturvedi
Partner

For Deloitte Haskins & Sells
Chartered Accountants
Firm Regn No: 117364W

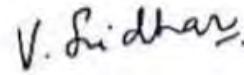


Varsha A. Fadte
Partner
Place: Chicalim Goa
Date: 14 May, 2021

For and on behalf of the Board



Dhruv Kumar Tayal
Managing Director
(DIN: 09100482)



Sridhar Vaidyanadhan
Director
(DIN: 03303448)



Natarajan Tanjore Gnanaskandan
Independent Director
(DIN: 00013939)



Atul Jain
Chief Financial Officer
(Membership No: FCA 76153)



Vijay Shah
Company Secretary
(Membership No: ACS A21103)

Place: Mumbai
Date: 14 May, 2021

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

(Rs. in Crore)

Particulars	2020-21	2019-20
A CASH FLOW FROM OPERATING ACTIVITIES:		
Net Loss before tax as per Statement of Profit and Loss	(7,069)	(6,874)
Adjusted for :		
Depreciation and amortisation expense	6,313	5,906
Profit on sale of current investment (Net)	(21)	(14)
Gain on fair valuation of investment	(0)	-
Interest Income	(0)	-
Finance Costs	7,361	6,238
	13,653	12,130
Operating Profit before Working Capital Changes	6,584	5,256
Adjusted for :		
Trade and Other Receivables	(2,028)	1,999
Other Payables	(886)	16,712
	(2,914)	18,711
Cash Generated from Operations	3,670	23,967
Less: Taxes paid	(12)	(2)
Net Cash Flow from Operating Activities (A)	3,658	23,965
B CASH FLOW FROM INVESTING ACTIVITIES:		
Purchase of Property, Plant and Equipment (Net)	(19,857)	(23,313)
Purchase of Investments	(13,561)	(17,501)
Sale of investments	13,432	17,534
Interest income	0	-
Fixed Deposits with Banks	(5)	(4)
	(19,991)	(23,284)
C CASH FLOW FROM FINANCING ACTIVITIES:		
Proceeds from Borrowings - Non-current	1,01,395	13,500
Repayment of Borrowings - Non-current	(56,842)	(20,000)
Proceeds from Borrowings - Current	-	18,779
Repayment of Borrowings - Current	(14,780)	(12,792)
Deposit received*	-	3,260
Deposit repaid	(3,260)	-
Finance Costs Paid	(10,183)	(3,428)
Net Cash flow from / (used) in Financing Activities (C)	16,330	(681)
Net Decrease in Cash and Cash Equivalents (A+B+C)	(3)	0
Opening Balance of Cash and Cash Equivalents	14	14
Closing Balance of Cash and Cash Equivalents (Refer Note 6A)	11	14

Changes in Liabilities arising from financing activities

(Rs. in Crore)

	As at 1st April, 2020	Cash Received	Cash Paid	Non Cash Finance costs including amortisation	As at 31st March, 2021
Borrowings - Non-Current (Refer Note 11)	56,785	1,01,395	(56,842)	61	1,01,399
Borrowings - Current (Refer Note 14)**	14,500	-	(14,500)	-	-
Total	71,285	1,01,395	(71,342)	61	1,01,399

	As at 1st April, 2019	Cash received	Cash Paid	Non cash Finance costs including amortisation	As at 31st March, 2020
Borrowings - Non-Current (Refer Note 11)	63,275	13,500	(20,000)	10	56,785
Borrowings - Current (Refer Note 14)	8,513	18,779	(12,792)	-	14,500
Total	71,788	32,279	(32,792)	10	71,285

* and outstanding in the previous year

**The above does not include Rs. 280 cr being repayment of the current portion of the borrowings transferred during the year to the Company based on novation agreement.

Note: "0" represents the amount below the denomination threshold.

As per our Report of even date

For Pathak H. D. & Associates LLP
Chartered Accountants
Firm Regn No: 107783W / W100593



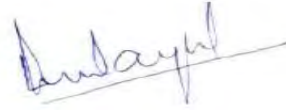
Gopal Chaturvedi
Partner

For Deloitte Haskins & Sells
Chartered Accountants
Firm Regn No: 117364W

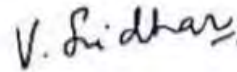


Varsha A. Fadte
Partner
Place: Chicalim Goa
Date: 14 May, 2021

For and on behalf of the Board



Dhruv Kumar Tayal
Managing Director
(DIN: 09100482)



Sridhar Vaidyanadhan
Director
(DIN: 03303448)



Natarajan Tanjore Gnanaskandan
Independent Director
(DIN: 00013939)



Atul Jain
Chief Financial Officer
(Membership No: FCA 76153)



Vijay Shah
Company Secretary
(Membership No: ACS A21103)

Place: Mumbai
Date: 14 May, 2021

SUMMARY FINANCIAL INFORMATION OF THE SPONSOR

For the summary financial statements of the Sponsor for the financial years ended March 31, 2020 and March 31, 2019, please see the section entitled “*Summary Financial Statement of the Sponsor*” on page 30 of the Placement Memorandum, available at https://www.sebi.gov.in/filings/invit-private-issues/sep-2020/digital-fibre-infrastructure-trust_47743.html.

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Reliance Industrial Investments and Holdings Limited

Balance Sheet as at 31st March, 2021

	Notes	As at 31st March, 2021	₹ in lakhs As at 31st March, 2020
ASSETS			
Non-Current Assets			
Property, Plant and Equipment	1	-	-
Financial Assets			
Investments	2	25158 75	23717 65
Loans	3	17598 39	14045 22
Other Non-Current Assets	4	49 05	155 16
Total Non-Current Assets		42806 19	37918 03
Current Assets			
Financial Assets			
Trade Receivables	5	-	11 62
Cash and Cash Equivalents	6	1 00	2 62
Loans	7	17 74	23 94
Others Financial Asset	8	1 47	26 14
Other Current Assets	10	6 40	9 37
Total Current assets		26 61	73 69
Total Assets		42832 80	37991 72
EQUITY AND LIABILITIES			
Equity			
Equity Share Capital	11	219 89	147 50
Other Equity	12	25698 65	25665 70
Total Equity		25918 54	25813 20
Liabilities			
Non-current liabilities			
Financial Liabilities			
Borrowings	13	16872 90	12132 00
Total Non-current liabilities		16872 90	12132 00
Current liabilities			
Financial Liabilities			
Trade Payables Due to:	14		
Micro and Small Enterprises		-	-
Other than Micro and Small Enterprises		17	6 13
Other Current Liabilities	15	41 19	40 39
Total Current Liabilities		41 36	46 52
Total Liabilities		16914 26	12178 52
Total Equity and Liabilities		42832 80	37991 72

Significant Accounting Policies

See accompanying Notes to the Financial Statements 1 to 32

As per our Report of even date

For D T S & Associates LLP

Firm Registration No : 142412W / W100595

Chartered Accountants

Saurabh Pamecha

Partner

Membership No. 126551

Mumbai

Date : 20th April, 2021

For and on behalf of the Board

Savithri Parekh - Director

Dhiren Dalal - Director

Anshu Agarwal - Company Secretary

Vishal Kumar - Chief Financial Officer

Reliance Industrial Investments and Holdings Limited
Statement of Profit and Loss for the year ended 31st March, 2021

		₹ in lakhs
	Note	2020-21 2019-20
INCOME		
Value of Sales		1239 75
Income from Services		23 11
Value of Sales and Services (Revenue)		1262 86
Less GST recovered		3 39
Revenue from Operations	16	1259 47
Other Income	17	1084 96
Total Income		2344 43
EXPENSES		
Purchases of Stock-in-Trade		1234 43
Employee Benefits expense	18	18 48
Finance Costs	19	1037 83
Depreciation		2
Other Expenses	20	15 41
Total Expenses		2306 17
Profit Before Tax		38 26
Tax Expenses		
Current Tax	9	23 75
Tax for earlier years		-
Profit for the Year		14 51
Other Comprehensive Income		
i) Items that will not be reclassified to Profit or Loss		
Fair value changes relating to financial assets		(495 36)
Remeasurement of the Defined Benefit Plans		-
ii) Income tax relating to items that will not be reclassified to Profit or Loss		129 36
Total Other Comprehensive Income for the Year (Net of Tax)		(366 00)
Total Comprehensive Income for the Year		(351 49)
Earnings per Equity Share of face value of ₹ 10 each	21	
Basic (in ₹)		4.94
Diluted (in ₹)		0.21

Significant Accounting Policies

See accompanying Notes to the Financial Statements 1 to 32

As per our Report of even date

For D T S & Associates LLP
Firm Registration No : 142412W / W100595
Chartered Accountants

Saurabh Pamecha
Partner
Membership No. 126551

For and on behalf of the Board

Savithri Parekh - Director
Dhiren Dalal - Director
Anshu Agarwal - Company Secretary
Vishal Kumar - Chief Financial Officer

Mumbai
Date : 20th April, 2021

Reliance Industrial Investments and Holdings Limited

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

₹ in lakhs

	2020-21	2019-20	
A Cash Flow from Operating Activities			
Net Profit Before Tax as per Statement of Profit and Loss	156 12		38 26
Adjusted for :			
Interest income	(944 74)	(1063 47)	
Dividend income	-	(9 53)	
Net (gain) / loss on sale of investments	401	(11 96)	
Share of loss in LLP (₹ 9311/-, previous year ₹ 7551/-)	0	0	
Interest expenses	832 27	1037 83	
Depreciation	-	2	
	(108 46)		(47 11)
Operating gain / (loss) before Working Capital Changes	47 66		(8 85)
Adjusted for :			
Trade and other Receivables	40 36	(35 65)	
Trade and other Payables	(5 03)	(3 58)	
	35 33		(39 23)
Cash Generated from / (used in) Operations	82 99		(48 08)
Taxes paid	55 32		(81 62)
Net Cash Flow from / (used in) Operating Activities	138 31		(129 70)
B Cash flow from Investing Activities			
Investment in subsidiaries	(20 10)	(4185 78)	
Disposal of investment in subsidiaries	1028 40	3094 11	
Purchase of other investments	(2453 40)	(2427 29)	
Sale of Other Investments/ financial assets (₹ 0.31 lakhs)	0	1 15	
Dividend received	-	9 53	
Movement in loans	(3546 97)	(24696 10)	
Preference share application money paid / (refunded)	-	8350 95	
Interest income	943 64	377 41	
Net Cash Flow (used in) Investing Activities	(4048 43)		(19476 02)
C Cash flow from Financing Activities			
Proceeds from Borrowing - Non-Current			
From Holding Company	29063 17	51976 62	
From other related party	4922 61	4660 40	
Re-payment of Borrowing - Non-Current			
To Holding Company	(27283 17)	(37908 19)	
To other related party	(1961 71)	(1696 40)	
Borrowings - Current	-	244 40	
Redemption of Debentures	(441 57)	(862 00)	
Proceeds of Equity shares (including Premium)	441 57	3565 08	
Interest paid	(832 40)	(375 29)	
Net Cash Flow from Financing Activities	3908 50		19604 62
Net (Decrease) in Cash and Cash Equivalents	(1 62)		(1 10)
Opening Balance of Cash and Cash Equivalents	2 62		4 45
Less : on account of Composite Scheme of Arrangement	-		(73)
Closing Balance of Cash and Cash Equivalents (Refer Note 6)	1 00		2 62
Change in liability arising from financing activities	1st April, 2020	Change on account of Scheme of Scheme (Refer note no.25)	Cashflow 31st March, 2021
Borrowing - Non-Current (Refer Note no. 13)	12132 00	-	4740 90
Borrowing - Current	-	-	-
	12132 00	-	4740 90
	1st April, 2019	Cashflow	31st March, 2020
Borrowing - Non-Current (Refer Note no. 13)	14941 00	(19841 43)	17032 43
Borrowing - Current	-	(244 40)	244 40
	14941 00	(20085 83)	17276 83

As per our Report of even date

For D T S & Associates LLP

Firm Registration No : 142412W / W100595

Chartered Accountants

Saurabh Pamecha

Partner

Membership No. 126551

Mumbai

Date : 20th April, 2021

For and on behalf of the Board

Savithri Parekh - Director

Dhiren Dalal - Director

Anshu Agarwal - Company Secretary

Vishal Kumar - Chief Financial Officer

SUMMARY FINANCIAL INFORMATION OF THE INVESTMENT MANAGER

For the summary financial statements of the Investment Manager for the financial years ended March 31, 2020 and March 31, 2019, please see the section entitled “*Summary Financial Statement of the Investment Manager*” on page 41 of the Placement Memorandum, available at https://www.sebi.gov.in/filings/invit-private-issues/sep-2020/digital-fibre-infrastructure-trust_47743.html.

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INFINITE INDIA INVESTMENT MANAGEMENT LIMITED

Balance sheet as at March 31, 2021

(Rs. in Lakhs)

	Note No.	As at March 31, 2021	As at March 31, 2020
ASSETS			
1 Financial Assets			
A Cash and cash equivalents	3	1,916.81	1,365.92
B Bank Balance other than (A) above	4	53.50	50.75
C Investments	5	1.72	1.72
D Receivables			
(i) Trade Receivables	6	-	446.01
E Other financial assets	7	9.21	6.50
		1,981.24	1,870.90
2 Non- financial Assets			
A Current tax assets (net)	8	60.76	9.59
B Deferred tax assets [net]	9	3.66	2.37
C Property, plant and equipment	10	106.83	119.32
D Other Intangible assets	10	0.23	0.14
E Other non-financial assets	11	3.27	5.67
		174.75	137.09
Total assets		2,155.99	2,007.99
LIABILITIES AND EQUITY			
LIABILITIES			
1 Financial Liabilities			
A Payable			
(I) Trade payables	12		
(i) Total outstanding dues of creditors micro enterprises and small enterprises		0.93	0.90
(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises		3.95	41.39
B Other financial liabilities	13	114.21	116.87
Total Financial Liabilities		119.09	159.16
2 Non- Financial Liabilities			
A Provisions	14	40.08	41.89
B Other Non - Financial Liabilities	15	44.48	76.30
Total Non- Financial Liabilities		84.56	118.19
3 EQUITY			
A Equity share capital	16	160.00	160.00
B Other equity	17	1,792.34	1,570.64
Total Equity		1,952.34	1,730.64
Total Liabilities and Equity		2,155.99	2,007.99
See accompanying notes to the financial statements		I to 38	

As per our attached reports of even date

For Khimji Kunverji & Co LLP

Chartered Accountants

FRN: 105146W / W100621

Hasmukh B. Dedhia

Partner

Membership No. 033494



Place : Mumbai

Date : April 22, 2021

For and on behalf of the Board of Directors

Vishal Kampani

Chairman

DIN- 00009079

Place : Mumbai

Date : April 22, 2021

Dipti Neelakantan

Director

DIN- 00505452

INFINITE INDIA INVESTMENT MANAGEMENT LIMITED
Statement of Profit and Loss for the year ended March 31, 2021

(Rs. in Lakhs)

	Note No.	For the year ended March 31, 2021	For the year ended March 31, 2020
I Income:			
Revenue from operations			
Fees and commission income	18	307.87	401.02
Total Revenue from operations (A)		307.87	401.02
Other Income (B)	19	114.44	85.76
II. Total Income (A+B)		422.31	486.78
Expenses:			
Employee benefits expenses	20	69.09	72.84
Depreciation and amortisation expense	10	13.55	3.40
Finance costs	21	11.00	2.82
Other expenses	22	32.44	13.54
Total expenses		126.08	92.61
III. Profit before tax		296.23	394.18
VI Less: Tax expense	23		
Current tax		77.00	100.00
Deferred tax		(1.59)	(1.21)
Total tax expense		75.41	98.79
Net Profit for the year		220.82	295.39
Other Comprehensive Income/(loss)			
(i) Items that will not be reclassified to profit or loss			
- Actuarial gain/(loss) on post retirement benefit plans		1.17	0.75
- Income tax on the above		(0.29)	(0.19)
Total Other Comprehensive income		0.88	0.56
V Total Comprehensive Income		221.70	295.95
VI Earnings per equity share	24		
(face value of Rs. 10/- each)			
Basic		13.80	18.46
Diluted		13.80	18.46
See accompanying notes to the financial statements		1 to 38	

As per our attached reports of even date

For Khimji Kunverji & Co LLP

Chartered Accountants

FRN: 105146W / W100621

Hasmukh B. Dedhia

Partner

Membership No. 033494

Place : Mumbai

Date : April 22, 2021

For and on behalf of the Board of Directors
Vishal Kampani

Chairman

DIN- 00009079

Place : Mumbai

Date : April 22, 2021

Dipti Neelakantan

Director

DIN- 00505452



INFINITE INDIA INVESTMENT MANAGEMENT LIMITED
CASH FLOW STATEMENT

(Rs. in Lakhs)

	Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
A	Cash flow from operating activities		
	Profit before tax	296.23	394.18
	Adjustment for:		
	Depreciation	13.55	3.40
	Net gain on fair value changes	(40.50)	(81.56)
	Provision for gratuity	1.08	1.35
	Provision for/(reversal of) compensated absences	(1.72)	2.07
	Interest income	(34.33)	(4.20)
	Interest expense	11.00	2.82
	Operating profit before working capital changes	245.31	318.06
	Adjustment for:		
	(Increase)/decrease in Other financial assets	443.90	(445.09)
	(Increase)/decrease in other non-financial assets	2.40	(4.38)
	Increase/(decrease) in other financial liabilities	2.43	(7.00)
	Increase/(decrease) in trade payables	(37.43)	(21.27)
	Increase/(decrease) in other non-financial current liabilities	(31.82)	72.35
	Cash generated from/(used in) operations	624.79	(87.32)
	Direct taxes paid	(128.16)	(23.52)
	Net cash from/(used in) operating activities	496.63	(110.85)
B	Cash flow from investing activities		
	Purchase of mutual fund investments - Others	(4,384.87)	(1,405.00)
	Sale of mutual fund investments - Others	4,425.37	1,486.56
	Purchase of fixed assets	(1.15)	-
	Sale of fixed assets	-	-
	Deposit paid	-	(14.05)
	Amount invested in Fixed Deposit	(53.50)	(67.55)
	Amount matured from Fixed Deposit	50.75	63.75
	ICD placed - Subsidiaries	(3,100.00)	-
	ICD repayment - Subsidiaries	3,100.00	-
	Interest Income	33.74	4.20
	Net cash from/(used in) investment activities	70.34	67.91
C	Cash flow from financing activities		
	Lease payments	(16.08)	(3.83)
	Net cash from/(used in) financing activities	(16.08)	(3.83)
	Net increase/(decrease) in Cash and cash equivalents	551.89	(46.77)
	Cash and cash equivalents at the beginning of the year	1,365.92	1,412.69
	Cash and cash equivalents at the end of the year	1,916.81	1,365.92
Notes	1 Statement of cash flows has been prepared under the indirect method as set out in the Ind AS 7 "Statement of Cash Flows" as specified in the Companies (Indian Accounting Standards) Rules, 2015. 2 Previous year's figures have been regrouped and rearranged wherever necessary.		

As per our attached reports of even date

For Khimji Kunverji & Co LLP

Chartered Accountants

FRN: 105146W / W100621

Hasmukh B. Dedhia

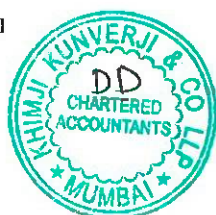
Hasmukh B. Dedhia

Partner

Membership No. 033494

Place : Mumbai

Date : April 22, 2021



For and on behalf of the Board of Directors

Vishal Kampani

Vishal Kampani

Chairman

DIN- 00009079

Place : Mumbai

Date : April 22, 2021

Dipti Neelakantan

Dipti Neelakantan

Director

DIN- 00505452

SUMMARY OF INDUSTRY

The information in this section is derived from various publicly available sources, government publications and other industry sources, including the Analysys Mason Report. The information in this section has not been independently verified by us, or our or their legal, financial or other advisors, and no representation is made as to the accuracy of this information. Industry sources and publications generally state that the information contained therein has been obtained from sources generally believed to be reliable, but their accuracy, completeness and underlying assumptions are not guaranteed and their reliability cannot be assured, and accordingly, investment decisions should not be based on such information. Industry publications are also prepared based on information as of specific dates and may no longer be current or reflect current trends.

For further details, please see the section entitled “Risk Factors” on page 35.

Industry sources and publications may also base their information on estimates, projections, forecasts and assumptions that may prove to be incorrect. Accordingly, investors must rely on their independent examination of, and should not place undue reliance on, or base their investment decision solely on this information. The recipient should not construe any of the contents in this section as advice relating to business, financial, legal, taxation or investment matters and are advised to consult their own business, financial, legal, taxation, and other advisors concerning the Issue and the Units.

References to “we”, “us” and “our” are to the Trust and its subsidiary, Fibre Co, on a consolidated basis.

For a summary of the industry in which we operate, please see the section entitled “*Summary Of Industry*” on page 51 of the Placement Memorandum, available at https://www.sebi.gov.in/filings/invit-private-issues/sep-2020/digital-fibre-infrastructure-trust_47743.html, the Technical Report attached hereto as Annexure B and the annual report of the Trust available at www.digitalfibreinfrastructure.com .

SUMMARY OF BUSINESS

The information in this section should be read together with the more detailed financial and other information included in the Preliminary Placement Memorandum and this Placement Memorandum, including the information contained in “Business”, “Industry Overview”, “Risk Factors”, “Management’s Discussion and Analysis of Financial Condition and Results of Operations” and “Audited Consolidated Financial Statements and Limited Review Financials” on pages 51, 50, 35, 61 and 89, respectively.

Except as stated herein below, for a summary of our business, please see the section entitled “*Summary Of Business*” on page 56 of the Placement Memorandum, available at https://www.sebi.gov.in/filings/invit-private-issues/sep-2020/digital-fibre-infrastructure-trust_47743.html.

Framework Agreement

The Trust, the Investment Manager, the Sponsor, the Fibre Co and RIL have entered into a framework agreement dated September 27, 2021 (the “**Framework Agreement**”) which provides for the agreed funding plan to meet the financing requirements of the Fibre Co for establishing additional fibre and the associated assets.

In order to establish additional Fiber Assets and provide funding for the same, JDFPL vide its letter dated September 20, 2021 addressed to all the parties to the SHOA sought certain waivers from the provisions of the SHOA, including amongst others, amending certain provisions of (i) the Project Agreements, (ii) the Trust Loan – I Agreement, (iii) the Trust Loan – II Agreement, and (iv) the InvIT Loan Agreement, the Trust availing additional debt, entering into consequential related party transactions in light of the amendments described above and carrying out certain factual updates to these agreements. The letter also proposed entering into the Framework Agreement that provided for the indicative roll-out of the Fibre Assets and the funding plan for the same split into phase 1 actions and phase 2 actions.

The Trust (acting through the Investment Manager) had vide its letter dated September 20, 2021 sought the written consents from all the Unitholders to provide the requested waiver and to enter into the Framework Agreement. On the basis of the written consents received from all the Unitholders, the Framework Agreement was executed on September 27, 2021 and the phase 1 actions covered therein were given effect to.

JDFPL has vide its letter dated November 24, 2021 addressed to all the parties to the SHOA sought certain waivers from the provisions of the SHOA to give effect to the phase 2 actions under the Framework Agreement. The Trust (acting through the Investment Manager) had vide its letter dated November 24, 2021 sought the written consents from all the Unitholders provide the requested waiver and to carry out the phase 2 actions contemplated under the Framework Agreement. On the basis of the written consents received from all the Unitholders, the Trust has granted waiver as requested by JDFPL on December 2, 2021. Accordingly, the phase 2 actions under the Framework Agreement shall be carried out.

RISK FACTORS

An investment in the Units involves risks. Prospective investors should carefully consider all the information in this Letter of Offer, including the risks and uncertainties described below, before making an investment in the Units. If any of the risks described below occurs, our business, cash flows, financial condition and prospects could be materially and adversely affected. The risks and uncertainties described in this section may not be the only risks and uncertainties the Trust currently faces. Additional risks and uncertainties not presently known to the Trustee, the Sponsor or the Investment Manager, or that the Trustee, the Sponsor or the Investment Manager currently deem immaterial, may arise or may adversely affect our business, prospects, financial condition, cash flows, results of operations. Unless otherwise stated in the relevant risk factors set forth below, the Trustee, the Sponsor and the Investment Manager are not in a position to specify or quantify the financial or other risks mentioned herein.

This Letter of Offer also contains forward-looking statements, that involve risks, uncertainties and assumptions. The actual results of the Trust and Fibre Co could differ materially from those anticipated in these forward-looking statements as a result of certain factors, including the considerations described below and elsewhere in this Letter of Offer.

In making an investment decision, prospective investors must rely upon their own examinations and the terms of the Issue, including the merits and the risks involved. To obtain a complete understanding, prospective investors should read this section in conjunction with the sections entitled “Business”, “Audited Consolidated Financial Statements and Limited Review Financials” and “Management’s Discussion and Analysis of Financial Condition and Results of Operations” on pages 51, 89 and 61, respectively, as well as all other information contained in this Letter of Offer. Prospective investors should consult their tax, financial and legal advisors about the particular consequences of investing in the Issue.

References to “we”, “us” and “our” are to the Trust and Fibre Co, on a consolidated basis.

Other than as updated above and except as otherwise provided below, for details in relation to the risks related to (i) the Fibre Co’s business and industry; (ii) the Trust’s relationships with the Investment Manager; (iii) to India; (iv) ownership of Units; and (v) tax, please refer to the section entitled “Risk Factors” on page 58 of the Placement Memorandum, available at https://www.sebi.gov.in/filings/invit-private-issues/sep-2020/digital-fibre-infrastructure-trust_47743.html. Please also refer to the annual report of the Trust for the financial year ended March 31, 2021 and the half yearly report of the Trust for the six month period ended September 30, 2021 available at www.digitalfibreinfrastructure.com.

1. The following risk factor shall be added as a new risk factor immediately after the risk factor numbered 25 in the section entitled “Risk Factors – Risks Related to our Organisation and the Structure of the Trust” on page 68 of the Placement Memorandum available at https://www.sebi.gov.in/filings/invit-private-issues/sep-2020/digital-fibre-infrastructure-trust_47743.html:

“25A. We are governed by the provisions of, amongst others, the InvIT Regulations and the Securities Contracts (Regulation) Act, 1956 (“SCRA”), the implementation and interpretation of which, is evolving.

The Trust has been constituted under the InvIT Regulations which were issued in 2014, as amended and supplemented with additional guidelines and circulars.

As the regulatory framework governing infrastructure investment trusts in India comprises a separate set of regulations, interpretation and enforcement by regulators and courts involves uncertainties. Furthermore, regulations and processes with respect to certain aspects of infrastructure investment trusts, including, but not limited to, follow-on public offers and bonus issues, the liabilities of the Unitholders, and the procedure for dissolution of infrastructure investment trusts have not yet been issued. For example infrastructure investment trusts are not “companies” or “bodies corporate” within the meaning of the Companies Act, 2013 and various SEBI regulations, including the Securities and Exchange Board of India (Buy-back of Securities) Regulations, 2018 and the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011.

The InvIT Regulations and other corresponding changes to applicable law, are largely untested in their implementation. Uncertainty in applicability, interpretation or implementation of any amendment to, or change in, law, regulation or policy, including due to an absence, or a limited body, of administrative or judicial precedent may be time consuming and costly for us to resolve and may impact the viability of our current business or restrict our ability to grow our business in the future and consequently, our ability to make distributions to the Unitholders. Changes to our organizational structure, changes to our agreements, cost increases, fines, legal fees or business interruptions may result from changes to regulations, from new regulations, from new interpretations by courts or regulators of existing regulations or from stricter enforcement practices by regulatory authorities of existing regulations. In addition, new costs may arise from audit, certification and/or self-assessment standards required to maintain compliance with new and existing InvIT Regulations, which may render it economically unviable to continue conducting business as an infrastructure investment trust or otherwise have a material, adverse effect on our business, financial condition, results of operations and cash flows.

Further, SEBI has the right to, with or without prior notice, order inspection of the books of accounts, records and other documents pertaining to our operations, either on its own or, upon receipt of complaint. Upon review of the inspection report, SEBI is entitled to, if it so deems appropriate (in the interest of the securities markets or our investors) (a) to require us to surrender our certificate of registration; (b) to wind-up our operations; (c) to sell our assets; (d) direct us to not operate or access the capital markets for a specified period; or (e) direct us to not do such things as SEBI may deem appropriate in the interest of our investors. Any such occurrence may have a material adverse effect on our business, result of operations, financial conditions and cash flows.

Additionally, with effect from April 1, 2021, units and other instruments issued by an InvIT have been included in the definition of 'securities' under section 2(h) of the SCRA. Such amendments have come into effect on April 1, 2021 and consequently, the implementation and interpretation of these amendments is untested and evolving. Accordingly, the applicability of several regulations (including regulations relating to intermediaries, underwriters, merchant bankers, takeover, insider trading and fraudulent and unfair trade practices) to the Trust is unclear and subject to the interpretation and clarifications issued by regulatory bodies such as SEBI.

There can be no assurance that the legal framework for infrastructure trusts will not impose additional regulations and policies which could impact our operations and it is difficult to forecast how any new laws, regulations or standards or future amendments to the InvIT Regulations, the SCRA and other applicable law will affect infrastructure trusts and the infrastructure sector in India. Such changes may adversely affect our business, results of operations and prospects, to the extent that we are unable to suitably respond to and comply with any such changes in applicable law and policy. We may incur increased costs and other burdens relating to compliance with such new regulations, which may also require significant time and other resources, and any failure to comply with these changes may adversely affect our business, results of operations and prospects."

2. The risk factor numbered 45 in the section entitled "Risk Factors – Risks Related to Tax - Changes in legislation or the rules relating to tax regimes could materially and adversely affect Fibre Co's business and our results of operations, financial condition and prospects" on page 75 of the Placement Memorandum available at https://www.sebi.gov.in/filings/invit-private-issues/sep-2020/digital-fibre-infrastructure-trust_47743.html shall be deleted and replaced with the following:

"45. Changes in legislation or the rules relating to tax regimes could materially and adversely affect Fibre Co's business and our results of operations, financial condition and prospects

The GoI has announced the union budget for the Fiscal 2021 and the Finance Act, 2021 (the "**Finance Act**") has been granted assent by the President of India on March 28, 2021. By way of the Finance Act, the GoI, amongst others, amended the Securities Contracts (Regulation) Act, 1956 ("**SCRA**") to recognise pooled investment vehicles and recognise the units, debentures, other marketable securities and other instruments issued by InvITs as "securities". The Finance Act provided for non-applicability of tax deducted at source on dividend distribution by special purpose vehicle to a business trust.. For further details, please see the sections entitled "Risk Factors – Investors may be subject to Indian taxes arising out of capital gains on the sale of Units and on any dividend or interest component of any returns from the Units" and "Risk Factors – We are governed by the provisions of, amongst others, the InvIT Regulations and the Securities Contracts (Regulation) Act, 1956 ("**SCRA**")", the implementation and interpretation of which, is evolving. The evolving regulatory framework governing infrastructure investment trusts in India may have a material adverse effect on the ability of certain categories of investors to invest in the Units, our business, financial condition and results of operations and our ability to make distributions to the Unitholders" on pages 37 and 35.

There have been two recent major reforms in Indian tax laws, namely the introduction of the Goods and Services Tax ("**GST**") and provisions relating to general anti-avoidance rules ("**GAAR**"). The GST regime came into effect on July 1, 2017, combining taxes and levies by the Government and State Governments into a unified rate structure.

Additionally, there is limited clarity on the availability of input tax credit, and any unfavourable orders in this regard may have a material adverse impact on our financial position and cash flows. Further, any application of existing law or future amendments may affect our overall tax efficiency, and may result in significant additional taxes becoming payable.

Tax laws and regulations are subject to differing interpretations by tax authorities. Differing interpretations of tax and other fiscal laws and regulations may exist within governmental ministries, including tax administrations and appellate authorities, thus creating uncertainty and potential unexpected results. The degree of uncertainty in tax laws and regulations, combined with significant penalties for default and a risk of aggressive action by the governmental or tax authorities, may result in tax risks being significantly higher than expected.

The GAAR regime came into effect on April 1, 2017. The tax consequences of the GAAR provisions being applied to an arrangement could result in denial of tax benefit, among other consequences. In the absence of any precedents on the subject, the application of these provisions is uncertain. If the GAAR provisions are made applicable to the Trust or any member of the Trust, it may have a material adverse tax impact on the Trust.

Under GAAR, the transactions are declared as impermissible avoidance arrangements and the consequence in relation to tax arising from such arrangements, including denial of a tax benefit or a benefit under a tax treaty, shall be determined according to the circumstances of the case. The rules notified with respect to GAAR prescribe that these shall not be applicable to FIIs in accordance with the SEBI (Foreign Institutional Investors) Regulations, 1995 subject to the fulfilment of certain conditions. GAAR may have a material adverse tax impact on the Trust, the Sponsor and the Unitholders.

The Investment Manager has not determined the impact of such existing or proposed legislations on our business. Uncertainty in the applicability, interpretation or implementation of any amendment to, or change in, governing law, regulation or policy, including by reason of an absence, or a limited body, of administrative or judicial precedent may be time consuming as well as costly for us to resolve, and may impact the viability of our current business or restrict our ability to grow our business in the future."

3. The risk factor numbered 47 in the section entitled "Risk Factors – Risks Related to Tax - Investors may be subject to Indian taxes arising out of capital gains on the sale of Units and on any dividend or interest component of any returns from the Units" on page 76 of the Placement Memorandum available at https://www.sebi.gov.in/filings/invit-private-issues/sep-2020/digital-fibre-infrastructure-trust_47743.html shall be deleted and replaced with the following:

"47. Investors may be subject to Indian taxes arising out of capital gains on the transfer of Units and on any dividend or interest component of any returns from the Units

Under current Indian tax laws, units of a business trust held for more than 36 months are considered as long term capital assets. In case of transfer of such units through a recognised stock exchange in India and subject to payment of securities transaction tax ("STT"), any gain arising in excess of ₹ 0.10 million is subject to long term capital gains tax at a concessional rate of 10% (plus applicable surcharge and cess). However, if the said units are transferred in any other manner, the same shall be subject to long term capital gains tax at the rate of 20% with indexation benefit (plus applicable surcharge and cess).

In case the units are held for less than or up to 36 months, the same shall be regarded as short term capital asset. Any gain arising in case of transfer of such units through a recognised stock exchange in India and subject to payment of STT, is subject to short term capital gains tax at concessional rate of 15% (plus applicable surcharge and cess). However, if the said units are transferred in any other manner, the same shall be subject to short term capital gains tax at applicable tax rates of the holder (plus applicable surcharge and cess).

The aforesaid taxability in India is subject to tax treaty benefits in the case of a non-resident holder.

The Finance Act, 2020 amended the Income-tax Act, 1961 (the "IT Act") to abolish the dividend distribution tax regime and shift the incidence of taxation of dividend (declared or distributed on or after April 1, 2020) to shareholder. Under the Finance Act, 2020, a distribution made by a business trust, being in nature dividend income received from a special purpose vehicle, will not be subject to tax in the hands of a unitholder, so long as the special purpose vehicle has not opted to pay corporate tax under the beneficial regime introduced under Section 115BAA of the IT Act. Similarly, a business trust (which includes an infrastructure investment trust) will not be required to withhold tax on any distributions which are in the nature of dividend income received from a special purpose vehicle, so long as such special purpose vehicle has not opted to pay corporate tax under the beneficial regime introduced under Section 115BAA of the IT Act. However, where the special purpose vehicle opts to pay tax under Section 115BAA of the IT Act, dividend income distributed by the business trust would be taxed in the hands of a non-resident unitholder at 20% (plus applicable surcharge and cess) or the applicable treaty rate, subject to the availability of tax documents (like PAN, Tax residency certificate, Form No. 10F) and at the ordinary rate for a resident unitholder. Further, the business trust would be required to withhold tax on such distributions made from dividend received from the special purpose vehicle. Thus, the taxability of dividends distributed by the Trust will depend on the taxation regime opted by the Fibre Co. It may also be noted that in terms of Section 194LBA(1) of the IT Act, any distributable income in the nature of interest income and dividend income in the hands of a resident investor is subject to deduction of tax at the rate of 10%. Similarly in terms of Section 194LBA(2) of the IT Act, any distributable income in the nature of interest income and dividend income in the hands of a non-resident is subject to deduction of tax at the rate of 5% and 10% respectively, provided the tax documents (like PAN, Tax residency certificate, Form No. 10F) are available.

Further, the Finance Act, has included a definition of "pooled investment vehicle" which comprises business trusts as defined under the IT Act. The IT Act defines business trusts as trusts registered with SEBI as an InvIT. This amendment has come into effect from April 1, 2021. The Finance Act recognises units, debentures and other instruments issued by infrastructure investment trusts as "securities" under the Securities Contracts (Regulation) Act, 1956. This may have further implications under various regulations issued by SEBI, governing securities, including under the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015..

Furthermore, the Trust might not be able to pay or maintain the levels of distributions or ensure that the level of distributions will increase over time, or that future acquisitions will increase the Trust's distributable free cash flow to the Unitholders. Any reduction in, or elimination or taxation of, payments of distributions could materially and adversely affect the market price of the Units."

GENERAL INFORMATION

The Trust

The Trust was set up as an irrevocable trust under the provisions of the Indian Trusts Act, 1882 on January 31, 2019 at Mumbai. The Trust was registered as an infrastructure investment trust under the InvIT Regulations on March 20, 2019 having registration number IN/InvIT/18-19/0010. For information on the background of the Trust and the description of the Fibre Co, please see the sections entitled “*Overview of the Trust*” and “*Business*” on pages 15 and 51, respectively.

Compliance Officer of the Trust

The compliance officer of the Trust is Sneha Raheja. Her contact details are as follows:

Sneha Raheja
7th Floor, Cnergy
Appasaheb Marathe Marg
Prabhadevi
Mumbai 400 025
Tel: +91 22 6630 3030
Fax: +91 22 6630 3344

Investors can contact the Compliance Officer in case of any pre-Issue or post-Issue related problems, non-credit of Allotted Units in the respective beneficiary account of Investors after Allocation or non-receipt of refund orders.

The Sponsor – Reliance Industrial Investments and Holdings Limited

Registered office:

Office -101, Saffron
Near Centre Point
Panchwati 5 Rasta
Ambawadi
Ahmedabad
380 006
Tel: +91 079 3560 0100

Address for correspondence:

9th Floor, Maker Chambers IV
222, Nariman Point
Mumbai 400 021
Tel: +91 22 2278 5000
Fax: +91 22 3555 5560

Contact Person of the Sponsor:

K. R. Raja is the contact person of the Sponsor. His contact details are as follows:

K. R. Raja

9th Floor, Maker Chambers IV
222, Nariman Point
Mumbai 400 021
Tel: +91 22 2278 5000
Fax: +91 22 3555 5560
E-mail: FibreInvIT.Sponsor@ril.com

The Investment Manager – Infinite India Investment Management Limited

Registered office and address for correspondence:

7th Floor, Cnergy
Appasaheb Marathe Marg
Prabhadevi, Mumbai 400 025
Contact Person: Rajkumar Agarwal
Tel: +91 22 6630 3030 / +91 22 6630 3467

Fax: +91 22 6630 3344
E-mail: rajkumar.agrawal@jmfl.com

The Project Manager – Jio Infrastructure Management Services Limited

Address for correspondence:

9th Floor, Maker Chambers IV
222, Nariman Point
Mumbai 400 021
Tel: +91 22 3555 5000
Fax: +91 22 3555 5560
E-mail: FibreInvIT.Sponsor@ril.com

The Trustee – Axis Trustee Services Limited

Corporate office and address for correspondence:

The Ruby, 2nd Floor
SW, 29, Senapati Bapat Marg
Dadar West
Mumbai 400 028
Tel: +91 22 6230 0451
Fax: +91 22 6230 0700
E-mail: debenturetrustee@axistrustee.com
Contact Person: Anil Kumar Grover
Website: www.axistrustee.com
SEBI Registration No.: IND000000494

Other Parties involved in the Trust

Auditors

Deloitte Haskins & Sells LLP

27 – 32 Floor, One International Centre, Tower 3
Senapati Bapat Marg
Elphinstone (West)
Mumbai 400 013
Tel: +91 22 6185 4000
Fax: +91 22 6185 4201
E-mail: vaphadte@deloitte.com
Firm Registration No: 117366W/W-100018
Peer Review Certificate No.: 013179

Valuer

BDO Valuation Advisory LLP

102, Mohyal Colony
Unitech Cyber Park
Sector 40, Gurgaon
Haryana 122 001
Tel: +91 99997 30536
E-mail: ssainisuniil@gmail.com
Registration No: IBBI/RV/06/2018/10385

Technical Consultant

Analysys Mason India Private Limited

1st Floor, Tower ‘C’
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DLF Cyber City, Phase II
Gurgaon 122 002

Tel: +91 124 450 1860
E-mail: rohan.dhamija@analysysmason.com
Contact Person: Rohan Dhamija

Escrow Collection Bank

ICICI Bank Limited

Capital Market Division
1st Floor, 122, Mistry Bhawan
Dinshaw Vachha Road
Backbay Reclamation
Churchgate
Mumbai 400 020
Tel: +91 22 6681 8923, +91 22 6681 8924, +91 22 6681 8911
Fax: +91 22 2261 1138
E-mail: sagar.welekar@icicibank.com / ipocmg@icicibank.com
Contact Person: Sagar Welekar
Website: www.icicibank.com
SEBI Registration Number: INBI00000004

Legal Counsel to the Trust and the Sponsor as to Indian law

Cyril Amarchand Mangaldas

5th Floor, Peninsula Chambers
Peninsula Corporate Park
Ganpatrao Kadam Marg
Lower Parel
Mumbai 400 013
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Legal Counsel to the Fibre Co

Khaitan & Co

One World Centre
10th & 13th Floor, Tower 1C
841 Senapati Bapat Marg
Mumbai 400 013
Tel: +91 22 6636 5000
Fax: +91 22 6636 5050

Registrar and Unit Transfer Agent

KFin Technologies Private Limited

(formerly known as, “Karvy Fintech Private Limited”)

Selenium Tower – B
Plot No 31 & 32 Gachibowli, Financial District
Nanakramguda, Serilingampally
Hyderabad
Telangana 500 032
Tel: +91 40 6716 2222
Fax: +91 40 2343 1551
E-mail: einward.ris@kfintech.com
Investor Grievance E-mail: digitalfibre.invit@kfintech.com
Contact Person: M Murali Krishna
Website: www.kfintech.com
SEBI Registration Number: INR000000221

PARTIES TO THE TRUST

Except as otherwise stated herein below, for an overview of the parties to the Trust, please see the section entitled “*Parties to the Trust*” on page 82 of the Placement Memorandum available at https://www.sebi.gov.in/filings/invit-private-issues/sep-2020/digital-fibre-infrastructure-trust_47743.html.

1. Sanjay Sinha, the managing director and the chief executive officer of the Trustee retired from the board of directors of the Trustee on April 30, 2021. Deepa Rath has been appointed as the Managing Director and the Chief Executive Officer of the Trustee on May 1, 2021. Accordingly, the details of the board of directors of the Trustee included in the section “*Parties to the Trust – The Trustee – Axis Trustee Services Limited – Board of Directors of the Trustee*” on page 83 of the Placement Memorandum available at https://www.sebi.gov.in/filings/invit-private-issues/sep-2020/digital-fibre-infrastructure-trust_47743.html shall be modified as provided below:

“The Board of Directors of the Trustee is entrusted with the responsibility for the overall management of the Trustee. Please see below the details in relation of the board of directors of the Trustee:

Sr. No.	Name	DIN
1.	Sanjay Sinha	08253225
2.	Rajesh Kumar Dahiya	07508488
3.	Deepa Rath	09163254

”.

2. The details of the brief profiles of the board of directors of the Trustee included in the section “*Parties to the Trust – The Trustee – Axis Trustee Services Limited – Brief profiles of the Directors of the Trustee*” on page 83 of the Placement Memorandum available at https://www.sebi.gov.in/filings/invit-private-issues/sep-2020/digital-fibre-infrastructure-trust_47743.html shall be modified as provided below:

“Brief profiles of the Directors of the Trustee

1. ***Deepa Rath***, aged 44 years, is the managing director and chief executive officer of the Trustee.
 2. ***Rajesh Kumar Dahiya***, aged 53 years, is a non-executive director on the board of the Trustee.
 3. ***Ganesh Sankaran***, aged 50 years, is a non-executive director on the board of the Trustee.”.
3. The Trustee has entered into the Amended and Restated Indenture of Trust, in terms of the InvIT Regulations. Accordingly, the keys terms of the Amended and Restated Indenture of Trust included in the section entitled “*Parties to the Trust – The Trustee – Axis Trustee Services Limited*” on page 83 of the Placement Memorandum available at https://www.sebi.gov.in/filings/invit-private-issues/sep-2020/digital-fibre-infrastructure-trust_47743.html shall be modified as provided below:
 - (i) The heading of the section entitled “*Key terms of the Indenture of Trust*” in the section entitled “*Parties to the Trust – The Trustee – Axis Trustee Services Limited*” on page 83 of the Placement Memorandum available at https://www.sebi.gov.in/filings/invit-private-issues/sep-2020/digital-fibre-infrastructure-trust_47743.html shall be replaced by “*Key terms of the Amended and Restated Indenture of Trust*”.
 - (ii) The paragraph in the section entitled “*Parties to the Trust – The Trustee – Axis Trustee Services Limited - Key terms of the Indenture of Trust – Indenture of Trust*” on page 83 of the Placement Memorandum available at https://www.sebi.gov.in/filings/invit-private-issues/sep-2020/digital-fibre-infrastructure-trust_47743.html shall be deleted and replaced with the following:

“The Trustee has entered into the Amended and Restated Indenture of Trust, in terms of the InvIT Regulations, the key terms of which, are provided below:”
 - (iii) Points (vi), (vii) and (xx) in the section entitled “*Parties to the Trust – The Trustee – Axis Trustee Services Limited – Key Terms of the Indenture of Trust – Powers of the Trustee*” on pages 84 and 85 of the Placement Memorandum available at https://www.sebi.gov.in/filings/invit-private-issues/sep-2020/digital-fibre-infrastructure-trust_47743.html, shall be deleted and replaced with the following:

“(vi) The Trustee, in consultation with, and on the recommendation with the Investment Manager, shall have the power to delegate to any committee of the Investment Manager or a person who is an employee of the Investment Manager, any powers and duties including management of the Trust Assets vested in it in accordance with the InvIT Regulations.

(vii) *The Trustee shall, in consultation with, and on the recommendation of the Investment Manager, have the power to create such reserves in respect of the Trust, as it may deem proper, in order to meet the expenses, liabilities or contingent liability of the Trust based on the opinion of any of PricewaterhouseCoopers, Deloitte Haskins & Sells LLP, Ernst & Young or KPMG (or their affiliates in India).*

(xx) *The Trustee shall have the power to make distributions to the Unitholder in accordance with the InvIT Regulations and the InvIT Documents and confer all other rights attached to the Units.”*

- (iv) Point (ii) in the section entitled “Parties to the Trust – The Trustee – Axis Trustee Services Limited – Key Terms of the Indenture of Trust – Rights of the Trustee” on page 88 of the Placement Memorandum available at https://www.sebi.gov.in/filings/invit-private-issues/sep-2020/digital-fibre-infrastructure-trust_47743.html, shall be deleted and replaced by the following:

“(ii) The Trustee may, in the discharge of its duties, act upon any advice obtained in writing from any qualified bankers, accountants, brokers, lawyers, professionals, consultants, or other experts acting as advisors to the Trustee. The Trustee shall not be bound to supervise or verify advice of the advisors and not be liable for any bona fide act or omission or consequence suffered as a result of the reliance upon such advice or information. The Trustee shall also not be responsible for any loss occasioned by so acting, nor for the consequences of any bona fide mistake, oversight or error of judgement on the part of such advisors. However, the Trustee shall be liable in case of any act done in bad faith, including any fraud, wilful misconduct or gross negligence.”

- (v) Point (ii) and (iii) in the section entitled “Parties to the Trust – The Trustee – Axis Trustee Services Limited – Key Terms of the Indenture of Trust – Liabilities of the Trustee” on page 89 of the Placement Memorandum available at https://www.sebi.gov.in/filings/invit-private-issues/sep-2020/digital-fibre-infrastructure-trust_47743.html, shall be deleted and replaced with the following:

“(ii) Acts done in good faith

The Trustee shall not be under any liability on account of anything done or omitted to be done or suffered by the Trustee in good faith in accordance with, or in pursuance of any request or advice of the Investment Manager. However, the Trustee shall be liable in case of any act done in bad faith, including any fraud, wilful misconduct or gross negligence.

(iii) Suits, proceedings or claims against the Trust

The Trustee shall not be under any obligation to institute, acknowledge the service of, appear in, prosecute or defend any action, suit, proceedings or claim (including tax proceedings) in respect of the provisions of the Indenture of Trust or in respect of the investments or any part of such investments or any corporate or shareholders’ action which in its opinion, acting on the advice of the Investment Manager, would or might involve expense or liability unless the Investment Manager shall so request in writing and the Trustee is satisfied that the value of the investment is sufficient to provide adequate indemnity against costs, claims, damages, expenses or demands to which it may be put as the trustee as a result thereof. However, the Trustee shall be liable in case of any act done in bad faith, including any fraud, wilful misconduct or gross negligence.”

- (vi) Point (vi) in the section entitled “Parties to the Trust – The Trustee – Axis Trustee Services Limited – Key Terms of the Indenture of Trust – Provisions relating to Unitholders” on page 91 of the Placement Memorandum available at https://www.sebi.gov.in/filings/invit-private-issues/sep-2020/digital-fibre-infrastructure-trust_47743.html, shall be deleted and replaced with the following:

“(vi) The powers, rights and obligations of the Unitholders shall be to the extent and as specified in the InvIT Regulations and InvIT Documents. However, the Trustee shall, in consultation with the Investment Manager, have the power to grant pari-passu additional rights to all the Unitholders (“Additional Rights”), in accordance with the InvIT Regulations, in such manner, to such extent and on such terms and conditions as may be prescribed in the Placement Documents. Such Additional Rights granted to the Unitholders shall be deemed to have been incorporated in the Indenture of Trust, in accordance with the InvIT Regulations, and no further amendments will need to be made to the Indenture of Trust in this regard.”

- (vii) Point (i) in the section entitled “Parties to the Trust – The Trustee – Axis Trustee Services Limited – Key Terms of the Indenture of Trust – Indemnity” on page 91 of the Placement Memorandum available at https://www.sebi.gov.in/filings/invit-private-issues/sep-2020/digital-fibre-infrastructure-trust_47743.html, shall be deleted and replaced with the following:

“(i) *The Trustee, the Investment Manager and their respective affiliates, directors, officers, employees, shareholders, partners, advisors, members or agents and members of any committee constituted by the Investment Manager (each, a “Protected Person”) shall not be liable to and shall be indemnified and held harmless by the Trust from and against any and all liabilities (including tax, interest and penalty), claims, costs, losses, damage and expenses (including reasonable attorney’s fees and costs) arising out of or in connection with the Trust or any other matters provided in the InvIT Documents, in each case, subject to any exceptions set out in the InvIT Documents or where the Protected Person has engaged in disabling conduct, in terms of the Indenture of Trust, in respect of the matter for which it is to be indemnified, subject to applicable law.*”

4. The Investment Manager has entered into the Amended and Restated Investment Management Agreement dated November 4, 2020, in terms of the InvIT Regulations. Accordingly, the key terms of the Amended and Restated Investment Management Agreement included in the section entitled “*Parties to the Trust – The Investment Manager – Infinite India Investment Management Limited*” on page 94 of the Placement Memorandum available at https://www.sebi.gov.in/filings/invit-private-issues/sep-2020/digital-fibre-infrastructure-trust_47743.html shall be modified as provided below:

(i) The heading of the section entitled “*Key terms of the Investment Management Agreement*” in the section entitled “*Parties to the Trust – The Investment Manager – Infinite India Investment Management Limited*” on page 94 of the Placement Memorandum available at https://www.sebi.gov.in/filings/invit-private-issues/sep-2020/digital-fibre-infrastructure-trust_47743.html shall be replaced by “*Key terms of the Amended and Restated Investment Management Agreement*”.

(ii) The paragraph in the section entitled “*Parties to the Trust – The Investment Manager – Infinite India Investment Management Limited - Key terms of the Investment Management Agreement*” on page 94 of the Placement Memorandum available at https://www.sebi.gov.in/filings/invit-private-issues/sep-2020/digital-fibre-infrastructure-trust_47743.html shall be deleted and replaced with the following:

“*The Investment Manager has entered into the Amended and Restated Investment Management Agreement, in terms of the InvIT Regulations, the key terms of which, are provided below.*”

(iii) Point 12 in the section entitled “*Parties to the Trust – The Investment Manager – Infinite India Investment Management Limited – Key Terms of the Investment Management Agreement - Powers, duties and rights of the Investment Manager*” on page 95 of the Placement Memorandum available at https://www.sebi.gov.in/filings/invit-private-issues/sep-2020/digital-fibre-infrastructure-trust_47743.html, shall be deleted and replaced with the following:

“**12. Power to pay duties and taxes:** *In the event of any duties, fees or taxes (and any interest or penalty chargeable thereon) whatsoever becoming payable in any jurisdiction in respect of the Trust or in respect of documents issued or executed in pursuance of the Indenture of Trust in any circumstances whatsoever, the Investment Manager shall have the power and duty to pay all such duties, fees or taxes and any interest or penalty thereon as well as to create any reserves for future potential tax liability out of the Trust’s income, based on the opinion of any of PricewaterhouseCoopers, Deloitte & Haskins, Ernst & Young or KPMG (or their affiliates in India). For the avoidance of doubt, it is clarified that pursuant to this Section, no Unitholder will be required to make a Capital Contribution to the Trust, other than the Issue Price for the Units allotted.*”

(iv) Points 2 and 4 in the section entitled “*Parties to the Trust – The Investment Manager – Infinite India Investment Management Limited – Key Terms of the Investment Management Agreement - Liabilities of the Investment Manager*” on page 98 of the Placement Memorandum available at https://www.sebi.gov.in/filings/invit-private-issues/sep-2020/digital-fibre-infrastructure-trust_47743.html, shall be deleted and replaced with the following:

“**2. Acts done in good faith:** *The Investment Manager shall not be under any liability on account of anything done or omitted to be done or suffered by the Investment Manager in good faith. However, the Investment Manager shall be liable in case of any act done in bad faith, including any fraud, wilful misconduct or gross negligence.*

4. Bona fide action by the Investment Manager: *The Investment Manager shall not be liable in respect of any action taken or damage suffered by it on reliance upon any notice, resolution, direction, consent, certificate, affidavit, statement, certificate of stock, plan of reorganisation or (without being limited in any way by the foregoing) other paper or document believed to be genuine and to have been passed, sealed or signed by appropriate authorities or entities. However, the Investment Manager shall be liable in case of any act done in bad faith, including any fraud, wilful misconduct or gross negligence.*”

(v) Point 4 in the section entitled “*Parties to the Trust – The Investment Manager – Infinite India Investment Management Limited – Key Terms of the Investment Management Agreement - Duties of the Investment Manager*”

on page 99 of the Placement Memorandum available at https://www.sebi.gov.in/filings/invit-private-issues/sep-2020/digital-fibre-infrastructure-trust_47743.html, shall be deleted and replaced with the following:

*“4. **Distributions:** The Investment Manager shall declare distribution to Unitholders in accordance with the InvIT Regulations and the InvIT Documents. Subject to applicable law, such percentage of the net distributable cash flows of the Holding Company or SPVs shall be distributed to the Trust and such percentages of the net distributable cash flows of the Trust shall be distributed to the Unitholders (in the ratio of the beneficial interest of the Unitholders), and within such time periods, as prescribed in the InvIT Regulations and the InvIT Documents. The Investment Manager shall maintain a record (for such periods as may be prescribed by the InvIT Regulations) of the distributions declared and made to the Unitholders.”.*

- (vi) The first paragraph in the section entitled “Parties to the Trust – The Investment Manager – Infinite India Investment Management Limited – Key Terms of the Investment Management Agreement - Indemnity” on page 101 of the Placement Memorandum available at https://www.sebi.gov.in/filings/invit-private-issues/sep-2020/digital-fibre-infrastructure-trust_47743.html, shall be deleted and replaced with the following:

*“To the fullest extent permitted by law, the Trustee, the Investment Manager and their respective affiliates, directors, officers, employees, shareholders, partners, advisors, members or agents and members of any committee constituted by the Investment Manager (each such person, a “**Protected Person**”) shall not be liable to and shall be indemnified and held harmless by the Trust from and against any and all liabilities (including tax, interest and penalty), claims, costs, losses, damage and expenses (including reasonable attorney’s fees and costs) arising out of or in connection with the Trust or any other matters set out in the InvIT Documents, in each case, subject to any exceptions set out in the InvIT Documents or where the Protected Person has engaged in the following conduct, in respect of the matter for which it is to be indemnified: (a) fraud, wilful misconduct or gross negligence; (b) a breach of applicable law or of the provisions of the InvIT Documents; or (c) only in respect of the Trustee, failure to show the degree of care and diligence required under the Trusts Act while carrying out the duties of the Trustee described in the Indenture of Trust, and in each of the foregoing cases, as finally determined by a non-appealable court of competent jurisdiction.”.*

OTHER PARTIES INVOLVED IN THE TRUST

Except as otherwise stated herein below, for an overview of the other parties involved in the Trust, please see the section entitled “*Other Parties Involved In The Trust*” on page 107 of the Placement Memorandum available at https://www.sebi.gov.in/filings/invit-private-issues/sep-2020/digital-fibre-infrastructure-trust_47743.html.

1. The Policy on appointment of the auditor and valuer of the Trust was amended and restated on November 4, 2020 upon receipt of approval of the Unitholders. Accordingly, the below point shall be added to the key terms of the policy on appointment of the auditor and valuer in the section entitled “*Other Parties Involved in the Trust - Policy on Appointment of Auditor and Valuer - Appointment of the auditor of the Trust*” appearing on page 108 of the Placement Memorandum available at https://www.sebi.gov.in/filings/invit-private-issues/sep-2020/digital-fibre-infrastructure-trust_47743.html

“e. The Auditor shall at all times be any of PricewaterhouseCoopers, Deloitte Haskins & Sells LLP, Ernst & Young or KPMG (or their affiliates in India).”.

CORPORATE GOVERNANCE

Except as otherwise stated herein below, for an overview of the corporate governance framework in relation to the Trust, implemented by the Investment Manager, please see the section entitled “*Corporate Governance*” on page 111 of the Placement Memorandum available at https://www.sebi.gov.in/filings/invit-private-issues/sep-2020/digital-fibre-infrastructure-trust_47743.html.

1. The Distribution Policy adopted by the Investment Manager in relation to the Trust was amended and restated on November 4, 2020 upon receipt of approval of the Unitholders. Accordingly, the first sentence of the description of the Distribution Policy adopted by the Trust in the section entitled “*Corporate Governance – Investment Manager - Policies of the Board of Directors of the Investment Manager in relation to the Trust*” on page 113 of the Placement Memorandum available at https://www.sebi.gov.in/filings/invit-private-issues/sep-2020/digital-fibre-infrastructure-trust_47743.html shall be deleted and replaced with the following:

“The Investment Manager has adopted the Distribution Policy pursuant to a resolution of its board of directors dated September 16, 2020, in relation to Trust, which was subsequently amended and restated on November 4, 2020 upon receipt of approval of the Unitholders.”

2. The Policy for determining materiality of Information for Periodic Disclosures of the Trust (the “**Disclosure of Information Policy**”) adopted by the Investment Manager in relation to the Trust was amended and restated on November 4, 2020 upon receipt of approval of the Unitholders. Accordingly, the disclosures in relation to the Disclosure of Information Policy adopted by the Trust in the section entitled “*Corporate Governance – Investment Manager - Policies of the Board of Directors of the Investment Manager in relation to the Trust*” on page 114 of the Placement Memorandum available at https://www.sebi.gov.in/filings/invit-private-issues/sep-2020/digital-fibre-infrastructure-trust_47743.html shall be modified as below:

- a. The first sentence of the first paragraph in the section entitled “*Corporate Governance – Investment Manager - Policies of the Board of Directors of the Investment Manager in relation to the Trust - Policy for determining materiality of Information for Periodic Disclosures of the Trust (the “Disclosure of Information Policy”)*” on page 114 of the Placement Memorandum available at https://www.sebi.gov.in/filings/invit-private-issues/sep-2020/digital-fibre-infrastructure-trust_47743.html shall be deleted and replaced with the following:

“The board of the Investment Manager has adopted the Disclosure of Information Policy pursuant to its resolution dated September 16, 2020, which was subsequently amended and restated on November 4, 2020.”

- b. Point (b) in the section entitled “*Corporate Governance – Investment Manager - Policies of the Board of Directors of the Investment Manager in relation to the Trust - Policy for determining materiality of Information for Periodic Disclosures of the Trust (the “Disclosure of Information Policy”) – Deemed Material Information*” on page 114 of the Placement Memorandum available at https://www.sebi.gov.in/filings/invit-private-issues/sep-2020/digital-fibre-infrastructure-trust_47743.html shall be deleted and replaced with the following:

“(b) all related party transactions (as defined under the InvIT Regulations), of the Trust shall be disclosed to the Unitholders periodically in accordance with the InvIT Regulations. Further, if the total value of related party transactions being entered in the ordinary course of business of the Trust in a financial year exceeds 5% of the value of the Trust assets, approval of at least 60% of the Unitholders of the Trust shall be sought;”

- c. Point (f) in the section entitled “*Corporate Governance – Investment Manager - Policies of the Board of Directors of the Investment Manager in relation to the Trust - Policy for determining materiality of Information for Periodic Disclosures of the Trust (the “Disclosure of Information Policy”) – Deemed Material Information*” on page 114 of the Placement Memorandum available at https://www.sebi.gov.in/filings/invit-private-issues/sep-2020/digital-fibre-infrastructure-trust_47743.html shall be deleted and replaced with the following:

“(f) the Investment Manager shall submit a half-yearly report to the Unitholders within 45 days from the end of half year ending September 30 of each financial year;”

- d. Point (b) in the section entitled “*Corporate Governance – Investment Manager - Policies of the Board of Directors of the Investment Manager in relation to the Trust - Policy for determining materiality of Information for Periodic Disclosures of the Trust (the “Disclosure of Information Policy”) – Materiality of Information*” on page 115 of the Placement Memorandum available at https://www.sebi.gov.in/filings/invit-private-issues/sep-2020/digital-fibre-infrastructure-trust_47743.html shall stand deleted and all other subsequent points shall be accordingly renumbered.

- e. Point (c) in the section entitled “*Corporate Governance – Investment Manager - Policies of the Board of Directors of the Investment Manager in relation to the Trust - Policy for determining materiality of Information for Periodic Disclosures of the Trust (the “Disclosure of Information Policy”) –Materiality of Information*” on page 115 of the Placement Memorandum available at https://www.sebi.gov.in/filings/invit-private-issues/sep-2020/digital-fibre-infrastructure-trust_47743.html shall be deleted and replaced with the following:

“(b) in case where the criteria specified in sub clause (a) and (b) above are not applicable, an event or transaction or information may be treated as being material if it has a bearing of five per cent. of value of the Trust assets; or”.

- f. The below paragraph shall be incorporated immediately after the paragraph appearing in the section entitled “*Corporate Governance – Investment Manager - Policies of the Board of Directors of the Investment Manager in relation to the Trust - Policy for determining materiality of Information for Periodic Disclosures of the Trust (the “Disclosure of Information Policy”) –Materiality of Information*” on page 115 of the Placement Memorandum available at https://www.sebi.gov.in/filings/invit-private-issues/sep-2020/digital-fibre-infrastructure-trust_47743.html:

“Unitholder Matters

The following events and information shall be deemed to be outside the ordinary course of business, in terms of the InvIT Regulations, for which the Investment Manager (on behalf of the Trust) will obtain approval of the at least 60% of the Unitholders prior to undertaking any action (unless any other higher threshold is provided in the relevant agreement or policy, in which case the higher threshold specified therein shall apply):

- (a). amendment or modification of the Project Management Agreement, amended and restated Trust Loan Agreements dated October 28, 2020, the Share Purchase Agreement dated March 31, 2019, the amended and restated Shareholders’ and Option Agreement dated October 28, 2020, the amended and restated InvIT Loan Agreement dated October 28, 2020 and all policies to be adopted by the Investment Manager on behalf of the Trust;*
- (b). Amendment or modification of policies adopted by the Trust and the Fibre Co;*
- (c). adoption of any new policies by the Investment Manager (on behalf of the Trust) or Fibre Co;*
- (d). any additional rights proposed to be granted to any of the Unitholders;*
- (e). any distributions made in deviation of the Distribution Policy adopted by the Investment Manager (on behalf of the Trust);*
- (f). acquisition of any additional assets or future special purpose vehicles, as defined under Regulation 2(l)(zv) of the InvIT Regulations; and*
any prior written consent required from the Trust pursuant to the provisions of the amended and restated Shareholders’ and Option Agreement dated October 28, 2020 for the conversion of the cumulative, participating and optionally convertible preference shares of the Fibre Co, upon the Investment Manager receiving notice from the Fibre Co.”

- g. Point (a) in the section entitled “*Corporate Governance – Investment Manager - Policies of the Board of Directors of the Investment Manager in relation to the Trust - Policy for determining materiality of Information for Periodic Disclosures of the Trust (the “Disclosure of Information Policy”) – Timeline for Disclosure of Information*” appearing on page 115 of the Placement Memorandum available at https://www.sebi.gov.in/filings/invit-private-issues/sep-2020/digital-fibre-infrastructure-trust_47743.html shall be deleted and replaced with the following:

“(a) The Investment Manager shall disclose to the Trustee and the Unitholders all material events or information including Deemed Material Information as soon as reasonably possible and in any event within such time as may be prescribed under the InvIT Regulations. In case the disclosure is made after such time as prescribed under the InvIT Regulations, the Investment Manager shall along with such disclosures provide explanation for delay; and”.

3. The Policy on appointment of the auditor and valuer of the Trust was amended and restated on November 4, 2020 upon receipt of approval of the Unitholders. Accordingly, the disclosures in relation to the Appointment Policy adopted by the Trust in the section entitled “*Corporate Governance – Investment Manager - Policies of the Board of Directors of the Investment Manager in relation to the Trust - Policy on appointment of the auditor and valuer of the Trust (the “Appointment Policy”)*” on page 115 of the Placement Memorandum available at https://www.sebi.gov.in/filings/invit-private-issues/sep-2020/digital-fibre-infrastructure-trust_47743.html shall be modified as below:

- a. The first paragraph in the section entitled “*Corporate Governance – Investment Manager - Policies of the Board of Directors of the Investment Manager in relation to the Trust - Policy on appointment of the auditor*

and valuer of the Trust (the "Appointment Policy")" on page 115 of the Placement Memorandum available at https://www.sebi.gov.in/filings/invit-private-issues/sep-2020/digital-fibre-infrastructure-trust_47743.html shall be deleted and replaced with the following:

"The board of the Investment Manager has adopted the Appointment Policy pursuant to its resolution dated September 16, 2020 which was subsequently amended and restated on November 4, 2020 upon receipt of approval of the Unitholder."

- b. The below point shall be added to the key principles of the Appointment Policy on appointment of the auditor and valuer in the section entitled "*Corporate Governance – Investment Manager - Policies of the Board of Directors of the Investment Manager in relation to the Trust - Policy on appointment of the auditor and valuer of the Trust (the "Appointment Policy")*" on page 115 of the Placement Memorandum available at https://www.sebi.gov.in/filings/invit-private-issues/sep-2020/digital-fibre-infrastructure-trust_47743.html

"xiii The Auditor shall at all times be any of PricewaterhouseCoopers, Deloitte Haskins & Sells LLP, Ernst & Young or KPMG (or their affiliates in India)."

4. Operations Monitoring Committee:

- a. The Fibre Co. has constituted an Operations Monitoring Committee which is expected to review the Company's business and operations from time to time, including review of: (a) enquiries received by the Company from third party customers on a *no-names* aggregate basis for the use of dark fiber; and (b) any amendments proposed to any transaction document.
- b. In furtherance of this objective, the Fibre Co. shall ensure that (and the Investment Manager shall procure that the Fibre Co. shall ensure that), the Operations Monitoring Committee is informed of any amendments proposed to any transaction document before such amendment is made, requisite information is sent to each member of the Operations Monitoring Committee within 30 days of the end of each financial quarter or such other period as specified. For the avoidance of doubt, it is hereby clarified that the Operations Monitoring Committee is in the nature of an oversight body for exchange of information.
- c. Each of Platinum Compass B 2018 RSC Limited and the Public Investment Fund, being the Unitholders of the Trust, will be entitled to nominate for appointment to the Operations Monitoring Committee: (a) two representatives, as long as it (together with its Affiliates) continues to hold at least 25% of the units issued by the Trust; and (b) one representative, as long as it (together with its Affiliates) continues to hold at least 12.5% of the units issued by the Trust. The Sponsor shall be entitled to nominate for appointment to the Operations Monitoring Committee 4 (four) representatives. At all times, the number of members of the Operations Monitoring Committee shall not exceed 10. One of the chief experience officers of the Company shall mandatorily attend all meetings of the Operations Monitoring Committee.
- d. The Operations Monitoring Committee shall hold meetings on a quarterly basis or any other time by giving requisite notice.
- e. The quorum of each meeting of the Operations Monitoring Committee shall be four (4) members, provided that, one representative appointed by each unitholder holding at least 12.5% of the units of the Trust shall be required to be present throughout such meeting. If a valid quorum is not present within 30 minutes of the specified time, the meeting shall be adjourned to a date and time that is seven business days of the date of the original meeting at the same place and time, and having the same agenda as the original meeting. If valid quorum is not present at such adjourned meeting within 30 minutes of the specified time, then any two members not representing the same unitholders shall constitute quorum. The members may participate in the meeting either in person at their own expense or through video conferencing facility. All meetings of the Operations Monitoring Committee shall be co-ordinated by an employee of the Fibre Co. who shall not vote on matters being considered at such meetings.

INDUSTRY OVERVIEW

The information in this section is derived from various publicly available sources, government publications and other industry sources, including the Analysys Mason Report. The information in this section has not been independently verified by us, or our or their legal, financial or other advisors, and no representation is made as to the accuracy of this information. Industry sources and publications generally state that the information contained therein has been obtained from sources generally believed to be reliable, but their accuracy, completeness and underlying assumptions are not guaranteed and their reliability cannot be assured, and accordingly, investment decisions should not be based on such information. Industry publications are also prepared based on information as of specific dates and may no longer be current or reflect current trends.

For further details, please see the section entitled “Risk Factors – This Letter of Offer contains information from the Analysys Mason Report which we have commissioned. The accuracy of statistical and other information with respect to the telecommunication infrastructure sector and the Analysys Mason Report which are based on certain bases, estimates and assumptions that are subjective in nature, cannot be guaranteed”.

Industry sources and publications may also base their information on estimates, projections, forecasts and assumptions that may prove to be incorrect. Accordingly, investors must rely on their independent examination of, and should not place undue reliance on, or base their investment decision solely on this information. The recipient should not construe any of the contents in this section as advice relating to business, financial, legal, taxation or investment matters and are advised to consult their own business, financial, legal, taxation, and other advisors concerning the Issue and the Units.

References to “we”, “us” and “our” are to the Trust and its subsidiary, Fibre Co, on a consolidated basis.

For information in relation to the overview of the industry in relation to the Trust, please see the section entitled “Industry Overview” on page 117 of the Placement Memorandum available at https://www.sebi.gov.in/filings/invit-private-issues/sep-2020/digital-fibre-infrastructure-trust_47743.html, the Technical Report attached hereto as Annexure B and the annual report of the Trust available at www.digitalfibreinfrastructure.com .

BUSINESS

This section should be read in conjunction with, and is qualified in its entirety by, the sections entitled “Risk Factors”, “Audited Consolidated Financial Statements and Limited Review Financials” and “Management’s Discussion and Analysis of Financial Condition and Results of Operations” on pages 35, and 89, 61, respectively, as well as all other information contained in this Placement Memorandum.

References to “we”, “us” and “our” are to the Trust and its subsidiary, Fibre Co, on a consolidated basis.

Except as stated herein below, for an overview of our business, please see the section entitled “*Business*” on page 133 of the Placement Memorandum available at https://www.sebi.gov.in/filings/invit-private-issues/sep-2020/digital-fibre-infrastructure-trust_47743.html.

Framework Agreement

The Trust, the Investment Manager, the Sponsor, the Fibre Co and RIL have entered into a framework agreement dated September 27, 2021 (the “**Framework Agreement**”) which provides for the agreed funding plan to meet the financing requirements of the Fibre Co for establishing additional fibre and the associated assets.

In order to establish additional Fiber Assets and provide funding for the same, JDFPL vide its letter dated September 20, 2021 addressed to all the parties to the SHOA sought certain waivers from the provisions of the SHOA, including amongst others, amending certain provisions of (i) the Project Agreements, (ii) the Trust Loan – I Agreement, (iii) the Trust Loan – II Agreement, and (iv) the InvIT Loan Agreement, the Trust availing additional debt, entering into consequential related party transactions in light of the amendments described above and carrying out certain factual updates to these agreements. The letter also proposed entering into the Framework Agreement that provided for the indicative roll-out of the Fibre Assets and the funding plan for the same split into phase 1 actions and phase 2 actions.

The Trust (acting through the Investment Manager) had vide its letter dated September 20, 2021 sought the written consents from all the Unitholders to provide the requested waiver and to enter into the Framework Agreement. On the basis of the written consents received from all the Unitholders, the Framework Agreement was executed on September 27, 2021 and the phase 1 actions covered therein were given effect to.

JDFPL has vide its letter dated November 24, 2021 addressed to all the parties to the SHOA sought certain waivers from the provisions of the SHOA to give effect to the phase 2 actions under the Framework Agreement. The Trust (acting through the Investment Manager) had vide its letter dated November 24, 2021 sought the written consents from all the Unitholders provide the requested waiver and to carry out the phase 2 actions contemplated under the Framework Agreement. On the basis of the written consents received from all the Unitholders, the Trust has granted waiver as requested by JDFPL on December 2, 2021. Accordingly, the phase 2 actions under the Framework Agreement shall be carried out.

SUMMARY OF THE DIGITAL FIBRE AGREEMENTS

For an overview of the summaries of the digital fibre agreements, please see the section entitled “*Summary of Digital Fibre Agreements*” on page 139 of the Placement Memorandum available at https://www.sebi.gov.in/filings/invit-private-issues/sep-2020/digital-fibre-infrastructure-trust_47743.html.

1. The FUA was amended through the amendments dated October 28, 2020, December 18, 2020 and September 27, 2021. Accordingly, the first paragraph of the summary of the FUA in the section entitled “*Summary of the digital fibre agreements – Summary of the Fibre Duct and Use Agreement*” on page 139 of the Placement Memorandum available at https://www.sebi.gov.in/filings/invit-private-issues/sep-2020/digital-fibre-infrastructure-trust_47743.html shall be deleted and replaced with the following:

*“RJIL, Fibre Co and RPPMSL have entered into an amended and restated fibre duct and use agreement dated September 21, 2020, and the amendment agreements to the amended and restated fibre duct and use agreement dated October 28, 2020, December 18, 2020 and September 27, 2021 (the “**Fibre Duct and Use Agreement**” or “**FUA**”). The amendment to the FUA dated September 27, 2021 provided for revised rates for any additional fibre off-take by RJIL post the date of the amendment.”.*

2. The O&M Agreement was amended through the amendments dated October 28, 2020 and September 27, 2021. Accordingly, the first paragraph of the summary of the O&M Agreement in the section entitled “*Summary of the digital fibre agreements – Summary of the O&M Agreement*” on page 142 of the Placement Memorandum available at https://www.sebi.gov.in/filings/invit-private-issues/sep-2020/digital-fibre-infrastructure-trust_47743.html shall be deleted and replaced with the following:

*“The Project Manager, Fibre Co and RPPMSL (the “**Operator**”) entered into the amended and restated operation and maintenance agreement dated September 21, 2020, and the amendment agreements to the amended and restated operation and maintenance agreement dated October 28, 2020 and September 27, 2021 (the “**O&M Agreement**”).”.*

3. The Project Execution Agreement was amended through the amendment dated October 28, 2020 and September 27, 2021. Accordingly, the first paragraph of the summary of the Project Execution Agreement in the section entitled “*Summary of the digital fibre agreements – Summary of the Project Execution Agreement*” on page 144 of the Placement Memorandum available at https://www.sebi.gov.in/filings/invit-private-issues/sep-2020/digital-fibre-infrastructure-trust_47743.html shall be deleted and replaced with the following:

*“The Project Manager, Fibre Co and RPPMSL (the “**Contractor**”) entered into the amended and restated project execution agreement dated September 21, 2020 for the establishment of fibres and ducts, and the amendment agreement to the amended and restated project execution agreement dated October 28, 2020 and September 27, 2021 (the “**Project Execution Agreement**”).”.*

INFORMATION CONCERNING THE UNITS

Unit holding pattern of the Trust as of September 30, 2021

All the Units held are in dematerialised form.

Category	Category of Unitholders/ Particulars	Total Number of Units held	As a percentage of total outstanding Units (%)
Sponsor	Reliance Industrial Investments and Holdings Limited	220,600,000	15.00%
Body Corporate	Sikka Ports & Terminals Limited	245,000,000	16.66%
Body Corporate	Jamnagar Utilities & Power Private Limited	255,000,000	17.34%
Body Corporate	Platinum Compass B 2018 RSC Limited	375,000,000	25.50%
Body Corporate	Public Investment Fund	375,000,000	25.50%
	Total Units Outstanding	1,470,600,000	100.00

Note – No Units have been pledged as of the date of this Letter of Offer by the Unitholders.

Unit holding of the Trust

Particulars	Number of Units
Units issued and outstanding prior to this Issue	1,470,600,000
Units issued and outstanding after this Issue	1,949,466,821

Unitholders holding more than 5% of the Units

Sr. No.	Name of Unit Holders	Pre-Issue		Post-Issue*	
		Number of Units	Percentage of holding (%)	Number of Units	Percentage of holding (%)
1.	Reliance Industrial Investments and Holdings Limited	220,600,000	15.00%	292,433,280	15.00%
2.	Sikka Ports & Terminals Limited	245,000,000	16.66%	324,778,574	16.66%
3.	Jamnagar Utilities & Power Private Limited	255,000,000	17.34%	338,034,843	17.34%
4.	Platinum Compass B 2018 RSC Limited	375,000,000	25.50%	497,110,062	25.50%
5.	Public Investment Fund	375,000,000	25.50%	497,110,062	25.50%

* Assuming all Unitholders subscribe to their respective entitlements and also apply for 1 additional Unit in lieu of the fractional entitlements.

Unitholding of the Sponsor, Investment Manager, Project Manager and Trustee

Reliance Industrial Investments and Holdings Limited, being the Sponsor, holds 220,600,000 Units of the Trust aggregating to 15% of the Units.

The Trustee, Investment Manager and Project Manager do not hold any Units and shall not acquire any Units in this Issue.

Unitholding of the directors of the Investment Manager

As on the date of this Letter of Offer, none of the directors of the Investment Manager hold any Units or propose to hold any Units in the Trust.

Sponsor lock-in

In terms of the InvIT Regulations, the Sponsor holds at least 15% of the Units (220,600,000 Units), which are locked-in for a period of three years from the date of allotment of the Units in the initial offer of units.

USE OF PROCEEDS

The proceeds of the Issue will be ₹ 47,886.68 million (the “**Issue Proceeds**”).

The Issue Proceeds will be utilised towards the following objects:

- (a) Extending the Additional Trust Loan – I to the Fibre Co in terms of the Trust Loan – I Agreement; and
- (b) Issue expenses.

Requirements of Funds

The Issue Proceeds are proposed to be utilised in accordance with the details provided in the following table:

(In ₹ million)		
S. No.	Particulars	Amount
(a)	Extending Additional Trust Loan – I to the Fibre Co in terms of the Trust Loan – I Agreement	47,830.00
(b)	Issue expenses (estimated)	56.68
Total		47,886.68

The Trust has entered into the Framework Agreement with the Investment Manager, the Fibre Co, RIL and the Sponsor, in terms of which, the Fibre Co shall establish additional Fibre Assets at an estimated capex of ₹ 350,000 million. The Framework Agreement lays down the indicative roll out plan and the indicative funding plan as under:

RKM total roll out new						
	Quarter ended September 30, 2021	Quarter ended December 31, 2021	Quarter ended March 31, 2022	Quarter ended June 30, 2022	Quarter ended September 30, 2022	Total
Intercity (NLD) (in kms)	12,268	11,066	17,500	17,500	11,666	70,000
Intracity + Enterprise (in kms)	7,010	6,323	10,000	10,000	6,666	40,000
FTTH (in kms)	13,005	11,731	18,552	18,552	12,367	74,207
Capex planned (including GST) (in ₹ crores)	6,134	5,533	8,750	8,750	5,833	35,000

Funding (in ₹ crores)	Quarter ended September 30, 2021	Quarter ended December 31, 2021	Quarter ended March 31, 2022	Quarter ended June 30, 2022	Quarter ended September 30, 2022	Total
Additional Trust Debt	6,134	750	1,247			8,131
Rights Issue Debt		4,783				4,783
Additional Fibre Co Debt			7,503	8,750	5,833	22,086
Total	6,134	5,533	8,750	8,750	5,833	35,000

The parties to the Framework Agreement have agreed and acknowledged that the roll out of the Fibre Assets and Capex Plan are indicative and does not constitute a binding obligation of JDFPL.

In terms of the Framework Agreement, the Trust has entered into amendments to the InvIT Loan Agreement to borrow in one or more tranches the Additional InvIT Loan aggregating to ₹ 81,310 million, the Trust Loan – I Agreement in terms of which the Trust would extend the Additional Trust Loan - I aggregating to ₹ 47,830 million and the Trust Loan – II

Agreement in terms of which the Trust shall extend in one or more tranches the Additional Trust Loan – II from the proceeds of the InvIT Loan aggregating to ₹ 81,310 million.

As of the date of this Letter of Offer, the Trust has borrowed ₹ 67,000 million as Additional InvIT Loan and has extended the same as Additional Trust Loan – II to the Fibre Co.

To partially meet the funding requirement for establishing the additional Fibre Assets and in accordance with the Framework Agreement, the Trust is proposing to undertake this Issue to raise up to ₹ 47,886.68 million, of which the Trust shall extend as Additional Trust Loan - I, ₹ 47,830.00 million to the Fibre Co in terms of the Trust Loan – I Agreement.

The fund requirements mentioned above, and the proposed deployment, are based on the estimates of the Investment Manager and the Fibre Co and have not been appraised by any bank, financial institution or any other external agency. The fund requirements may vary due to factors beyond the Investment Manager's control, such as market conditions, competitive environment, interest rate and exchange rate fluctuations. Consequently, the fund requirements are subject to revisions, in the future, at the discretion of the Investment Manager.

Details of Utilisation of the Proceeds

The details of utilisation of the Issue Proceeds are set forth herein below:

- (a) *Extending Additional Trust Loan – I to the Fibre Co in terms of the Trust Loan – I Agreement which would be utilized by the Fibre Co to establish additional Fibre Assets*

The Trust has entered into the Framework Agreement with the Investment Manager, the Fibre Co, RIL and the Sponsor, in terms of which, the Fibre Co shall establish additional Fibre Assets at an estimated capex of ₹ 350,000 million.

In terms of the Framework Agreement, the Trust has entered into amendments to the InvIT Loan Agreement to borrow in one or more tranches the Additional InvIT Loan aggregating to ₹ 81,310 million, the Trust Loan – I Agreement in terms of which the Trust would extend the Additional Trust Loan - I aggregating to ₹ 47,830 million and the Trust Loan – II Agreement in terms of which the Trust shall extend in one or more tranches the Additional Trust Loan – II from the proceeds of the InvIT Loan aggregating to ₹ 81,310 million.

As of the date of this Letter of Offer, the Trust has borrowed ₹ 67,000 million as Additional InvIT Loan and has extended the same as Additional Trust Loan – II to the Fibre Co. To partially meet the funding requirement for establishing the additional Fibre Assets and in accordance with the Framework Agreement, the Trust is proposing to undertake this Issue to raise up to ₹ 47,886.68 million, of which the Trust shall extend as Additional Trust Loan - I, ₹ 47,830.00 million to the Fibre Co in terms of the Trust Loan – I Agreement.

Issue Expenses

The total expenses of this Issue are estimated to be up to ₹ 56.68 million. The Issue Expenses comprise stamp duties payable on issuance of units, fees payable to the SEBI, fees payable to the Registrar and Unit Transfer Agent and all other incidental and miscellaneous expenses. The Issue expenses shall be met from distributions received from the Fibre Co and / or other sources available at the Trust

FINANCIAL INDEBTEDNESS

The details of indebtedness of the Trust as at September 30, 2021, together with a brief description of certain material covenants of the relevant financing agreements, are provided below:

(Amounts in ₹ million)

Details	Amount outstanding as of September 30, 2021 (pre – Issue)		
	Borrowings	Others	Financial indebtedness as per the balance sheet
Trust (Consolidated)			
Borrowings (non-current, current borrowings including maturity of long term borrowings, redeemable preference shares and non-convertible debentures including interest accrued)	998,860	-	998,860
Creditors for capital expenditure	-	475	475
Other liabilities	-	3,666	3,666
Total	998,860	4,141	1,003,001

Note: The borrowings are represented as net off unamortized processing fees on bank borrowings and NCDs

Principal Terms of the Loans availed by the Fibre Co:

Please see a brief description of the principal terms of the loans availed by the Fibre Co from its lenders:

1. **Security:** (a) first pari passu charge by way of hypothecation of entire moveable fixed assets and current assets (both present and future), including bank accounts, receivables, etc but excluding cash and investments from non-operating activities; and (b) by way of hypothecation, assign its rights under the project documents, on a first pari passu basis
2. **Pre-payment:** The Fibre Co shall have option to prepay, any part or whole of the facility, without payment of prepayment premium, in any of the following scenarios, subject to providing at least 15 days prior irrevocable written notice (i) if prepayment is made on annual reset date(s); or (ii) in case of mandatory prepayment condition. In all other cases the borrower would be required to pay a prepayment premium computed on the principal amount of the loan being prepaid. Prepayment is subject to minimum lock-in period under agreements with certain banks.
3. **Events of default:** Following events would be considered as events of default:
 - (a) Fibre Co defaults in payment of any amount due except where such default is caused by an administrative or technical error, evidence of which is provided to satisfaction of lenders and the sum due is paid within 3 business days of the due date for payment;
 - (b) Fibre Co defaults in performing material obligations under the financing documents or breaches any of the material terms or conditions therein and the same is not remedied within 30 days of receiving notice to this effect;
 - (c) Any petition or application in relation to insolvency resolution or bankruptcy of Fibre Co (including without limitation corporate insolvency resolutions process and bankruptcy process under the IBC) is admitted before any court, tribunal or authority of competent jurisdiction or the borrower has become bankrupt or insolvent or is dissolved;
 - (d) Any judgment or decree has been rendered against the borrower and such judgment or decree is not vacated within 30 days of such judgment or decree involving in aggregate a liability which would have a material adverse effect as defined under the financing documents;
 - (e) Occurrence of a material adverse effect and the same is not remedied by the Fibre Co within 30 days (except where the lender is of the opinion that such default is incapable of remedy in which event the cure period would not be provided);
 - (f) Security is in jeopardy;
 - (g) Permanent cessation of business by the Fibre Co;
 - (h) Appointment of receiver in respect of all or any material part of the assets of the Fibre Co;
 - (i) Attachment, distress, execution or other process, judgment, decree against the whole or any material part of the assets of the Fibre Co;
 - (j) Utilization of the facility is for any other purpose than the one sanctioned;
 - (k) Submission of information which is misleading or incorrect in any material respects;
 - (l) Termination of the FUA;
 - (m) Expropriation of whole or significant part of the assets of the Fibre Co;

- (n) Change in control of the borrower or RPPMSL or RJIL or JIMSL;
 - (o) Inadequate security or insurance;
 - (p) Cross default;
 - (q) Illegality;
 - (r) Breach of financial covenants;
 - (s) Breach of RIL / Trust / Sponsor undertakings; or
 - (t) Occurrence of outstanding debt trigger events under the FUA.
4. *Financial covenants:* Financial covenants include maintaining an asset coverage ratio of at least 1.25 and debt service coverage ratio of at least 1.1. The first test of the financial covenants shall happen after publication of audited annual accounts of the borrower as on March 31, 2022 and annually thereafter.

Principal terms of the NCDs issued by JDFPL

JDFPL has issued three series of secured debentures aggregating to ₹ 253,420 million. The principal terms of the secured debentures issued by JDFPL are as provided below:

1. *Security:* (a) first pari passu charge by way of hypothecation of entire moveable fixed assets and current assets (both present and future), including bank accounts, receivables, etc but excluding cash and investments from non-operating activities; and (b) by way of hypothecation, assign its rights under the project documents, on a first pari passu basis.
2. *Put and Call option:* JDFPL shall have the option to redeem outstanding debentures at par, in parts or in full (in case of parts, the minimum call value shall not be less than 25% of the outstanding debentures) at any time after expiry of six months from the deemed date of allotment, provided however that the exercise of such call option shall be subject to the following conditions:
 - (a) JDFPL shall provide a prior written notice of 90 days to the debenture holder(s) or the debenture trustee together with a term sheet of the alternative financing that JDFPL intends to use for redemption of such debentures; and
 - (b) the terms of such alternative financing being either at par with or better than the terms of the debentures, and the utilization of such financing shall not result in any breach of covenants stipulated in existing external financing of JDFPL.
3. *Events of default:* Following events would be considered as events of default:
 - (a) Default in redemption of debentures;
 - (b) Default in payment of interest;
 - (c) Default in performance of material covenants and conditions ;
 - (d) inability to pay debts on maturity;
 - (e) Supply of misleading information;
 - (f) Inadequate insurance/Security;
 - (g) Winding up, bankruptcy and dissolution;
 - (h) Attachment or distraint on secured assets;
 - (i) JDFPL ceases to carry on business;
 - (j) Security is in jeopardy; or
 - (k) Revocation of the IP-I registration held by JDFPL.
4. *Financial covenants:* Financial covenants include maintaining an asset coverage ratio of at least 1.25 and debt service coverage ratio of at least 1.1. The first test of the financial covenants shall happen after publication of audited annual accounts of the borrower as on March 31, 2022 and annually thereafter.

Principal terms of the InvIT Loan and Additional InvIT Loan availed by the Trust

For an overview of the principal terms of the InvIT Loan availed by the Trust, please see the section entitled “*Financial Indebtedness – Principal terms of the InvIT Loan availed by the Trust*” on page 151 of the Placement Memorandum available at https://www.sebi.gov.in/filings/invit-private-issues/sep-2020/digital-fibre-infrastructure-trust_47743.html.

Further, the InvIT Loan Agreement was amended as of September 27, 2021 to provide for Additional InvIT Loan borrowing by the Trust.

Post-Issue Indebtedness of the Trust

The immediate post-Issue indebtedness of the Trust on a consolidated basis is provided below:

(Amounts in ₹ million)

Details	Amount outstanding post – Issue		
	Borrowings	Others	Financial indebtedness as per the balance sheet
Trust (Consolidated)			
Borrowings (non-current, current borrowings including maturity of long term borrowings, redeemable preference shares and non-convertible debentures including interest accrued)	998,860	-	998,860
Creditors for capital expenditure	-	475	475
Other liabilities	-	3,666	3,666
Total	998,860	4,141	1,003,001

Note: The borrowings are represented as net off unamortized processing fees on bank borrowings and NCDs

Note: Any borrowings availed by the Trust shall be in accordance with the Indenture of Trust and the Borrowing Policy adopted by the Investment Manager on behalf of the Trust.

Trust Loan – III Agreement

The Fibre Co has entered into a loan agreement with the Trust dated December 22, 2020 for availing a loan for an amount aggregating to ₹ 2,800 million, which shall be utilized by the Fibre Co for the purposes of repayment of its existing debts. The interest for the loan advanced by the Trust pursuant to the Trust Loan – III Agreement shall be as mutually agreed between the Fibre Co and the Trust and as approved by the Unitholders.

Novation Agreement

The Trust, the Investment Manager, the Fibre Co and RVL have entered into a novation agreement in relation to the RVL Loan Agreement in terms of which, the Trust has unconditionally, irrevocably and absolutely transferred and conveyed to the Fibre Co, all the liabilities, rights, privileges, title, interest, benefits and obligations and debt of the Trust in, to and with respect to the RVL Loan and Novated Documents (as defined in the Novation Agreement) (the “**Novation**”), together with all the obligations and rights now or hereafter attaching or accruing thereto and the Fibre Co has accepted the Novation, in consideration of ₹ 2,800 million to be paid by the Trust to the Fibre Co in payment instalments as set out in the Novation Agreement (the “**Novation Consideration**”).

Status of lender consents

No lender consents in relation to this Issue are required.

Borrowing Policy

The Investment Manager shall ensure that all funds borrowed in relation to the Trust are in compliance with the InvIT Regulations. Accordingly, the Investment Manager has formulated a borrowing policy to outline the process for borrowing monies in relation to the Trust. For further details, please see the section entitled “*Corporate Governance – Investment Manager – Policies of the Board of Directors of the Investment Manager in relation to the Trust – Borrowing Policy*” on page 47.

DISTRIBUTION

Except as stated herein below, for an overview of the Distribution Policy of the Trust, please see the section entitled “Distribution” on page 155 of the Placement Memorandum available at https://www.sebi.gov.in/filings/invit-private-issues/sep-2020/digital-fibre-infrastructure-trust_47743.html

Distributions made in the last three financial years

The table below provides the Distributions made by the Trust, in accordance with the Distribution Policy in the last three financial years:

S.No.	Financial Year ended	Distribution made per Unit	Nature of Distribution
1.	March 31, 2019	NA	NA
2.	March 31, 2020	NA	NA
3.	March 31, 2021	4.8411	Return on capital

Distribution Policy

Method of calculation of Distributable Income

The Distributable Income of the Trust shall be calculated in accordance with the InvIT Regulations, any circular, notification or guidance issued thereunder and the InvIT Documents. Presently, the Trust proposes to calculate distributable income in the manner provided below:

(i) Calculation of net distributable cash flows at the SPV level:

Description
Profit after tax as per profit and loss account (standalone) (A)
Add: Depreciation and amortisation as per profit and loss account. In case of impairment reversal, same needs to be deducted from profit and loss.
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, including applicable GST or utilization of GST credit thereof
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
Add / less: Provisions made in earlier period and expensed in the current period
Add: Upfront fibre fees received to the extent unamortized and net of any provisions / reserves being created towards future service obligations
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)
Less: Repayment of external debt (principal) including but not limited to loans, debentures, debentures issued to Reliance Industries Limited (RIL NCD)/ net cash set aside to comply with reserve requirements (including but not limited to DSRA) under loan agreements
Less: Cash reserved to make due payments to secured lenders in subsequent periods
Add / less: Proceeds from any fresh issuance of preference shares / redemption of any preference shares including redemption or capital reduction of the optionally convertible preference share (net of monies attributable to optionally convertible preference shares and retained in the SPV)

Description
Add: Proceeds from any fresh issuance of equity shares
Add: Unpaid and accrued interest towards debt outstanding including but not limited to Trust Loan – I and Trust Loan – II
Less: Monies attributable to the optionally convertible preference shares in terms of the SHOA / other transaction agreements
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)
Net Distributable Cash Flows (C) = (A+B)

(ii) *Calculation of net distributable cash flows at the consolidated Trust level:*

Description
Cash flows received from SPV in the form of interest / accrued interest / additional interest
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)
Less: issue expenses payable by Trust including as reimbursements towards expenses of Trust met by the Sponsors
Less: annual expenses of the Trust including audit fees, project manager fees, investment management fees, other statutory fees, depository fees, legal expenses, credit rating fees and valuer fees, if any
Less: income tax (if applicable) at the standalone Trust level and payment of other statutory dues
Less: Repayment of debt at the Trust level specifically Trust Loan – II (including principal, interest and other monies payable in terms of the relevant loan agreement)
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 at the Trust level 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 at the Trust level 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
Less: Capital expenditure if any (including acquisition of other infrastructure assets / SPVs)
Add: Proceeds from fresh issuance of units
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)
Net Distributable Cash Flows (C) = (A+B)

In terms of the InvIT Regulations, if the distribution is not made within 15 days from the date of declaration, the Investment Manager shall be liable to pay interest to the Unitholders at the rate of 15% per annum until the distribution is made. Such interest shall not be recovered by the Investment Manager in the form of fee or any other form payable to the Investment Manager by the Trust.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

The following discussion and analysis of the Trust's financial condition and results of operations is based upon, and should be read together with the Limited Review Financials and the Audited Consolidated Financial Statements included elsewhere in this Letter of Offer.

The Limited Review Financials Audited Consolidated Financial Statements and the notes thereto included elsewhere in this Letter of Offer have been prepared in accordance with Ind AS and the InvIT Regulations, which differs in certain material respects from Indian GAAP and IFRS. Accordingly, the degree to which our Limited Review Financials Audited Consolidated Financial Statements will provide meaningful information to a prospective investor is dependent on the reader's level of familiarity with Ind AS.

This discussion contains forward-looking statements and reflects our current views with respect to future events and financial performance. Actual results may differ materially from those anticipated in these forward-looking statements as a result of certain factors such as those set forth in the section titled "Risk Factors" included elsewhere in this Letter of Offer.

The Trust's financial year ends on March 31 of each year. Accordingly, references to a particular financial year or a "Fiscal" are to the twelve-month period ended March 31 of that year. The Audited Consolidated Financial Statements included in this Letter of Offer present the Trust's financial condition as of March 31, 2019, March 31, 2020 and March 31, 2021. The Limited Review Financials included in this Letter of Offer present the Trust's unaudited financial condition for the six months ended September 30, 2021.

References to the "Trust Group", "we", "us" and "our" are to the Trust and its subsidiary, Fibre Co, on a consolidated basis.

Factors Affecting Results of Operations

Our business, prospects, results of operations and financial condition are affected by a number of factors, including the key factors described in the section entitled "Management's Discussion and Analysis of Financial Condition and Results of Operation" on page 61 of the Placement Memorandum available at https://www.sebi.gov.in/filings/invit-private-issues/sep-2020/digital-fibre-infrastructure-trust_47743.html

Critical Accounting Policies

For details, please refer to the annual report of the Trust available at www.digitalfibreinfrastructure.com.

Description of Principal Income Statement Line Items and Results of Operations

	Year ended March 31, 2021 (₹ in million)	Year ended March 31, 2020 (₹ in million)
INCOME		
Revenue from Operations	76,398	61,257
Other Income.....	242	136
Total Income.....	76,640	61,393
EXPENSES		
Network Operating Expenses.....	10,408	8,620
Employee Benefits Expenses	6	1
Finance Costs	66,534	62,619
Depreciation and Amortisation Expense.....	63,127	59,057
Other Expenses	2,507	150
Total Expenses.....	1,42,582	1,30,447
Loss before tax.....	(65,942)	(69,054)
Tax expense		
(i) Current tax.....	-	-
(ii) Deferred tax.....	(17,793)	(17,307)
Loss for the period	(48,149)	(51,747)
Other Comprehensive Income	0	-
Total Comprehensive Income for the period.....	(48,149)	(51,747)

Income

Our income consists of revenue from operations and other income.

Revenue from operations

Our revenue from operations consist of (i) income from the amortization of the Upfront Fibre Fees, (ii) Monthly Fibre Fees and (iii) Maintenance Fees. For the year ended March 31, 2021, our revenue from operations was ₹ 76,398 million as compared to ₹ 61,257 million for the year ended March 31, 2020. The revenue from operations increased by 24.7% primarily on account of increased off-take by our anchor customer RJIL as well as increase in the monthly fees resulting from the coming into effect of the Amended and Restated FUA from September 29, 2020.

Other income

Our other income for the year ended March 31, 2021 was ₹ 242 million as compared to ₹ 136 million for the year ended March 31, 2020. The increase was primarily on account of profit on sale of current investment (net) of ₹ 203 million in Fiscal 2021 as compared to ₹ 136 million in Fiscal 2020 partially off-set by decrease in miscellaneous income to ₹ 34 million in Fiscal 2021

Expenses

Our expenses comprise (i) network operating expenses, (ii) employee benefit expenses, (iii) finance costs, (iv) depreciation and amortisation expenses and (v) other expenses.

Network operating expenses

Our network operating expenses primarily consisted of repairs and maintenance expenses of ₹ 10,408 million for the year ended March 31, 2021 as compared to ₹ 8,620 million for the year ended March 31, 2020. The network operating costs increased by 20.7% in Fiscal 2021 primarily on account of increase in overall Fibre Assets to ~ 20.20 million FPKM and RKM as of March 31, 2021 as compared to ~ 17.37 million FPKM as of March 31, 2020 and the coming into effect of the Amended and Restated O&M Agreement on September 29, 2020.

Employee benefit expenses

Our employee benefit expenses increased to ₹ 6 million for the year ended March 31, 2021 as compared to ₹ 1 million for year ended March 31, 2020 due to appointment of Managing Director and Company Secretary by the Fibre Co during the year ended March 31, 2021.

Finance costs

Our finance costs for the year ended March 31, 2021 were ₹ 66,534 million comprising interest expenses of ₹ 65,772 million, exchange losses (attributable to finance costs) of ₹ 152 million and other borrowings costs of ₹ 610 million. The overall finance costs increased by 6.3% when compared to year ended March 31, 2020. The increase is primarily attributable to increase in interest expenses to ₹ 65,772 million from ₹ 61,869 million due to InvIT Loan borrowed by the Trust in December 2020 which carry interest cost of ~ 12% p.a.

Depreciation and amortisation expense

Our depreciation and amortization expense for the year ended March 31, 2021 was ₹ 63,127 million as compared to ₹ 59,057 million for the year ended March 31, 2020. The increase is primarily on account of increased capex during the year ended March 31, 2021. During the year ended March 31, 2021, the total capex incurred by the Fibre Co was ₹ 163,785 million.

Other expenses

Other expenses include auditors' fees, professional charges, general expenses and fair value of put/call option (net). Other expenses were ₹ 2,507 million for the year ended March 31, 2021 as compared to ₹ 150 million in March 31, 2020. The increase is primarily on account of charge for fair value of put / call (option) of ₹ 2,252 million for year ended March 31, 2021 as compared to nil for year ended March 31, 2020. The fair value of put / call (option) is on account of the fair valuation undertaken for the put option that the Trust holds vis-à-vis RIIHL that allows the Trust to sell the equity shares it holds in Fibre Co to RIIHL (or the Reliance Nominee as defined in the SHOA) at par at end of the term of the SHOA as well as the fair valuation undertaken for the call option that RIL holds vis-à-vis the Trust that allows RIL the right to acquire the equity shares the Trust holds in Fibre Co at par at end of the term of the SHOA.

Loss before tax

On account of the above, our loss before taxes decreased to ₹ 65,942 million for the year ended March 31, 2021 as compared to ₹ 69,054 million for the year ended March 31, 2020.

Tax expenses

Our tax expenses for the year ended March 31, 2021 were ₹ (17,793) million, primarily due to the recognition of deferred tax asset of ₹ 17,793 million for March 31, 2021. This was when compared to ₹ 17,307 million of deferred tax assets created in March 31, 2020.

Other comprehensive income

We had negligible other comprehensive income during the year ended March 31, 2021.

Total comprehensive income

On account of the above, our total comprehensive loss for the year ended March 31, 2021 was ₹ 48,149 million as compared to ₹ 51,747 million for year ended March 31, 2020.

Our Financial Condition

The following table presents our financial position on a consolidated basis as of March 31, 2021:

	March 31, 2021
	(₹ in million)
ASSETS	
Non-current assets	
Property, plant and equipment	1,176,271
Goodwill	139,310
Other intangible assets	475,550
Financial assets	
Other financial assets	5,147
Other non-current assets	7,998
Total non-current assets	1,804,276
Current assets	
Financial Assets	
Investments	1,494
Trade receivables	93
Cash and cash equivalents	114
Other bank balances	92
Other financial assets	3,017
Other current assets	38,636
Total Current Assets	43,446
Total Assets	1,847,722
EQUITY AND LIABILITIES	
Equity	
Unit Capital	147,060
Corpus contribution	319
Other equity	528,559
Total Equity	675,938
Non-controlling interest	(120,898)
Liabilities	
Non-Current Liabilities	
Financial Liabilities	
Borrowings	866,932

	March 31, 2021
	(₹ in million)
Other non-current financial liabilities	2,292
Deferred tax liabilities (net)	233,972
Other Non-Current Liabilities	153,075
Total Non-Current Liabilities	1,256,271
Current Liabilities	
Financial Liabilities	
Borrowings	-
Trade Payables due to	
Micro and small enterprises	-
Other than micro and small enterprises	8
Other Financial Liabilities	241
Creditors for capital expenditure	30,027
Other Current Liabilities	6,135
Total Current Liabilities	36,411
Total Liabilities	1,292,682
Total Equity and Liabilities	1,847,722

Liquidity and Capital Resources

Fibre Co operates in a capital intensive industry and its principal liquidity requirements are to finance the development and acquisition of new fibre assets and repair and maintenance of existing Fibre Assets. Fibre Co intends to fund its capital expenditure from operating cash flows and bank borrowings. Please also see the section titled “*Financial Indebtedness*” for further information.

We believe that considering current cash balances, cash to be generated from operations, the proceeds from the issuance of the Units, the InvIT Borrowings and further borrowings to be drawn in relation to capital expenditures, we have sufficient liquidity to meet our present and anticipated working capital needs, debt service obligations, capital expenditures and other cash requirements, for at least the next 12 months. Its ability to continue to fund these items may be affected by general economic, competitive, and other factors, many of which are outside of our control. If Fibre Co’s future cash flows from operations and other capital resources are insufficient to fund our liquidity needs, it may be forced to reduce or delay its capital expenditures, sell assets, obtain additional debt or equity capital, or refinance all or a portion of its debt.

The following table sets forth our cash flows as of March 31, 2021:

	Year ended March 31, 2021
	(₹ in millions)
Net cash flow generated from operating activities.....	36,180
Net cash flow used in investing activities.....	(199,860)
Net cash flow used in financing activities	163,628
Net increase (decrease) in cash and cash equivalents	(52)
Cash and cash equivalents at beginning of year	166
Cash and cash equivalents at the end of period	114

Net cash flow generated from operating activities

For the year ended March 31, 2021, our net cash flow generated from operating activities was ₹ 36,180 million. This net cash inflow was primarily attributable to (i) net loss before tax of ₹ 65,942 million, as adjusted for depreciation and amortization of ₹ 63,127 million, profit on sale of investments of ₹ 203 million, interest income of ₹ 3 million and finance costs of ₹ 66,534 million; (ii) working capital adjustments of negative ₹ 27,216 million; and (iii) taxes paid of ₹ 120 million.

Net cash flow used in investing activities

For the year ended March 31, 2021, our net cash flow used in investing activities was ₹ 199,860 million. This cash outflow was primarily attributable to the purchase of property, plant and equipment of ₹ 198,571 million, purchase of investments of ₹ 135,604 million as adjusted for proceeds from sale of investments of ₹ 134,315 million.

Net cash flow used in financing activities

For the year ended March 31, 2021, our net cash flow used in financing activities was ₹ 163,628 million. This cash outflow was primarily attributable to the repayment of current borrowings of ₹ 145,000 million, the repayment of non-current borrowings of ₹ 571,050 million, the repayment of inter-corporate deposit of ₹ 32,600 million, finance costs paid of ₹ 94,544 million, Unit issuance costs of ₹ 8 million and distributions to Unitholders of ₹ 7,119 million as adjusted for the proceeds from non-current borrowings of ₹ 866,889 million.

Financial Indebtedness

For a description of our financial indebtedness, please see “*Financial Indebtedness*”.

Capital Expenditures

Our capital expenditures primarily relate to the expansion, maintenance and upgrading of our Fibre Assets. Fibre Co owns and operates a pan-India operational optic fibre cable network of approximately 22.78 million FPKM as of September 30, 2021. The Fibre Co additionally proposes to expand its fibre network to approximately 29.32 million FPKM by September 30, 2022 at an approximate capital expenditure of ₹ 283,000 million. .

Transactions with Related Parties

We have in the past engaged, and in the future may engage, in related party transactions.

For information on our related party transactions under the InvIT Regulations, please refer to the section titled “*Related Party Transactions*”.

Contractual Obligations

In addition to payment obligations under borrowings, we have continuing obligations to make certain payments.

As of March 31, 2021, we had the following contractual obligations:

	Payment due by period (₹ in millions)				Total
	Zero to one year	One to three years	Three to five years	Above five years	
Trade Payable	8	-	-	-	8
Other Current Financial Liabilities	231	-	-	-	231
Creditors for Capital Expenses	30,027	-	-	-	30,027
Borrowings ¹	-	77,303	126,736	664,381	868,420
Total	30,266	77,303	126,736	664,381	898,686
Derivatives	-	-	-	-	-
Total	-	-	-	-	-

Note:

1. includes prepaid finance charges of ₹ 1,500 million.

Contingent Liabilities and Off-Balance Sheet Arrangements

We are subject to legal proceedings and claims which arise in the ordinary course of business. See “*Legal and Other Information*.” Although occasional adverse decisions or settlements may occur, the potential loss, if any, cannot be reasonably estimated. However, we believe that the final disposition of current matters will not have a material adverse effect on our financial position, results of operations or cash flow. We believe that we have adequately provided for contingencies which are likely to become payable. For further information on our contingent liabilities, see Notes 25 to our Audited Consolidated Financial Statements as of and for the year ended March 31, 2021 included elsewhere in this Letter of Offer.

As of March 31, 2021, we did not have any off-balance sheet arrangements.

Significant Developments since March 31, 2021

The Limited Review Financials of the Trust are available. The same are included on page 89 of this Letter of Offer.

Except as disclosed above and elsewhere in this Letter of Offer, there is no subsequent development after the date of our financial statements contained in this Letter of Offer which we believe has affected, or is likely to affect, materially and adversely, our operations or profitability, or the value of our assets, or our ability to pay our material liabilities within the next 12 months.

The following table sets forth the monthly revenues of Fibre Co since September 30, 2021:

Months ended	₹ millions
October 2021	9,905.7
November 2021	10,007.9

Quantitative and Qualitative Disclosure about Market Risk

Credit risk

Credit risk relates to the risk that a customer or a counterparty to a financial instrument fails to discharge an obligation to us or causes financial loss to us. We are exposed to credit risk in respect of outstanding receivables from customers and our investments. We have a prudent and conservative process for managing credit risk arising in the course of our business activities and actively manage it through advance payments.

See also, “*Business — Overview of Transaction Agreements*” and “*Risk Factors — Risks Related to Fibre Co’s Business and Industry — RJIL currently contributes to substantially all of Fibre Co’s revenues and is expected to continue to contribute significantly to its revenues going forward. Accordingly, its results of operations and financial condition are linked to those of RJIL. As a result, any and all the factors that may adversely affect the business of RJIL would adversely and materially affect the results of operations and financial condition of Fibre Co. Further, any delay in payments from RJIL would materially and adversely affect Fibre Co’s cash flows and distributions to our Unitholders*”.

Liquidity risk

Liquidity risk relates to the risk that we will not be able to meet our obligations associated with our financial liabilities. We are exposed to liquidity risk in respect of financing arrangements. If we fail to maintain sufficient stock of working capital due to delayed payment from our customers, we may need to incur additional indebtedness to service existing debt obligations. See also, “*Risk Factors — Risks Related to Fibre Co’s Business and Industry — The Trust’s substantial indebtedness could adversely affect our business, prospects, financial condition, results of operations and cash flows*”.

The Trust, through the Investment Manager, will regularly monitor liquidity requirements to ensure that it maintains adequate means of obtaining funds necessary in order to meet liquidity requirements in the short and longer term.

Interest rate risk

As the infrastructure development and construction business is capital intensive, we are exposed to interest rate risk. Interest rates for borrowings have been volatile in India in recent periods. Our exposure to risk of changes in market interest rate relates to floating rate debt obligations and derivative products taken to mitigate interest rate risk. Therefore, any increases in interest expense could have an adverse effect on their results of operations and financial condition. We may actively look at various options to reduce risks related to increase in interest rates including but not limited to refinancing of higher cost borrowings from time to time and hedging our interest costs.

Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign currency rates. The Audited Consolidated Financial Statements are presented in Indian rupees. The functional currency applicable to us is also Indian rupees and we generate revenues and incur costs in Indian rupees. The exchange rate between the U.S. dollar and India rupees has fluctuated significantly in recent years and may continue to fluctuate in the future. Depreciation of the Indian rupees against the U.S. dollar can adversely affect our results of operations. See also, “*Risk Factors — Risks Related to Fibre Co’s Business and Industry — Fluctuations in exchange rates between the Rupee and foreign currencies, and particularly, the U.S. Dollar may affect Fibre Co’s business, our results of operations and financial condition and the foreign currency equivalent of the value of the Units and any distributions*”.

Inflation

In past years, India has experienced relatively high rates of inflation. Inflation generally impacts the overall economy and business environment and hence could affect us.

Seasonality

Our business is not seasonal.

RELATED PARTY TRANSACTIONS

Except as otherwise stated herein below, for details in relation to the related party transactions in relation to the Trust, please refer to the section entitled “*Related Party Transactions*” on page 172 of the Placement Memorandum available at https://www.sebi.gov.in/filings/invit-private-issues/sep-2020/digital-fibre-infrastructure-trust_47743.html.

1. The Trust has entered into an amended and restated shareholders’ and option agreement with the Investment Manager, the Sponsor, the Fibre Co and RIL, dated October 29, 2020 (the “**Amended and Restated Shareholders’ and Option Agreement**”). Accordingly, the summary of the Shareholders’ and Option Agreement in the section entitled “*Related Party Transactions – Shareholders’ and Option Agreement*” appearing on page 174 of the Placement Memorandum available at https://www.sebi.gov.in/filings/invit-private-issues/sep-2020/digital-fibre-infrastructure-trust_47743.html shall be modified as provided below:

- (i) The first paragraph appearing on page 174 of the Placement Memorandum available at https://www.sebi.gov.in/filings/invit-private-issues/sep-2020/digital-fibre-infrastructure-trust_47743.html shall be deleted and replaced with the following:

*“The Trust has entered into an amended and restated shareholders’ and option agreement with the Investment Manager, the Sponsor, the Fibre Co and RIL, dated October 29, 2020 (the “**Amended and Restated Shareholders’ and Option Agreement**”) to provide certain inter se rights and obligations in relation to the Fibre Co which would be effective on and from September 29, 2020 (the “**SHOA Closing Date**”), including the right of RIL to purchase the entire shareholding of the Trust in the Fibre Co and the right of the Trust to transfer its entire shareholding in the Fibre Co to the Sponsor in accordance with the terms of the Shareholders’ and Option Agreement.”.*

- (ii) The first paragraph in the section entitled “*Related Party Transactions – Shareholders’ and Option Agreement – Trigger Events – Company Trigger Event*” appearing on page 175 of the Placement Memorandum available at https://www.sebi.gov.in/filings/invit-private-issues/sep-2020/digital-fibre-infrastructure-trust_47743.html shall be deleted and replaced with the following:

“Company Trigger Event means (i) the Fibre Co ceasing to have an IP-I registration (or equivalent authorisation) for any reason; or (ii) receipt of written notice by the Trust from any of the lenders under the Facility Arrangement, as defined in the Shareholders’ and Option Agreement, exercising their rights to accelerate repayment of its loan under the Facility Arrangement on account of occurrence of events specified in the Shareholders’ and Option Agreement.”.

- (iii) The third point (numbered (iii)) in the section entitled “*Related Party Transactions – Shareholders’ and Option Agreement – Trigger Events – Reliance Trigger Event*” appearing on page 175 of the Placement Memorandum available at https://www.sebi.gov.in/filings/invit-private-issues/sep-2020/digital-fibre-infrastructure-trust_47743.html shall be deleted and replaced with the following:

“non-payment of any amount payable in relation to the loan availed by Fibre Co from the Trust in breach of the Trust Loan Agreements, which non-payment remains unrectified for a continuous period of 30 days from the date of receipt of written notice in this regard by Fibre Co;”.

- (iv) The seventh point (numbered (vii)) in the section entitled “*Related Party Transactions – Shareholders’ and Option Agreement – Trigger Events – Reliance Trigger Event*” appearing on page 175 of the Placement Memorandum available at https://www.sebi.gov.in/filings/invit-private-issues/sep-2020/digital-fibre-infrastructure-trust_47743.html shall be deleted and replaced with the following:

“breach of sub-point (b), (c), (d) and sub-point (e) of “Other Covenants” set out below;”.

- (v) The below two points shall be added as point numbers (xii) and (xiii)) in the section entitled “*Related Party Transactions – Shareholders’ and Option Agreement – Trigger Events – Reliance Trigger Event*” appearing on page 175 of the Placement Memorandum available at https://www.sebi.gov.in/filings/invit-private-issues/sep-2020/digital-fibre-infrastructure-trust_47743.html:

“(xii). breach of clauses, as specified in the Shareholders’ and Option Agreement, of the Trust Loan – I or Trust Loan – II respectively by Fibre Co;

*(xiii). cancellation of the registration of the Trust by SEBI where such cancellation is attributable to acts/ omissions of the Investment Manager, project manager or any member of RIL or its Affiliates, as defined in the Shareholders’ and Option Agreement (the “**Reliance Group**”), holding units in the Trust and such cancellation has not been stayed/set aside by a competent Government Entity, as defined in the Shareholders’ and Option Agreement, within 120 (one hundred and twenty) days of the relevant order being passed by SEBI. It is clarified that any cancellation order passed by SEBI for any acts/omissions by any Person, as defined in the Shareholders’ and Option Agreement (not forming part of the Reliance Group) holding units in the Trust shall not constitute a Reliance Trigger Event.”.*

- (vi) The fourth point (numbered (iv)) in the section entitled “*Related Party Transactions – Shareholders’ and Option Agreement – Trigger Events – Intermediate Trigger Event*” appearing on page 175 of the Placement Memorandum available at https://www.sebi.gov.in/filings/invit-private-issues/sep-2020/digital-fibre-infrastructure-trust_47743.html shall be deleted and replaced with the following:

*“Upon the expiry of 60 Business Days from the occurrence of an Intermediate Trigger Event, (a) in the event all actions as provided under the Shareholders’ and Option Agreement, have not been consummated in full; or (b) no Intermediate Trigger Notice as provided under the Shareholders’ and Option Agreement, has been issued by the Trust (through the Investment Manager); or (c) no actions have been undertaken by the Investment Manager pursuant to sub-point (g)(i) of “Other Covenants” below, then each Unitholder (except the Sponsor) will have the right but not an obligation to require the SPV and / or RIIHL (by issuing a written notice to it) to purchase all the Units held by such Unitholder in accordance with the terms and conditions (including price and time frame) set out in the the joint and several undertaking to be provided by the SPV and RIIHL in respect of the put option being provided by it to all unitholders of the Trust (“**SPV and RIIHL Undertaking**”).”.*

- (vii) Point (b)(iii) in the section entitled “*Related Party Transactions – Shareholders’ and Option Agreement – Other Covenants*” appearing on page 178 of the Placement Memorandum available at https://www.sebi.gov.in/filings/invit-private-issues/sep-2020/digital-fibre-infrastructure-trust_47743.html shall be deleted and replaced with the following:

“alter the share capital of Fibre Co;”.

- (viii) The below two points shall be added as point numbers (ix) and (x) in the section entitled “*Related Party Transactions – Shareholders’ and Option Agreement – Other Covenants*” appearing on page 178 of the Placement Memorandum available at https://www.sebi.gov.in/filings/invit-private-issues/sep-2020/digital-fibre-infrastructure-trust_47743.html:

“(ix) amend any of the clauses, as specified in the Shareholders’ and Option Agreement, of the relevant transaction documents; and

(x) Enter into any new transactions with ‘related parties’ other than in the ordinary course of business and/ or other than on arms’ length basis. Notwithstanding the foregoing, if any transaction with a ‘related party’ is reasonably expected to have a net beneficial impact on the financial position of Fibre Co, then Fibre Co shall be permitted to undertake such transaction, and provide written intimation of such transaction(s) to the operations and monitoring committee. If the transaction does not have a net beneficial impact on the financial position of Fibre Co, then Fibre Co shall forthwith take necessary steps to discontinue and unwind such transaction in a manner that puts Fibre Co in the same position as it was, before such transaction was undertaken. For this purpose, the term ‘related parties’ will have the meaning given to the term under the SEBI InvIT Regulations.”.

- (ix) Point (c)(ii) in the section entitled “*Related Party Transactions – Shareholders’ and Option Agreement – Other Covenants*” appearing on page 178 of the Placement Memorandum available at https://www.sebi.gov.in/filings/invit-private-issues/sep-2020/digital-fibre-infrastructure-trust_47743.html shall be deleted.

- (x) Point (d) in the section entitled “*Related Party Transactions – Shareholders’ and Option Agreement – Other Covenants*” appearing on page 178 of the Placement Memorandum available at https://www.sebi.gov.in/filings/invit-private-issues/sep-2020/digital-fibre-infrastructure-trust_47743.html shall be deleted and replaced with the following:

“RIL shall not Transfer, as defined in the Shareholders’ and Option Agreement, the Shares held by it in Fibre Co to any person (other than to its Affiliates, as defined in the Shareholders’ and Option Agreement), in any manner whatsoever, without the prior written consent of the Trust (which consent may be granted by the Trust at its sole discretion and if granted may be subject to such conditions as the Trust deems fit, including subject to a right of first offer and/or tag rights in favour of the Trust). Any purported Transfer or attempt to Transfer any of the Shares in violation of the Shareholders’ and Option Agreement shall be null and void ab initio.”.

- (xi) Point (e) in the section entitled “*Related Party Transactions – Shareholders’ and Option Agreement – Other Covenants*” appearing on page 178 of the Placement Memorandum available at https://www.sebi.gov.in/filings/invit-private-issues/sep-2020/digital-fibre-infrastructure-trust_47743.html shall be deleted and replaced with the following:

“(e) The Trust and the Investment Manager agree and undertake that they shall not:

- (i). *amend the Indenture of Trust or the Investment Management Agreement which would adversely impact the exercise of their rights under the provisions of the Shareholders' and Option Agreement;*
 - (ii). *change the Investment Manager and/or the Trustee or materially change the fees payable to them;*
 - (iii). *terminate the Original Indenture of Trust or the Original Investment Management Agreement;*
 - (iv). *issue more than 1,470,600,000 units in a single or series of issuances;*
 - (v). *create any encumbrance over the assets of the Trust;*
 - (vi). *enter into any new transactions with 'related parties' other than in the ordinary course of business and/ or other than on arms' length basis. Notwithstanding the foregoing, if any transaction with a 'related party' is reasonably expected to have a net beneficial impact on the financial position of the Trust, then the Trust shall be permitted to undertake such transaction, and provide written intimation of such transaction(s) to the operations and monitoring committee. If the transaction does not have a net beneficial impact on the financial position of the Trust, then the Trust shall forthwith take necessary steps to discontinue and unwind such transaction in a manner that puts the Trust in the same position as it was, before such transaction was undertaken. For this purpose, the term 'related parties' will have the meaning given to the term under the SEBI InvIT Regulations;*
 - (vii). *take any additional indebtedness (other than the Facility Arrangement) at the level of the Trust; and*
 - (viii). *undertake: (a) any investments in subsidiaries or special purpose vehicles including by acquiring any new securities; and/ or (b) acquire any new assets by way of slump sale or business transfer; and/ or (c) or divest assets of the Trust (other than as contemplated under the transaction documents).".*
- (xii) The below two points shall be added as point numbers (f) and (g) in the section entitled "*Related Party Transactions – Shareholders' and Option Agreement – Other Covenants*" appearing on page 178 of the Placement Memorandum available at https://www.sebi.gov.in/filings/invit-private-issues/sep-2020/digital-fibre-infrastructure-trust_47743.html:
- "(f) The Fibre Co shall not take any decision in relation to conversion of the of 78,139,666,092 fully paid-up, cumulative, participating and optionally convertible preference shares ("OCPS") on the OCPS Mandatory Conversion/Redemption Date; or enter into any agreement in relation to the same, without the prior written consent of all parties to the Shareholders' and Option Agreement. If Fibre Co is unable to exercise the option to convert the OCPS because at least 60% of the unitholders of the Trust have not approved the said conversion, then the OCPS will be mandatorily redeemed on the OCPS Mandatory Conversion/Redemption Date in accordance with the provisions of the Shareholders' and Option Agreement, For the avoidance of doubt it is clarified that (i) the redemption of the OCPS on the OCPS Mandatory Conversion/Redemption Date shall not result in any net cash outflow from the Company and shall be strictly in accordance with the mechanism contemplated in the Shareholders' and Option Agreement; and (ii) in relation to any redemption or buy-back of the OCPS prior to the OCPS Mandatory Conversion/Redemption Date in accordance with the provisions of the Shareholders' and Option Agreement the Fibre Co shall not be required to undertake any action which may result, directly or indirectly, in the Trust holding less than 51% of the equity share capital of the Fibre Co.*
- (g) The Trust and the Investment Manager hereby agree that:*
- (i). *if any action is proposed to be undertaken by the Trust (through the Investment Manager) in relation to issue of Intermediate Trigger Notice, or*
 - (ii). *if any action is proposed to be undertaken by the Trust (through the Investment Manager) on and from the Option Event Date in relation to exercise of the Put Option, or*
 - (iii). *if any consent is required to be provided by the Trust: (a) under sub-point (d) of "Other Covenants", or (b) under sub-point (f) of "Other Covenants"*
 - (iv). *then the Investment Manager (acting on behalf of the Trust) shall promptly, and in no event later than 5 Business Days from (a) the occurrence of any Intermediate Trigger Event; or (b) the Option Event Date; or (c) receipt of any notice or communication from RIL of its intention to Transfer the Shares held by it in Fibre Co; or (d) receipt of any notice or communication from Fibre Co of its intention to undertake any action under sub-point (f) of "Other Covenants" above, provide a written notice of the same to all the Unitholders of the Trust in accordance with the InvIT Regulations and undertake such action or grant such consent only if it is approved by at least 60% of the Unitholders of the Trust."*

- (xiii) The first paragraph in the section entitled “*Related Party Transactions – Shareholders’ and Option Agreement – Preference Shares*” appearing on page 179 of the Placement Memorandum available at https://www.sebi.gov.in/filings/invit-private-issues/sep-2020/digital-fibre-infrastructure-trust_47743.html shall be deleted and replaced with the following:

*“The share capital of the Fibre Co, in addition to the Equity Share Capital, shall comprise of 78,139,666,092 fully paid-up, cumulative, participating and optionally convertible preference shares of face value ₹ 10 each, having no voting rights, with a term of 20 years from the date of allotment and having such other terms as set out in the Shareholders’ and Option Agreement and 1,250,000 fully paid-up cumulative, redeemable, non-participating and non-convertible preference shares held by RIL of face value ₹ 10 each, having no voting rights, with a term of 20 years from the date of allotment and having such other terms as set out in the Shareholders’ and Option Agreement (the “**Preference Shares**”). The Trust shall, and shall cause the Fibre Co to, take all steps as may be necessary to redeem such number of Preference Shares (from time to time) as may be required to provide the preference shareholder, the returns contemplated in the Shareholders’ and Option Agreement. The proceeds from any loans taken by the Fibre Co other than under the Financing Documents or Trust Financing Documents (each as defined in the Shareholders’ and Option Agreement) will be used for distributions to the Trust or used for general corporate purposes and shall not be used for making any distributions to the holders of the Preference Shares.”.*

2. The Trust entered into an amendment to the Trust Loan – I Agreement and Trust Loan – II Agreement on September 27, 2021 and on December 2, 2021 in accordance with the Framework Agreement to provide for the grant of the Additional Trust Loan – I and Additional Trust Loan – II and certain factual updates.

REGULATIONS AND POLICIES

For an overview of the regulations and policies applicable to us, please see the section entitled “*Regulations and Policies*” on page 181 of the Placement Memorandum available at https://www.sebi.gov.in/filings/invit-private-issues/sep-2020/digital-fibre-infrastructure-trust_47743.html.

REGULATORY APPROVALS

For an overview of the material consents, permissions, registrations and approvals from the Government, various governmental agencies and other statutory or regulatory authorities required to be obtained by the Trust or Fibre Co for carrying out their present businesses, please see the section entitled “*Regulatory Approvals*” on page 184 of the Placement Memorandum available at https://www.sebi.gov.in/filings/invit-private-issues/sep-2020/digital-fibre-infrastructure-trust_47743.html.

LEGAL AND OTHER INFORMATION

Except as otherwise provided herein below, for an overview of the material litigation or actions by regulatory authorities, in each case against the Trust, the Sponsor, the Investment Manager, the Project Manager, or any of their Associates and the Trustee, that are currently pending, please see the section entitled “*Legal and Other Information*” on page 185 of the Placement Memorandum available at https://www.sebi.gov.in/filings/invit-private-issues/sep-2020/digital-fibre-infrastructure-trust_47743.html.

The threshold for materiality is updated to reflect the following:

In respect of the Sponsor, all outstanding cases which involve an amount equivalent to or exceeding 5% of the total income of the Sponsor for Fiscal 2021 have been considered material.

In respect of the Investment Manager, all outstanding cases which involve an amount equivalent to or exceeding 5% of the total income of the Investment Manager for Fiscal 2021 have been considered material.

In respect of the Project Manager, all outstanding cases which involve an amount equivalent to or exceeding 5% of the total income of the Project Manager for Fiscal 2021 have been considered material.

In respect of the Associates of the Investment Manager, all outstanding cases which involve an amount equivalent to or exceeding 5% of the consolidated total income of JM Financial Limited for Fiscal 2021 have been considered material

In respect of the Associates of the Sponsor and Project Manager, all outstanding cases which involve an amount equivalent to or exceeding 5% of the consolidated total income of Reliance Industries Limited for Fiscal 2021 have been considered material

In respect of the Trustee, all outstanding litigations involving an amount equivalent to or exceeding 5% of the profits after tax for Fiscal 2021 have been considered material.

In relation to the Fibre Co, all outstanding cases which involve an amount equivalent to or exceeding 5% of the total income of the Fibre Co for Fiscal 2021 have been considered material.

Additionally all cases which are considered material whether or not they meet the aforementioned threshold or where the amount is not ascertainable has been disclosed.

1. The summary of the material litigation and regulatory actions pending against the associates of the Sponsor, appearing in the section entitled “*Legal and Other Information - Litigation involving the Associates of the Sponsor, the Investment Manager and the Project Manager - Material litigation and regulatory actions pending against the associates of the Sponsor*” on page 186 of the Placement Memorandum available at https://www.sebi.gov.in/filings/invit-private-issues/sep-2020/digital-fibre-infrastructure-trust_47743.html shall be deleted and replaced with the following:

“Reliance Industries Limited (an Associate of the Sponsor)

- (a). *The Government of India (GOI) sent a notice to the KG D6 Contractor (consisting of RIL, bp p.l.c. and Niko (NECO) Ltd) on November 3, 2016 asking the Contractor to deposit approximately US\$ 1.55 billion on account of alleged gas migration from ONGC’s blocks. RIL, as Operator, for and on behalf of all constituents of the Contractor, initiated arbitration proceedings against the GOI. The Arbitral Tribunal vide its Final Award dated 24th July, 2018 upheld Contractor’s claims. GOI filed an Appeal on 15th November, 2018 before the Hon’ble Delhi High Court, under Section 34 of the Arbitration Act, against the Final Award of the Arbitral Tribunal and the Appeal is currently pending adjudication before the Hon’ble Delhi High Court. The matter is listed for hearing on 21st December 2021.*
- (b). *An arbitration was initiated by BG Exploration and Production India Limited and RIL (together, the Claimants) against the Government of India (GOI) on 16th December, 2010 under the PSCs for Panna – Mukta and Tapti blocks due to difference in interpretation of certain PSC provisions between Claimants and GOI. The Arbitral Tribunal by majority issued a final partial award (“2016 FPA”), and separately, two dissenting opinions in the matter on 12th October, 2016. Claimants challenged certain parts of the 2016 FPA before the English Courts, which delivered its judgement on 16th April, 2018 and remitted one of the challenged issues back to the Arbitral Tribunal for reconsideration. The Arbitral Tribunal in its final partial award dated 1st October, 2018 (“2018 FPA”) decided in favour of the Claimants in large part by holding that the Claimants were entitled to cost recovery of certain development costs as claimed by them.. GOI and Claimants filed an appeal before the English Commercial Court against this 2018 FPA. The English Commercial Court rejected challenges to 2018 Final Partial Award and upheld Claimants’ challenge that*

Arbitration Tribunal had jurisdiction over the limited issue which was in appeal and remitted the issue back to the Arbitration Tribunal. Tribunal gave favorable award on 29th January, 2021 (“EPOD Agreements Case Award”). Both the parties filed Clarification Applications before the Tribunal. On 9th April 2021, Tribunal issued its decision on the Clarification Applications of both the parties. It granted the minor correction requested by the Claimants and has rejected all of the GOI’s clarification requests. GOI has challenged the EPOD Agreements Case Award before the English High Court. Claimants have filed an application before the Arbitral Tribunal seeking increase in the PSC Cost Recovery Limit (CRL) and the same is pending. The Cost Recovery Limit arbitration hearings are scheduled during various hearing tranches in 2021 to 2022. The Arbitration Tribunal is yet to schedule recomputation of accounts and the quantification phase of the arbitration, which will take place after determination of the Claimants’ request for an increase in the cost recovery limit under the PSCs.

GOI has also filed an execution petition before the Hon’ble Delhi High Court under Sections 47 and 49 of the Arbitration and Conciliation Act, 1996 and Section 151 of the Civil Procedure Code, 1908 seeking enforcement and execution of the 2016 FPA. The Claimants contend that the GOI’s Execution Petition is not maintainable. Claimants have also filed Application for Recall/ Modification, challenging the Orders of Delhi High Court wherein Directors were directed to file Affidavits of Assets. The matter is currently pending consideration by a court of competent jurisdiction.

- (c) The Central Government sent notices to the RIL, bp p.l.c. and Niko (NECO) Ltd (together the “KG D6 Contractor”) under the relevant PSCs disallowing cost recovery for alleged under-utilization of capacity due to failure to comply with the approved development plan and demanded additional share of profit petroleum. RIL maintains that the KG D6 Contractor is entitled to recover all costs under the term of the PSC and there are no provisions under the PSC which entitles the Central Government to disallow cost recovery. The matter is currently under arbitration.
- (d) NTPC had filed a suit for specific performance of a contract for supply of natural gas by RIL before the Hon’ble Bombay High Court. The main issue in dispute is whether a valid, concluded and binding contract exists between the parties for supply of Natural Gas of 132 Trillion BTU annually for a period of 17 years. The matter is presently sub judice and RIL is of the view that NTPC’s claim lacks merit and no binding contract for supply of gas was executed between NTPC and RIL.
- (e) On December 16, 2010, SEBI issued a show cause notice (SCN) inter alia to RIL in connection with the trades by RIL in the stock exchanges in 2007 in the shares of Reliance Petroleum Limited, then a subsidiary of RIL. Hearings were held before the Whole Time Member (WTM) of SEBI in respect of the SCN. By an order dated March 24, 2017, the WTM passed the directions: (i) prohibiting inter alia RIL from dealing in equity derivatives in the ‘Futures & Options’ segment of stock exchanges, directly or indirectly, for a period of one year from the date of the order; and (ii) to RIL to disgorge an amount of Rs. 447.27 crore along with interest at the rate of 12% per annum from November 29, 2007 till the date of payment. In May 2017, RIL and the other notices filed an appeal before the Securities Appellate Tribunal (SAT) against this order. SAT, by a majority order (2:1), dismissed the appeal on November 5, 2020 and directed RIL to pay the disgorged amount within sixty days from the date of the order. The appeal of RIL and other noticees has been admitted by the Hon’ble Supreme Court.
- (f) In the very same matter at (1) above, on November 21, 2017, SEBI issued show cause notice, inter alia, to RIL, asking RIL to show cause as to why inquiry should not be held in terms of SEBI (Procedure for Holding Inquiry and Imposing Penalties by Adjudicating Officer) Rules, 1995 and penalty not be imposed under the provisions of the Securities and Exchange Board of India Act, 1992. The Adjudicating Officer of SEBI passed an order on January 1, 2021 imposing a penalty of Rs. 25 crore on RIL. RIL has paid the penalty under protest and has filed an appeal before the SAT against this order.
- (g) RIL had issued debentures with convertible warrants in the year 1994 and allotted equity shares against the warrants in the year 2000. In this matter, SEBI had filed a complaint on July 16, 2020, inter alia against RIL before the Special Court, Mumbai, for taking cognizance of alleged offences under Regulations 3, 5 and 6 of SEBI (Prohibition of Fraudulent and Unfair Trade Practices relating to Securities Market) Regulations, 1995 and section 77(2) and section 77A of Companies Act, 1956. The Special Court, Mumbai, vide order dated September 30, 2020, dismissed SEBI’s complaint as barred by limitation. Against the said order of the Special Court, SEBI has filed a revision application before the Hon’ble High Court, Bombay and the same is pending.”

SELLING AND TRANSFER RESTRICTIONS

For an overview of the restrictions on offer, sale and/or delivery of the Rights Entitlements and the Units of the Trust, please see the section entitled “*Selling and Transfer Restrictions*” on page 189 of the Placement Memorandum available at https://www.sebi.gov.in/filings/invit-private-issues/sep-2020/digital-fibre-infrastructure-trust_47743.html. The restrictions set forth in the Placement Memorandum also apply to the offer and sale of the Rights Entitlements and Units offered pursuant to this Letter of Offer.

RIGHTS OF UNITHOLDERS

Except as otherwise stated herein below, for an overview of the rights and interests of Unitholders, please see the section entitled “*Rights of Unitholders*” on page 191 of the Placement Memorandum available at https://www.sebi.gov.in/filings/invit-private-issues/sep-2020/digital-fibre-infrastructure-trust_47743.html.

The below paragraph shall be added to the section entitled “*Rights of Unitholders*” on page 191 of the Placement Memorandum available at https://www.sebi.gov.in/filings/invit-private-issues/sep-2020/digital-fibre-infrastructure-trust_47743.html:

“Other rights

*Further, the Sponsor and a special purpose vehicle, Jio Limited have provided an undertaking dated October 29, 2020 to the Unitholders of the Trust (“**RIIHL Undertaking**”), pursuant to which any Unitholder may, by delivering a written notice upon the occurrence of the Units Put Trigger Event (as defined in the RIIHL Undertaking), at its sole discretion and option, require the SPV or the Sponsor to purchase all of the Units held by such Unitholder on the date of receipt of Unit Option Notice for the Unit Purchase Consideration (as defined in the RIIHL Undertaking).*

Additionally, the Investment Manager and the Sponsor have provided an undertaking to Platinum Compass B 2018 RSC Limited and The Public Investment Fund, including, to (i) provide for an exit support to Platinum Compass B 2018 RSC Limited and The Public Investment Fund in the event either of them propose to transfer all or part of their respective Units to a proposed transferee, (ii) set up an operations monitoring committee of the Fibre Co, with representation from Platinum Compass B 2018 RSC Limited and The Public Investment Fund.”.

DILUTION

Dilution is the amount by which the Issue Price exceeds the net asset value (“NAV”) per Unit, immediately after the completion of this Issue. NAV per Unit is determined by subtracting the total liabilities of the Trust from the total assets of the Trust and dividing by the number of Units issued and outstanding immediately before this Issue. There was no *pro forma* NAV before this Issue for the Units.

The Trust will issue 478,866,821 Units at an Issue Price of ₹ 100 for each Unit.

The following provides the per Unit dilution after considering the Valuation Report:

NAV per Unit before this Issue	₹ 100
NAV per Unit after this Issue	₹ 100
Dilution in NAV per Unit to Unitholders	Nil
Dilution to Unitholders as a percentage of the Issue Price	Nil

Note : NAV per Unit before this Issue has been determined as the principal amount of the Trust Loan -I outstanding which has been funded entirely from the proceeds of the initial offer of Units. The accounting NAV per Unit may be different from the one stated above.

Note: NAV per Unit after this Issue has been determined as NAV per Unit before this Issue multiplied by existing total number of Units outstanding plus the Issue Size divided by the total number of Units outstanding post this Issue. The accounting NAV per Unit may be different from the one stated above.

ISSUE INFORMATION

This section is for the information of the investors proposing to apply in this Issue. Investors should carefully read the provisions contained in the Letter of Offer and the Application Form, before submitting the Application Form. The Trustee, the Sponsor and, the Investment Manager are not liable for any amendments or modifications or changes in applicable laws or regulations, which may occur after the date of this Letter of Offer. Investors are advised to make their independent investigation (for which the Investment Manager, the Sponsor and the Trust take no responsibility or liability) and ensure that the Application Form is correctly filled up.

OVERVIEW

This Issue is subject to the terms and conditions contained in the Letter of Offer, the Application Form, the InvIT Regulations, and the guidelines, notifications and regulations issued by SEBI, the Government of India and other governmental, statutory and regulatory authorities from time to time, including approvals, from RBI or other regulatory authorities, and the terms and conditions as stipulated in the Allotment advice. The Issue shall be undertaken in accordance with the provisions of the InvIT Regulations and the SEBI Rights Issue Guidelines.

Important:

1. Dispatch and availability of Issue materials:

The Investment Manager will dispatch the Application Form and other Issue material to all the Eligible Unitholders.

Investors can access the Letter of Offer, the Application Form, any corrigendum, if applicable (provided that the Eligible Unitholder is eligible to subscribe for the Units under applicable securities laws) on the websites of:

- (i) the Trust, at www.digitalfibreinfrastucture.com; and
- (ii) the SEBI at www.sebi.gov.in

2. Credit of Rights Entitlements in demat accounts of Eligible Unitholders

In accordance with InvIT Regulations read with the SEBI Rights Issue Guidelines, the credit of Rights Entitlements and Allotment of Units shall be made in the dematerialized form only. Prior to the Issue Opening Date, the Investment Manager shall credit the Rights Entitlements to the demat accounts of the Eligible Unitholders holding the Units in dematerialised form. Please note that there would be no credit of any fractional entitlements. However, the Eligible Unitholders would be given preference for the allotment of one additional Unit in lieu of their fractional entitlements if they apply for the same.

Eligibility for the Issue

The Trust is registered as an irrevocable trust under the Indian Trusts Act, 1882, and as an infrastructure investment trust under the InvIT Regulations, on March 20, 2019, having registration number IN/InvIT/18-19/0010. The existing Units of the Trust are not listed on the Stock Exchanges. The Issue is being undertaken in accordance with the InvIT Regulations, the SEBI Rights Issue Guidelines and other applicable law.

Renouncees

All rights and obligations of the Eligible Unitholders in relation to Applications and refunds pertaining to this Issue shall apply to the Renouncee(s) as well. However, please note that Renouncee(s) who are not resident Indians are not eligible to apply for additional Units.

Basis for this Issue

The Units are being offered for subscription for cash to the Eligible Unitholders whose names appear as unitholders as per the list to be furnished by the Depositories in respect of the Units held in dematerialised form on the Record Date.

Rights Entitlements

Rights Entitlements shall be credited to the respective demat accounts of Eligible Unitholders before the Issue Opening Date only in dematerialised form.

The Trust is undertaking this Issue on a rights basis to the Eligible Unitholders only and will send the Application Form to the e-mail addresses of Eligible Unitholders. The Letter of Offer and the Application Form may also be accessed on the websites of the Trust i.e. www.digitalfibreinfrastucture.com. The distribution of this Letter of

Offer and the issue of Units on a rights basis to persons in certain jurisdictions outside India is restricted by legal requirements prevailing in those jurisdictions. No action has been, or will be, taken by the Trust, the Sponsor or the Investment Manager to permit this Issue in any jurisdiction where action would be required for that purpose, except that the Letter of Offer will be filed with SEBI. Accordingly, the Rights Entitlements and the Units may not be offered or sold, directly or indirectly, and this Letter of Offer, the Application Form or any Issue related materials in connection with this Issue may not be distributed, in any jurisdiction, except in accordance with legal requirements applicable in such jurisdiction. Receipt of this Letter of Offer or the Application Form will not constitute an offer in those jurisdictions in which it would be illegal to make such an offer and, in those circumstances, this Letter of Offer or the Application Form must be treated as sent for information only and should not be acted upon for making an Application and should not be copied or re-distributed. Accordingly, persons receiving a copy of this Letter of Offer or the Application Form should not, in connection with the issue of the Units, distribute or send this Letter of Offer or the Application Form in or into any jurisdiction where to do so, would, or might, contravene local securities laws or regulations. If this Letter of Offer or the Application Form is received by any person in any such jurisdiction, or by their agent or nominee, they must not seek to make an Application or acquire the Rights Entitlements referred to in this Letter of Offer or the Application Form. Any person who acquires Rights Entitlements or makes an Application will be deemed to have declared, warranted and agreed, by accepting the delivery of this Letter of Offer and the Application Form, that it is entitled to subscribe for the Units under the laws of any jurisdiction which apply to such person.

NO OFFER IN THE UNITED STATES

THE RIGHTS ENTITLEMENTS AND THE UNITS HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER THE U.S. SECURITIES ACT, OR ANY U.S. STATE SECURITIES LAWS AND MAY NOT BE OFFERED, SOLD, RESOLD OR OTHERWISE TRANSFERRED WITHIN THE UNITED STATES, EXCEPT IN A TRANSACTION EXEMPT FROM THE REGISTRATION REQUIREMENTS OF THE U.S. SECURITIES ACT. THE UNITS REFERRED TO IN THIS LETTER OF OFFER ARE BEING OFFERED AND SOLD IN OFFSHORE TRANSACTIONS OUTSIDE THE UNITED STATES IN COMPLIANCE WITH REGULATIONS TO UNITHOLDERS LOCATED IN JURISDICTIONS WHERE SUCH OFFER AND SALE OF THE UNITS IS PERMITTED UNDER LAWS OF SUCH JURISDICTIONS. THE OFFERING TO WHICH THIS LETTER OF OFFER RELATES IS NOT, AND UNDER NO CIRCUMSTANCES IS TO BE CONSTRUED AS, AN OFFERING OF ANY UNITS OR RIGHTS ENTITLEMENTS FOR SALE IN THE UNITED STATES OR AS A SOLICITATION THEREIN OF AN OFFER TO BUY ANY OF THE SAID SECURITIES.

Neither the Trust, nor any person acting on behalf of the Trust, will accept a subscription from any person, or the agent of any person, who appears to be, or who the Trust, or any person acting on behalf of the Trust, has reason to believe is, in the United States. No Application Form should be postmarked in the United States, electronically transmitted from the United States or otherwise dispatched from the United States or from any other jurisdiction where it would be illegal to make an offer of securities under this Letter of Offer.

Any person who acquires Rights Entitlements or Units will be deemed to have declared, warranted and agreed, by accepting the delivery of the Letter of Offer, that it is not and that at the time of subscribing for the Units, it will not be, in the United States, and is authorized to acquire the Rights Entitlements and the Units in compliance with all applicable laws and regulations.

The Trust, in consultation with the Investment Manager, reserves the right to treat as invalid any Application Form which: (i) appears to the Trust or its agents to have been executed in, electronically transmitted from or dispatched from the United States or other jurisdictions where the offer and sale of the Units is not permitted under laws of such jurisdictions; (ii) does not include the relevant certifications set out in the Application Form, including to the effect that the person submitting the Application Form is not in the United States and eligible to subscribe for the Units under applicable securities laws and such person is complying with laws of jurisdictions applicable to such person in connection with this Issue and have obtained requisite approvals before applying in this Issue; or (iii) where the Trust believes acceptance of such Application Form may infringe applicable legal or regulatory requirements; and the Trust shall not be bound to issue or allot any Units in respect of any such Application Form.

PRINCIPAL TERMS OF THIS ISSUE

Issue Price

Each Unit is being offered at a price of ₹ 100 per Unit in this Issue. The Issue Price for the Units has been arrived at by the Investment Manager and has been decided prior to the determination of the Record Date.

Rights Entitlements Ratio

The Units are being offered on a rights basis to the Eligible Unitholders in the ratio of 1,000 Units for every 3,071 Units held by the Eligible Unitholders as on the Record Date.

Renunciation of Rights Entitlements

This Issue includes a right exercisable by Eligible Unitholders to renounce the Rights Entitlements credited to their respective demat account either in full or in part. However, it may be noted that the minimum renunciation should be of 1,00,000 Rights Entitlements as the minimum Allotment requirement in terms of the SEBI Rights Issue Guidelines shall be of ₹ 10 million.

The renunciation from non-resident Eligible Unitholder(s) to resident Indian(s) and vice versa shall be subject to provisions of FEMA Rules and other circular, directions, or guidelines issued by RBI or the Ministry of Finance from time to time.

The renunciation of Rights Entitlements credited in your demat account can be made by sale of such Rights Entitlements through an off-market transfer. For details, please see the section entitled “- *Procedure for Renunciation of Rights Entitlements*” on page 81.

In this regard, the Investment Manager has made necessary arrangements with NSDL and CDSL for the crediting of the Rights Entitlements to the demat accounts of the Eligible Unitholders in a dematerialized form. A separate ISIN for the Rights Entitlements has also been generated which is INE0CDI20021. The said ISIN shall remain frozen (for debit) until the Issue Opening Date. The said ISIN shall be suspended for effecting any transfer of Rights Entitlement by the Depositories one day prior to the Issue Closing Date.

Please note that the Rights Entitlements which are neither renounced nor subscribed by the investors on or before the Issue Closing Date shall lapse and shall be extinguished after the Issue Closing Date.

No Units for such lapsed Rights Entitlements will be credited and the purchaser will lose the premium paid to acquire the Rights Entitlements. Persons who are credited the Rights Entitlements are required to make an Application to apply for Units offered under this Issue for subscribing to the Units offered pursuant to this Issue.

Terms of Payment

Full amount of ₹ 100 per Unit shall be payable on Application.

Fractional Entitlements

Fractional entitlements will not be credited to the Eligible Unitholders' demat accounts. However, such Unitholders would be given preference for the allotment of one additional Unit if they apply for the same.

Ranking

The Units to be issued and allotted pursuant to this Issue shall be subject to the provisions of the Letter of Offer, the Application Form, the InvIT Regulations, and the guidelines, notifications and regulations issued by SEBI, the Government of India and other governmental, statutory and regulatory authorities from time to time, including approvals, from RBI or other regulatory authorities, and the terms and conditions as stipulated in the Allotment advice. The Units to be issued and Allotted under this Issue shall rank *pari passu* with the existing Units, in all respects including distributions.

Subscription to this Issue by the Sponsor and its Associates

For details of the intent and extent of subscription by the Sponsor and its Associates, please see the section entitled “*The Issue*” on page 14.

GENERAL TERMS OF THE ISSUE

Notices

The Investment Manager, will send, only through e-mail, this Letter of Offer, the Application Form and other issue material to the email addresses of all the Eligible Unitholders.

PROCEDURE FOR APPLICATION

How to Apply

Investors shall only use the Application Forms provided by the Investment Manager electronically, for the purpose of making an application in terms of this Letter of Offer.

Application Form

The Application Form can be used by the Eligible Unitholders as well as the Renouncees, to make Applications in this Issue basis the Rights Entitlements credited in their respective demat accounts. Please note that one single Application Form shall be used by the Investors to make Applications for all Rights Entitlements available in a particular demat account

and applying in this Issue.

Please note that Applications without depository account details shall be treated as incomplete and shall be rejected.

Applicants should note that they should very carefully fill-in their depository account details and PAN number in the Application Form. Incorrect depository account details or PAN number could lead to rejection of the Application. For details, please see the section entitled “- Grounds for Technical Rejection” on page 83. The Sponsor, the Investment Manager, the Trustee and the Registrar shall not be liable for any incorrect demat details provided by the Applicants.

Options available to the Eligible Unitholders

The Rights Entitlement Letter will clearly indicate the number of Units that the Eligible Unitholder is entitled to.

If the Eligible Unitholder applies in this Issue, then such Eligible Unitholder can:

- (i) apply for its Units to the full extent of its Rights Entitlements; or
- (ii) apply for its Units to the extent of part of its Rights Entitlements (without renouncing the other part); or
- (iii) apply for Units to the extent of part of its Rights Entitlements and renounce the other part of its Rights Entitlements; or
- (iv) apply for its Units to the full extent of its Rights Entitlements and apply for additional Units in the Issue; or
- (v) renounce its Rights Entitlements in full.

Acceptance of this Issue

Investors may accept this Issue and apply for the Units by submitting the Application Form to the Investment Manager on or before the Issue Closing Date.

Additional Units

Investors are eligible to apply for additional Units in the Issue, over and above their Rights Entitlements, provided that they are eligible to apply for Units under applicable law and they have applied for all the Units forming part of their Rights Entitlements. Where the number of additional Units applied for exceeds the number available for Allotment, the Allotment would be made as per the Basis of Allotment finalised by the Investment Manager. Applications for additional Units in the Issue, shall be considered and Allotment shall be made in accordance with the InvIT Regulations and in the manner prescribed under the section “- Basis of Allotment” on page 85.

Eligible Unitholders who renounce their Rights Entitlements cannot apply for additional Units in the Issue. Non-resident Renouncees who are not Eligible Unitholders cannot apply for additional Units in the Issue.

Procedure for Renunciation of Rights Entitlements

The Investors may renounce the Rights Entitlements, credited to their respective demat accounts, either in full or in part through an off-market transfer, during the period between Issue Opening Date and one working day prior to the Issue Closing Date. The Investors should have the demat Rights Entitlements credited/lying in his/her own demat account prior to the renunciation.

Investors may be subject to adverse foreign, state or local tax or legal consequences as a result of trading in the Rights Entitlements. Investors who intend to trade in the Rights Entitlements should consult their tax advisor or stock broker regarding any cost, applicable taxes, charges and expenses (including brokerage) that may be levied for trading in Rights Entitlements. The Sponsor, the Trustee and the Investment Manager accept no responsibility to bear or pay any cost, applicable taxes, charges and expenses (including brokerage), and such costs will be incurred solely by the Investors.

Off Market Renunciation

The Investors may renounce the Rights Entitlements, credited to their respective demat accounts by way of an off-market transfer through a depository participant. The Rights Entitlements can be transferred in dematerialised form only.

Eligible Unitholders are requested to ensure that renunciation through off-market transfer is completed in such a manner that the Rights Entitlements are credited to the demat account of the Renouncees on or prior to the Issue Closing Date.

The Investors holding the Rights Entitlements who desire to transfer their Rights Entitlements will have to do so through their depository participant by issuing a delivery instruction slip quoting the ISIN INE0CDI20021, the details of the buyer and the details of the Rights Entitlements they intend to transfer. The buyer of the Rights Entitlements (unless already

having given a standing receipt instruction) has to issue a receipt instruction slip to their depository participant. The Investors can transfer Rights Entitlements only to the extent of Rights Entitlements available in their demat account.

The instructions for transfer of Rights Entitlements can be issued during the working hours of the depository participants and only during the Renunciation Period.

The detailed rules for transfer of Rights Entitlements through off-market transfer shall be as specified by the NSDL and CDSL from time to time.

In cases where multiple Application Forms are submitted for Applications pertaining to Rights Entitlements credited to the same demat account, such Applications shall be liable to be rejected.

Investors are requested to strictly adhere to these instructions. Failure to do so could result in an Application being rejected, with the Trust, the Sponsor, the Investment Manager, the Trustee and the Registrar not having any liability to the Investor.

Allotment of the Units in Dematerialized Form

PLEASE NOTE THAT THE UNITS APPLIED FOR IN THIS ISSUE CAN BE ALLOTTED ONLY IN DEMATERIALIZED FORM AND TO THE SAME DEPOSITORY ACCOUNT IN WHICH THE RIGHTS ENTITLEMENTS ARE HELD BY SUCH INVESTOR ON THE ISSUE CLOSING DATE. FOR DETAILS, PLEASE SEE THE SECTION ENTITLED “ALLOTMENT ADVICE OR REFUND” ON PAGE 85.

General instructions for Investors

- (a) Please read the Letter of Offer and the Application Form carefully to understand the Application process and applicable settlement process.
- (b) Please read the instructions on the Application Form sent to you.
- (c) The Application Form can be used by both the Eligible Unitholders and the Renouncees.
- (d) Application should be complete in all respects. The Application Form found incomplete with regard to any of the particulars required to be given therein, and/or which are not completed in conformity with the terms of the Letter of Offer, the Rights Entitlement Letter and the Application Form are liable to be rejected. The Application Form must be filled in English.
- (e) Applications should be submitted to the Investment Manager on or before the Issue Closing Date.
- (f) All Applicants should mention their PAN allotted under the Income-tax Act, irrespective of the amount of the Application. **Applications without PAN will be considered incomplete and are liable to be rejected. With effect from August 16, 2010, the demat accounts for Investors for which PAN details have not been verified shall be “suspended for credit” and no Allotment and credit of Units pursuant to this Issue shall be made into the accounts of such Investors.**
- (g) All communication in connection with Application for the Units, including any change in address of the Eligible Unitholders should be addressed to the Investment Manager prior to the date of Allotment in this Issue.
- (h) Only persons outside the United States located in jurisdictions where the offer and sale of the Units is permitted under laws of such jurisdictions may apply in this Issue.
- (i) Investors are required to ensure that the number of Units applied for by them do not exceed the prescribed limits under the applicable law.
- (j) In addition, all such Eligible Unitholders are deemed to have accepted the following:

“I/ We understand that the Units have been, or will be, registered under the U.S. Securities Act of 1933, as amended (the “U.S. Securities Act”), or any United States state securities laws, and may not be offered, sold, resold or otherwise transferred within the United States or to the territories or possessions thereof (the “United States”), except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act. I/ we understand the Units referred to in this application are being offered and sold in offshore transactions outside the United States in compliance with Regulation S under the U.S. Securities Act (“Regulation S”) to existing unitholders located in jurisdictions where such offer and sale of the Units is permitted under laws of such jurisdictions. I/ we understand that the Issue is not, and under no circumstances is to be construed as, an offering of any Units for sale in the United States, or as a solicitation therein of an offer to buy any of the said Units in the United States. I/ we confirm that I am/ we are (a) not in the United States and eligible to subscribe for the Units under applicable securities laws (b) complying with laws of jurisdictions applicable to such person in connection with the Issue, and (c) understand that neither the Trust, nor the

Registrar, or any other person acting on behalf of the Trust will accept subscriptions from any person, or the agent of any person, who appears to be, or who the Trust, the Registrar, or any other person acting on behalf of the Trust have reason to believe is in the United States or is outside of India and ineligible to participate in this Issue under the securities laws of their jurisdiction.

I/ We will not offer, sell or otherwise transfer any of the Units which may be acquired by us in any jurisdiction or under any circumstances in which such offer or sale is not authorized or to any person to whom it is unlawful to make such offer, sale or invitation. I/ We satisfy, and each account for which I/ we are acting satisfies, (a) all suitability standards for investors in investments of the type subscribed for herein imposed by the jurisdiction of my/our residence, and (b) is eligible to subscribe and is subscribing for the Units in compliance with applicable securities and other laws of our jurisdiction of residence.

I/we hereby make the representations, warranties, acknowledgments and agreements set forth in the section of the Letter of Offer titled "Restrictions on Purchases and Resales" on page 297.

I/ We understand and agree that the Units may not be reoffered, resold, pledged or otherwise transferred except in an offshore transaction in compliance with Regulation S, or otherwise pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act.

I/ We acknowledge that we, will rely upon the truth and accuracy of the foregoing representations and agreements."

Do's:

- (a) Ensure that the Application Form and necessary details are filled in.
- (b) Each Applicant should mention their PAN allotted under the Income-tax Act.
- (c) Ensure that the demographic details such as address, PAN, DP ID, Client ID, bank account details and occupation ("Demographic Details") are updated, true and correct, in all respects.
- (d) Investors should provide correct DP ID and client ID while submitting the Application. Such DP ID and Client ID number should match the demat account details in the records available with the Investment Manager or the Registrar, failing which such Application is liable to be rejected. Investor will be solely responsible for any error or inaccurate detail provided in the Application. The Trust, the Investment Manager, the Sponsors, the Trustee, or the Registrar will not be liable for any such rejections.

Don'ts:

- (a) Do not apply if you are ineligible to participate in this Issue under the securities laws applicable to your jurisdiction.
- (b) Do not submit the GIR number instead of the PAN as the application is liable to be rejected on this ground.
- (c) Do not pay the Application Money in cash, by money order, pay order or postal order.
- (d) Do not submit multiple Applications.

Grounds for Technical Rejection

Applications made in this Issue are liable to be rejected on the following grounds:

- (a) DP ID and Client ID mentioned in Application not matching with the DP ID and Client ID records available with the Registrar.
- (b) Sending an Application to the Registrar.
- (c) Account holder not signing the Application or declaration mentioned therein.
- (d) Submission of more than one application Form for Rights Entitlements available in a particular demat account.
- (e) Submitting the GIR number instead of the PAN.
- (f) Application Forms which are not submitted by the Investors within the time periods prescribed in the Application Form and the Letter of Offer.
- (g) Physical Application Forms not duly signed by the sole or joint Investors.
- (h) Application Forms accompanied by stock invest, outstation cheques, post-dated cheques, money order, postal order or outstation demand drafts.
- (i) If an Investor is (a) debarred by SEBI; or (b) if SEBI has revoked the order or has provided any interim relief then failure to attach a copy of such SEBI order allowing the Investor to subscribe to their Rights Entitlements.
- (j) Applications which: (i) appears to the Trust or its agents to have been executed in, electronically transmitted from or dispatched from the United States or other jurisdictions where the offer and sale of the Units is not permitted under laws of such jurisdictions; (ii) does not include the relevant certifications set out in the Application Form, including to the effect that the person submitting and/or renouncing the Application Form is not in the United States and eligible to subscribe for the Units under applicable securities laws or; or (iii) where the Trust believes

acceptance of such Application Form may infringe applicable legal or regulatory requirements; and the Trust shall not be bound to issue or allot any Units in respect of any such Application Form.

- (k) The Investment Manager, may reject Bids, in part or in full, without assigning any reason whatsoever. The decision of the Investment Manager in relation to the rejection of Bids shall be final and binding.

Depository account and bank details for Investors holding Units in demat accounts and applying in this Issue

ALL INVESTORS APPLYING UNDER THIS ISSUE SHOULD MENTION THEIR DEPOSITORY PARTICIPANT'S NAME, DP ID AND BENEFICIARY ACCOUNT NUMBER IN THE APPLICATION FORM. INVESTORS MUST ENSURE THAT THE NAME GIVEN IN THE APPLICATION FORM IS EXACTLY THE SAME AS THE NAME IN WHICH THE DEPOSITORY ACCOUNT IS HELD. IN CASE THE APPLICATION FORM IS SUBMITTED IN JOINT NAMES, IT SHOULD BE ENSURED THAT THE DEPOSITORY ACCOUNT IS ALSO HELD IN THE SAME JOINT NAMES AND ARE IN THE SAME SEQUENCE IN WHICH THEY APPEAR IN THE APPLICATION FORM.

Investors applying under this Issue should note that on the basis of name of the Investors, Depository Participant's name and identification number and beneficiary account number provided by them in the Application Form, the Registrar will obtain Demographic Details from the Depository. Hence, Investors applying under this Issue should carefully fill in their Depository Account details in the Application.

These Demographic Details would be used for all correspondence with such Investors including mailing of the letters intimating unblocking of bank account of the respective Investor and/or refund. The Demographic Details given by the Investors in the Application Form would not be used for any other purposes by the Registrar. Hence, Investors are advised to update their Demographic Details as provided to their Depository Participants.

By signing the Application Forms, the Investors would be deemed to have authorised the Depositories to provide, upon request, to the Registrar, the required Demographic Details as available on its records.

The Allotment advice and the email intimating refund (if any) would be emailed to the address of the Investor as per the email address provided to the Investment Manager or the Registrar or Demographic Details received from the Depositories.

In case no corresponding record is available with the Depositories that match three parameters, (a) names of the Investors, (b) the DP ID, and (c) the beneficiary account number, then such Application Forms are liable to be rejected.

Payment Instructions

The payment of Bid Amount shall be made by the investors in the name of the Cash Escrow Account as per the payment instructions provided in this Letter of Offer and the Application Form. Payment towards the Units shall be paid during the Issue Period along with the submission of the Application Form.

Payments are to be made only through electronic fund transfer. Payments through cheques or cash or any mode other than electronic mode shall be rejected.

Bank Account for Payment of Bid Amount

The Investment Manager has opened the Cash Escrow Account with ICICI Bank Limited, acting as the Escrow Collection Bank in terms of the arrangement among the Trust, the Investment Manager, and the Escrow Collection Bank. Investors are required to deposit the entire application amount during the Issue Period, together with the completed Application Form, in favour of "**DFIT – Rights Issue Escrow Account**".

If the payment of the application money is not made favouring the Cash Escrow Account within the Issue Period, the Application Form of the investor is liable to be rejected. The Trustee and the Investment Manager shall utilize the amount deposited in the Cash Escrow Account only for the purposes of: (i) adjustment against Allotment; or (ii) refund of application monies in case of any failure to allot Units in the Issue.

Last date for Application

The last date for submission of the duly filled in the Application Form is 11:00 AM on December 13, 2021, being the Issue Closing Date. The Investment Manager or any committee thereof may extend the said date for such period as it may determine from time to time, subject to the Issue Period not exceeding 15 days from the Issue Opening Date (inclusive of the Issue Opening Date).

Please ensure that the Application Form and necessary details are filled in. In place of Application number, Investors can mention the reference number of the e-mail received from Registrar informing about their Rights Entitlement or last eight digits of the demat account.

Withdrawal of Application

An investor who has applied in this Issue MAY NOT withdraw their Application once made.

Issue Schedule

Last Date for credit of Rights Entitlements	December 7, 2021
Issue Opening Date	December 8, 2021
Issue Closing	11:00 AM on the Issue Closing Date
Issue Closing Date[^]	December 13, 2021
Finalisation of Basis of Allotment (On or about)	December 13, 2021
Date of Allotment (On or about)	December 13, 2021
Date of Credit (On or about)	December 13, 2021

[^] The Investment Manager will have the right to extend the Issue Period as it may determine from time to time, provided that this Issue will not remain open in excess of 15 days from the Issue Opening Date (inclusive of the Issue Opening Date). Further, no withdrawal of Application shall be permitted by any Applicant after the Issue Closing Date.

Issue Closing

Subject to the Issue being kept open for a minimum of three Working Days, the Investment Manager may close the Issue even prior to the Issue Closing Date in the event, 100% of the Issue Size has been subscribed to by the Eligible Unitholders and / or Renouncee(s) after providing notice in this regard to the investors who have applied in the Issue over e-mail.

Basis of Allotment

Subject to the provisions contained in the Letter of Offer and the Application Form the Investment Manager will proceed to Allot the Units in the following order of priority:

- (a) Full Allotment to those Eligible Unitholders who have applied for their Rights Entitlements of Units either in full or in part and also to the Renouncee(s) who has or have applied for Units renounced in their favour, in full or in part.
- (b) Allotment to Eligible Unitholders who have applied for one additional Unit in lieu of the fractional entitlements that were not credited to their demat accounts.
- (c) Allotment to Eligible Unitholders who have applied for Additional Units shall be made as far as possible on an equitable basis, having due regard to the number of Units held by them on the Record Date, provided there is an undersubscribed portion after making Allotment in (a) and (b) above.
- (d) Allotment to the Renouncees, who having applied for the Units renounced in their favour and also applied for Additional Units, provided there is an undersubscribed portion after making full Allotment specified in (a), (b) and (c) above. The Allotment of such Additional Units may be made on a proportionate basis considering the Rights Entitlement renounced in their favor.

Allotment Advice or Refund

The Investment Manager will email Allotment advice, refund intimations or demat credit of securities and/or letters of regret, along with crediting the Allotted Units to the respective beneficiary accounts (only in dematerialised mode), if any, within a period of 15 days from the Issue Closing Date. In case of failure to do so, the Investment Manager shall pay interest at such rate as specified under applicable law from the expiry of such 15 days' period.

The Rights Entitlements will be credited in the dematerialized form using electronic credit under the depository system and the Allotment advice shall be sent, through email, to the email address provided to the Investment Manager or at the address recorded with the Depository.

Where an Applicant has applied for additional Units in the Issue and is Allotted a lesser number of Units than applied for, the excess Application Money paid shall be refunded. The refund of monies shall be completed within such period as prescribed under applicable law. In the event that there is a delay in making refunds beyond such period as prescribed under applicable law, the Investment Manager shall pay the requisite interest at such rate as prescribed under applicable law.

Payment of Refund

In the event of failure of Allotment, the Trust shall be liable to refund the amounts received from the applicants in compliance with the InvIT Regulations.

Allotment Advice or Demat Credit of Securities

The demat credit of securities to the respective beneficiary accounts will be credited within 15 days from the Issue Closing Date or such other timeline in accordance with applicable laws.

Receipt of the Units in Dematerialized Form

PLEASE NOTE THAT THE UNITS APPLIED FOR UNDER THIS ISSUE CAN BE ALLOTTED ONLY IN DEMATERIALIZED FORM AND TO THE SAME DEPOSITORY ACCOUNT/ CORRESPONDING PAN IN WHICH THE RIGHTS ENTITLEMENTS ARE HELD BY SUCH INVESTOR ON THE ISSUE CLOSING DATE.

Important

1. Please read the Letter of Offer carefully before taking any action. The instructions contained in the Application Form are an integral part of the conditions of this Letter of Offer and must be carefully followed; otherwise the Application is liable to be rejected.
2. All enquiries in connection with the Letter of Offer or Application Form must be addressed (quoting the Registered Folio Number or the DP ID and Client ID number, the Application Form number) to the Investment Manager at the following address:

7th Floor, Cnergy
Appasaheb Marathe Marg
Prabhadevi, Mumbai 400 025
Contact Person: Rajkumar Agarwal
Tel: +91 22 6630 3030 / +91 22 6630 3467
Fax: +91 22 6630 3344
E-mail: rajkumar.agrawal@jmfl.com

3. The Investment Manager will have the right to extend the Issue Period as it may determine from time to time but not exceeding 15 days from the Issue Opening Date (inclusive of the Issue Opening Date).

Underwriting

This Issue is not underwritten.

LEGAL MATTERS

Cyril Amarchand Mangaldas and Khaitan & Co do not make, or purport to make, any statement in this Letter of Offer and are not aware of any statement in this Letter of Offer which purports to be based on a statement made by any of them, and neither of them makes no representation, express or implied, regarding, and to the extent permitted by law takes no responsibility for, any statement in or omission from this Letter of Offer.

INDEPENDENT ACCOUNTANTS

The Audited Consolidated Financial Statements have been prepared in accordance with the requirements of the InvIT Regulations and the accounting principles generally accepted in India, including Ind AS. The Audited Consolidated Financial Statements included in this Letter of Offer as at and for the year ended March 31, 2021 have been audited by Deloitte Haskins & Sells LLP, Chartered Accountants, the statutory auditors of the Trust, as stated in their audit report dated June 16, 2021 included in this Letter of Offer.

AUDITED CONSOLIDATED FINANCIAL STATEMENTS AND LIMITED REVIEW FINANCIALS

For an overview of the audited consolidated financial statements of the Trust, which comprise the consolidated balance sheets as at March 31, 2020 and March 31, 2019 and the related consolidated statements of profit and loss, consolidated cash flow statements, consolidated statements of changes in Unitholders' equity and statement of net assets at fair value for the year ended March 31, 2020 and for the period from January 31, 2019 to March 31, 2019 and a summary of significant accounting policies and other explanatory information audited in accordance with Standards of Auditing and other pronouncements issued by the Institute of Chartered Accountants of India (ICAI), please see the section entitled "*Audited Consolidated Financial Statements*" on page 214 of the Placement Memorandum available at https://www.sebi.gov.in/filings/invit-private-issues/sep-2020/digital-fibre-infrastructure-trust_47743.html.

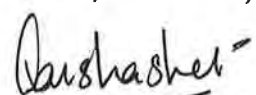
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INDEPENDENT AUDITOR'S REVIEW REPORT ON REVIEW OF INTERIM STANDALONE FINANCIAL INFORMATION

**TO THE BOARD OF DIRECTORS OF
Infinite India Investment Management Limited - The Investment Manager of Digital Fibre Infrastructure Trust ("the Investment Manager")**

1. We have reviewed the accompanying Statement of Unaudited Standalone Financial Information of Digital Fibre Infrastructure Trust (the Trust"), which comprise of the Unaudited Standalone Statement of Profit and Loss, explanatory notes thereto and the additional disclosure as required by paragraph 6 of Annexure A to the SEBI circular No. CIR/IMD/DF/127/2016 dated 29th November, 2016 (the "SEBI circular") for the half year ended 30th September, 2021 (the "Statement"). The Statement is being submitted by the Investment Manager to the unitholders pursuant to the requirement of the Securities and Exchange Board of India (Infrastructure Investment Trusts) Regulations 2014, as amended.
2. This Statement, which is the responsibility of the Investment Manager and approved by the Investment Manager's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in the Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), as defined in Rule 2(1) (a) of Companies (Indian Accounting Standards) Rules, 2015 as amended and in accordance with the SEBI circular. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410 'Review of Interim Financial Information Performed by the Independent Auditor of the Entity, issued by the Institute of Chartered Accountants of India (ICAI). A review of interim financial information consists of making inquiries, primarily of the Company's personnel responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing specified under section 143(10) of the Companies Act, 2013 and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.
4. Based on our review conducted as stated in paragraph 3 above, nothing has come to our attention that causes us to believe that the accompanying Statement has not been prepared in accordance with the recognition and measurement principles laid down in the aforesaid Indian Accounting Standard and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of the SEBI circular, or that it contains any material misstatement.

For DELOITTE HASKINS & SELLS LLP
Chartered Accountants
(Firm's Reg. No. 117366W/W-100018)


Varsha A. Fadte
Partner

(Membership No. 103999)
UDIN: 21103999AAAAJO2062

Panaji, Goa, November 10, 2021

Digital Fibre Infrastructure Trust

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

Website: <https://digitalfibreinfrastructure.com>

SEBI Registration Number: IN/InvIT/18-19/0010

STATEMENT OF UNAUDITED STANDALONE FINANCIAL INFORMATION

I. Unaudited Standalone Statement of Profit and Loss for the half year ended 30th September 2021

INR Million

Sr. No	Particulars	Half year ended		
		30th September 2021	31st March 2021	30th September 2020
		Unaudited	Unaudited (Refer Note 8)	Unaudited
I	INCOME AND GAINS			
	Revenue from Operations	22,307	15,361	79
	Other Income	-	-	-
	Total Income and Gains	22,307	15,361	79
II	EXPENSES AND LOSSES			
	Investment Manager Fee	12	12	12
	Trustee Fee	1	1	1
	Project Manager Fee	12	12	12
	Audit Fees	0	2	0
	Interest on Loan	15,098	8,244	119
	Fair Value of Put/Call option (net)	24	2,252	-
	Other Expenses	0	8	0
	Total Expenses and Losses	15,147	10,532	144
III	Profit / (Loss) before Tax (I-II)	7,160	4,829	(65)
IV	Tax Expense	-	-	-
V	Profit / (Loss) for the period (III-IV)	7,160	4,829	(65)
VI	Other Comprehensive Income	-	-	-
VII	Total Comprehensive Income for the period (V+VI)	7,160	4,829	(65)



Rajuma N Agawal

Digital Fibre Infrastructure Trust

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STATEMENT OF UNAUDITED STANDALONE FINANCIAL INFORMATION

Notes to Unaudited Standalone Financial Information of Digital Fibre Infrastructure Trust for the half year ended 30 September 2021:

1. Investors can view the Statement of Unaudited Standalone Financial Information of the Digital Fibre Infrastructure Trust on the Trust's website (www.digitalfibreinfrastructure.com).
2. The Unaudited Standalone Financial Information comprises of the unaudited standalone 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 29th November, 2016 ('SEBI Circular') of Digital Fibre Infrastructure Trust for the half year ended 30th September, 2021('Standalone financial information').
3. The Standalone financial information for the half year ended 30th September, 2021 has been prepared in accordance with the recognition and measurement principles prescribed under Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), 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"). The above financial information has been reviewed and approved by the Board of Directors of the Investment Manager at their meeting held on 10th November, 2021. The Statutory auditors of the Digital Fibre Infrastructure Trust have carried out Limited Review of the Standalone financial information for the half year ended 30th September 2021.
4. Digital Fibre Infrastructure Trust (The "Trust"/"InvIT") is registered as a contributory irrevocable trust set up under the Indian Trusts Act, 1882 on 31st January, 2019 and registered as an infrastructure investment trust under the Securities and Exchange Board of India (Infrastructure Investment Trusts) Regulations, 2014, on 20th March, 2019 having registration number IN/INVIT/18-19/0010. Reliance Industrial Investments & Holdings Limited, a company incorporated in India, is the Sponsor of the Trust. The Trustee to the Trust is Axis Trustee Services Limited (the "Trustee"). Investment Manager for the Trust is Infinite India Investment Management Limited (the "Investment Manager"). The address of the registered office of the Investment Manager is 7th Floor, Cnergy, Appasaheb Marg, Prabhadevi Mumbai 400025.
5. The outbreak of Coronavirus (COVID-19) pandemic globally and in India caused significant disturbance and slowdown of economic activity.

The Trust has invested in Jio Digital Fibre Private Limited ("JDFPL"), which is engaged in the business of providing optic fibre infrastructure services and related operations in India. JDFPL has executed a long term Fibre and Duct Use Agreement (FUA) with Reliance Jio Infocomm Limited (RJIL) as its customer, which results into committed revenues and cash flows for JDFPL, on a long-term basis. Moreover, the COVID-19 pandemic has not had a material adverse impact on the operations of the



Rajhuma N Agrawal

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STATEMENT OF UNAUDITED STANDALONE FINANCIAL INFORMATION

Continue...

Notes to Unaudited Standalone Financial Information of Digital Fibre Infrastructure Trust for the half year ended 30 September 2021:

telecommunication industry to which the Company currently caters to. JDFPL continues to deploy additional fiber capacity for the increasing demand from its existing customer and proposed customers. For the operations and maintenance of the fibre assets, JDFPL has in place long-term arrangements with reputed and experienced contractors/service providers. Further, part of its sanctioned borrowings are available to JDFPL for utilization on need basis and JDFPL also received funds from its controlling entity to meet its liquidity requirements.

Based on the aforesaid, the Trust does not expect any significant challenges, including from COVID 19 pandemic, particularly in the next twelve months.

6. Digital Fibre Infrastructure Trust (Controlling entity) owns 51% of the equity shares of Jio Digital Fibre Private Ltd as on 30th September 2021.
7. The InvIT has made distributions during the half year ended 30th September 2021 amounting to Rs 7185.51 million.
8. The figures for half year ended 31st March, 2021 are the balancing figures derived from the figures for the full financial year ended 31st March, 2021 reduced by the figures for the half year 30th September 2020 which were subjected to limited review.
9. The Trust activities comprise of owing and investing in Infrastructure SPVs to generate cash flow 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.
10. The previous period's figures have been regrouped, wherever necessary to make them comparable with those of current period.



Rajkumar N Agrawal

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STATEMENT OF UNAUDITED STANDALONE FINANCIAL INFORMATION

II. Additional Disclosures as required by Paragraph 6 of Annexure A to SEBI Circular No.CIR/IMD/DF/127/2016:

A. Statement of Net Distributable Cash Flows (NDCFs) of Digital Fibre Infrastructure Trust

INR Million

Description	Half year ended		
	30th September, 2021	31st March, 2021	30th September, 2020
	Unaudited	Unaudited	Unaudited
Cash flows received from SPV in the form of interest / accrued interest / additional interest	22,184	15,171	-
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	-	-	-
Contribution to Corpus	-	55	-
Proceeds from Unit issuance	-	-	1,47,060
Borrowings at the Trust level	67,000	2,52,800	-
Total cash flow at the Trust level (A)	89,184	2,68,026	1,47,060
Less: issue expenses payable by Trust including as reimbursements towards expenses of Trust met by the Sponsors	-	-	(7)
Less: annual expenses of the Trust including audit fees, project manager fees, Investment management fees, other statutory fees, depository fees, legal expenses, credit rating fees and valuer fees, if any (pro-rated for half year)	(6)	(104)	(25)
Less: income tax (if applicable) at the standalone Trust level and payment of other statutory dues	-	-	-
Less: Repayment of debt at the Trust Level (including principal, interest and other monies payable in terms of the relevant loan agreement)	(14,245)	(10,665)	(119)
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 at the Trust level 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	(67,000)	(2,50,000)	(1,47,060)
Less: Capital expenditure if any (including acquisition of other infrastructure assets / SPVs)	-	-	-
Add: Cost of fresh issuance of units	-	(8)	-
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)	(81,251)	(2,60,777)	(1,47,211)
Net Distributable Cash Flows (C) = (A+B)	7,934	7,249	(151)



Rajima V Agawal

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STATEMENT OF UNAUDITED STANDALONE FINANCIAL INFORMATION

II. Additional Disclosures as required by Paragraph 6 of Annexure A to SEBI Circular No.CIRJIMD/DF/127/2016:

- B. Pursuant to Investment Management Agreement, the Investment Manager is entitled to an Investment Management fee of Rs.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, transaction expenses incurred with respect to investing, monitoring and disposing off the investment of the Trust.

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	Half year ended 30th September, 2021	Half year ended 31st March, 2021	Half year ended 30th September, 2020
	Unaudited	Unaudited	Unaudited
Profit after tax for the period (INR in million)	7,160	4,829	(65)
Weighted average number of units outstanding for computation of basic and diluted earnings per unit (no. in million)	1,470.60	1,470.60	16.07
Earnings per unit in INR (Basic and Diluted)	4.87	3.28	(4.07)

- E. Contingent liabilities as at 30th September 2021 is NIL (31st March 2021: NIL, 30th September 2020: NIL)

- F. Commitments as at 30th September 2021 is NIL (31st March 2021: NIL, 30th September 2020: NIL)

G. Related Party Disclosures

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

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

A	Name of Party	Relationship
1	Jio Digital Fibre Private Ltd	Subsidiary
2	Reliance Projects & Property Management Services Limited (w.e.f.29th September 2020 to 29th October 2020)	Unit Holder
3	Jamnagar Utilities & Power Private Limited (w.e.f.29th September 2020 to 29th October 2020)	Unit Holder
4	Platinum Compass B 2018 RSC Limited	Unit Holder
5	Public Investment Trust	Unit Holder

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

A	Name of Party	Relationship
1	Reliance Industrial Investments and Holdings Limited	Sponsor & Unit Holder
2	Axis Trustee Service Limited	Trustee
3	Infinite India Investment Manager Limited	Investment Manager
4	Jio Infrastructure Management Services Limited	Project Manager
5	Reliance Industries Limited	Promotor of Sponsor



Rajkumar N Agarwal

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STATEMENT OF UNAUDITED STANDALONE FINANCIAL INFORMATION

II. Additional Disclosures as required by Paragraph 6 of Annexure A to SEBI Circular No.CIR/IMD/DF/127/2016:

B Directors of the Parties to the Trust Specified II (A) above

i)	Directors of Reliance Industrial Investments and Holdings Limited
1	Hital Rasiklal Meswani
2	Vinod Mansukhlal Ambani
3	Mahendra Nath Bajpai
4	Savithri Parekh
5	Dhiren Vrajilal Dalal
6	Balasubramanian Chandrasekaran

ii)	Directors of Axis Trustee Service Limited
1	Sanjay Sinha
2	Rajesh Kumar Dahiya
3	Ganesh Sankaran

iii)	Directors of Infinite India Investment Manager Limited
1	Shaillesh Shankarlal Vaidya
2	Vishal Nimesh Kampani
3	Rajendra Dwarkadas Hingwala
4	Dipti Neelakantan

iv)	Directors of Jlo Infrastructure Management Services Limited
1	Sudhakar Saraswatula
2	Nikhil Chakrapani Suryanarayana Kavipurapu
3	Hariharan Mahadevan



Rajkumar N Agawal

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STATEMENT OF UNAUDITED STANDALONE FINANCIAL INFORMATION

II. Additional Disclosures as required by Paragraph 6 of Annexure A to SEBI Circular No.CIRJMD/DF/127/2016:

III Transactions with Related Parties during the period			INR Million		
Sr No	Particulars	Relation	Half year ended		
			30th September, 2021	31st March, 2021	30th September, 2020
1	Professional Fees				
	Axis Trustee Service Limited	Trustee	1	1	1
	Infinite India Investment Manager Limited	Investment Manager	12	12	12
	Jio Infrastructure Management Services Limited	Project Manager	12	12	12
2	Interest Income on Loan given				
	Jio Digital Fibre Private Limited	Subsidiary	22,307	15,361	79
3	Loans and Advances given				
	Jio Digital Fibre Private Limited	Subsidiary	67,000	2,50,000	1,47,060
4	Issue of units				
	Reliance Industrial Investments and Holdings Limited	Unit Holder	-	-	22,060
	Reliance Projects & Property Management Services Limited	Unit Holder	Not Applicable	-	64,500
	Jamnagar Utilities & Power Private Limited	Unit Holder	Not Applicable	-	35,500
5	Contribution to Corpus				
	Reliance Industrial Investments and Holdings Limited	Sponsor	-	31	24
6	Distribution to Unitholders				
	Platinum Compass B 2018 RSC Limited	Unit Holder	1,832	1,815	-
	Public Investment Fund	Unit Holder	1,832	1,815	-
	Reliance Industrial Investments and Holdings Limited	Sponsor & Unit Holder	1,078	1,068	-



Aijuman N Agawal

Digital Fibre Infrastructure Trust

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SEBI Registration Number: IN/InvIT/18-19/0010

STATEMENT OF UNAUDITED STANDALONE FINANCIAL INFORMATION**II. Additional Disclosures as required by Paragraph 6 of Annexure A to SEBI Circular No.CIRJMD/DF/127/2016:****(iii) Outstanding balance at the period end**

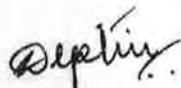
INR Million

Sr No	Particulars	Relation	As at		
			30th September, 2021	31st March, 2021	30th September, 2020
1	Axis Trustee Service Limited	Trustee	-	-	1
2	Infinite India Investment Manager Limited	Investment Manager	12	-	12
3	Jio Infrastructure Management Services Limited	Project Manager	12	-	12
4	Jio Digital Fibre Private Limited (Loan Balance)	Subsidiary (SPV)	4,64,060	3,97,060	1,47,060
5	Jio Digital Fibre Private Limited (Interest Receivable)	Subsidiary (SPV)	391	268	79
6	Jio Digital Fibre Private Limited (Novation - Credit Balance)	Subsidiary (SPV)	2,800	2,800	-
7	Jio Digital Fibre Private Limited (Investment)	Subsidiary (SPV)	2,627	2,627	-
8	Reliance Industrial Investments and Holdings Limited (Corpus)	Sponsor & Unit Holder	318	318	288
9	Reliance Industrial Investments and Holdings Limited (Units allocated)	Sponsor & Unit Holder	22,060	22,060	-
10	Platinum Compass B 2018 RSC Limited	Unit Holder	37,500	37,500	-
11	Public Investment Fund	Unit Holder	37,500	37,500	-

For and on behalf of the Board of Directors

Infinite India Investment Management Limited

(Acting as Investment Managers of Digital Fibre Infrastructure Trust)



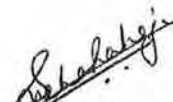
Ms. Dipti Neelakantan

Director

DIN: 00505452

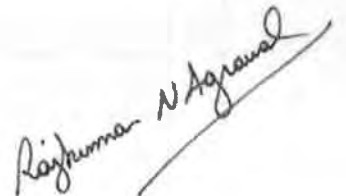
Date: 10th November 2021

Place: Mumbai



Sreha Raheja

Compliance Officer



Mr. Rajkumar Agrawal

Authorised Signatory



**INDEPENDENT AUDITOR'S REVIEW REPORT ON REVIEW OF INTERIM CONSOLIDATED
FINANCIAL INFORMATION**

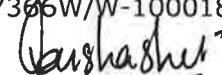
TO THE BOARD OF DIRECTORS OF

**Infinite India Investment Management Limited - The Investment Manager of Digital Fibre
Infrastructure Trust ("the Investment Manager")**

1. We have reviewed the accompanying Statement of Unaudited Consolidated Financial information of Digital Fibre Infrastructure Trust (the Trust) and its subsidiary (Jio Digital Fibre Private Limited) (together referred to as the "Group"), which comprise of the Unaudited Consolidated Statement of Profit and Loss, explanatory notes thereto and the additional disclosure as required by paragraph 6 of Annexure A to the SET circular No. CIR/IMD/DF/127/2016 dated 29th November, 2016 (the "SEBI circular") for the half year ended 30th September, 2021 (the "Statement"). The Statement is being submitted by Investment Manager to the unitholders pursuant to the requirement of the Securities and Exchange Board of India (Infrastructure Investment Trusts) Regulations 2014 as modified from time to time.
2. This Statement, which is the responsibility of the Investment Manager and approved by the Investment Manager's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in the Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), as defined in Rule 2(1) (a) of Companies (Indian Accounting Standards) Rules, 2015 as amended and in accordance with the SEBI circular. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410 'Review of Interim Financial Information Performed by the Independent Auditor of the Entity, issued by the Institute of Chartered Accountants of India (ICAI). A review of interim financial information consists of making inquiries, primarily of the Company's personnel responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing specified under section 143(10) of the Companies Act, 2013 and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.
4. Based on our review conducted as stated in paragraph 3 above, nothing has come to our attention that causes us to believe that the accompanying Statement has not been prepared in accordance with the recognition and measurement principles laid down in the aforesaid Indian Accounting Standard and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of the SEBI circular or that it contains any material misstatement.

For **DELOITTE HASKINS & SELLS LLP**

Chartered Accountants
(Firm's Reg. No. 117306W/W-100018)



Varsha A. Fadte
Partner

(Membership No. 103999)
UDIN: 21103999AAAAJP1898

Panaji, Goa, November 10, 2021

Digital Fibre Infrastructure Trust

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

Website: <https://digitalfibreinfrastructure.com>

SEBI Registration Number: IN/InvIT/18-19/0010

STATEMENT OF UNAUDITED CONSOLIDATED FINANCIAL INFORMATION

I. Unaudited Consolidated Statement of Profit and Loss for the half year ended 30th September 2021

INR Million

Sr. No	Particulars	Half year ended		
		30th September 2021	31st March 2021	30th September 2020
		Unaudited	Unaudited (Refer note 8)	Unaudited
I	INCOME AND GAINS			
	Revenue from Operations.	52,567	44,496	31,902
	Gain on Investments	92	130	75
	Interest Income	1	3	-
	Miscellaneous Income	-	0	34
	Total Income and Gains	52,660	44,629	32,011
II	EXPENSES AND LOSSES			
	Networking Operating Expenses	6,133	5,622	4,786
	Depreciation on Property, Plant and Equipment	28,981	32,024	31,103
	Project Manager Fee	12	12	12
	Investment Manager Fee	12	12	12
	Employee Cost	24	4	2
	Audit Fees	3	9	2
	Trustee Fee	1	1	1
	General and Administrative expenses*	48	2,364	83
	Finance Costs	40,380	34,283	32,251
	Total Expenses and Losses	75,594	74,331	68,252
III	Loss before Taxes (I-II)	(22,934)	(29,702)	(36,241)
IV	Tax Expenses	(7,574)	(8,689)	(9,104)
V	Loss for the period (III-IV)	(15,360)	(21,013)	(27,137)
VI	Other Comprehensive Income			
	(i) Items that will not be reclassified to profit or loss	1	0	-
	(ii) Income tax relating to items that will not be reclassified to profit or loss	0	0	-
	Total Other Comprehensive Income for year (Net of Tax)	1	0	-
VI	Total Comprehensive Income for the period (V+VI)	(15,359)	(21,013)	(27,137)
VII	Attributable to Owners of the Trust	(4,346)	(28,117)	(13,895)
VIII	Attributable to Non-Controlling Interests	(11,013)	7,104	(13,242)

Note :

1) "0" represents the amount below the denomination threshold.

2) * General and Administrative expenses for the half year ended 30th September 2021 and 31st March 2021 includes net fair value of put and call option for equity investment.



Rajkumar N Agrawal

Digital Fibre Infrastructure Trust

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STATEMENT OF UNAUDITED CONSOLIDATED FINANCIAL INFORMATION

Notes to Unaudited Consolidated Financial Information of Digital Fibre Infrastructure Trust for the half year ended 30 September 2021:

1. Investors can view the Statement of Unaudited Consolidated Financial Information of the Digital Fibre Infrastructure Trust on the Trust's website (www.digitalfibreinfrastructure.com).
2. The Unaudited Consolidated financial information of Digital Fibre Infrastructure Trust ("the Trust") and its subsidiary Jio Digital Fibre Private Limited (together referred to as the "Group") comprises of unaudited 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 29th November, 2016 ('SEBI Circular') of Digital Fibre Infrastructure Trust for the half year ended 30th September, 2021 ("Consolidated interim financial information").
3. The Consolidated interim financial information for the half year ended 30th September, 2020 has been prepared in accordance with the recognition and measurement principles prescribed under Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), 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"). The above financial information has been reviewed and approved by the Board of Directors of the Investment Manager at their meeting held on 10th November, 2021. The Statutory auditors of the Digital Fibre Infrastructure Trust have carried out Limited Review of the financial information for the half year ended 30th September 2021.
4. Digital Fibre Infrastructure Trust (The "Trust"/"InvIT") is registered as a contributory irrevocable trust set up under the Indian Trusts Act, 1882 on 31st January, 2019 and registered as an infrastructure investment trust under the Securities and Exchange Board of India (Infrastructure Investment Trusts) Regulations, 2014, on 20th March, 2019 having registration number IN/InvIT/18-19/0010. Reliance Industrial Investments & Holdings Limited, a company incorporated in India, is the Sponsor of the Trust. The Trustee to the Trust is Axis Trustee Services Limited (the "Trustee"). Investment Manager for the Trust is Infinite India Investment Management Limited (the "Investment Manager"). The address of the registered office of the Investment Manager is 7th Floor, Cnergy, Appasaheb Marg, Prabhadevi Mumbai 400025.
5. The Group is engaged in setting up, operating and managing of optic fibre infrastructure in India. All activities of the Group revolve around this main business. Accordingly, the Group has this single segment as per the requirements of Ind AS 108 - Operating Segment.



Rajkumar N Agawal

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STATEMENT OF UNAUDITED CONSOLIDATED FINANCIAL INFORMATION

Continue...

Notes to Unaudited Consolidated Financial Information of Digital Fibre Infrastructure Trust for the half year ended 30 September 2021:

6. The outbreak of Coronavirus (COVID-19) pandemic globally and in India is causing significant disturbance and slowdown of economic activity.

The Group includes Jio Digital Fibre Private Limited ("JDFPL"), which is engaged in the business of providing optic fibre infrastructure services and related operations in India. JDFPL has executed a long term Fibre and Duct Use Agreement (FUA) with Reliance Jio Infocomm Limited (RJIL) as its customer, which results into committed revenues and cash flows for JDFPL, 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 Company currently caters to. JDFPL continues to deploy additional fiber capacity for the increasing demand from its existing customer and proposed customers. For the operations and maintenance of the fibre assets, JDFPL has in place long-term arrangements with reputed and experienced contractors/service providers. Further, part of its

sanctioned borrowings are available to JDFPL for utilization on need basis and JDFPL also received funds from its controlling entity to meet its liquidity requirements.

Based on the aforesaid, the Group does not expect any significant challenges, including from COVID 19 pandemic, particularly in the next twelve months.

7. The InvIT has made distributions during the half year ended 30th September 2021 amounting to Rs 7185.51 million.
8. The figures for half year ended 31st March, 2021 are the balancing figures derived from figures for the full financial year ended 31st March, 2021 reduced by the figures for the half year 30th September, 2020 which were subjected to limited review.
9. The previous period's figures have been regrouped, wherever necessary to make them comparable with those of current period.



Rajkumar N Agrawal

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STATEMENT OF UNAUDITED CONSOLIDATED FINANCIAL INFORMATION

II Additional Disclosures as required by Paragraph 6 of Annexure A to SEBI Circular No CIRJMD/DF/127/2016:

A. Statement of Net Distributable Cash Flows (NDCF) of JDFPL

INR Million

Description	Half year ended		
	30th September, 2021	31st March, 2021	30th September, 2020
	Unaudited	Unaudited	Unaudited
Loss after tax as per profit and loss account (standalone) (A)	(22,516)	(25,827)	(27,072)
Add: Depreciation and amortisation as per profit and loss account. In case of impairment reversal, same needs to be deducted from profit and loss.	28,981	32,024	31,103
Add / less: Loss / gain on sale of infrastructure assets	-	-	-
Add / less: Finance Cost	47,589	41,398	32,211
Add/ Less : Gain on sale of Mutual Fund Investment	(92)	(135)	(72)
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	(1,11,400)	(1,23,947)	(74,624)
Less: Investments made in accordance with the Investment objective, if any	(4,466)	12,313	(13,657)
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	-	-	-
• provisions;	-	-	-
• deferred taxes;	(7,574)	(8,688)	(9,104)
• any other non-cash item, lease rents recognised on a straight-line basis, etc.	-	-	-
Add / less: Working capital changes	(14,719)	(8,082)	(21,055)
Add / less: Taxes paid	(7)	(88)	(32)
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)	1,27,543	8,66,889	1,47,060
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.	-	(7,16,220)	(32,600)
Less :Interest paid to third party	(21,234)	(54,391)	(32,268)
Less: Cash reserved to make due payments to secured lenders in subsequent periods	-	-	-
Add / less: Proceeds from any fresh Issuance of preference shares / redemption of any preference shares including redemption or capital reduction of the optionally convertible preference shares (Net of monies attributable to optionally convertible preference shares and retained in the SPV)	-	-	-
Add: Proceeds from any fresh Issuance of equity shares	-	-	-
Add: Unpaid and accrued Interest and principal amount towards debt outstanding including but not limited to Trust Loan 1 and Trust Loan 2	-	-	-
Less: Monies attributable to the optionally convertible preference shares in terms of SHOA / other transaction agreements	-	-	-
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)	44,622	41,073	26,962
Net Distributable Cash Flows (C) = (A+B)	22,106	15,246	(110)



Raj Kumar N Aggarwal

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STATEMENT OF UNAUDITED CONSOLIDATED FINANCIAL INFORMATION

II Additional Disclosures as required by Paragraph 6 of Annexure A to SEBI Circular No CIR/IMD/DF/127/2016:

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

INR Million

Description	Half year ended		
	30th September, 2021	31st March, 2021	30th September, 2020
	Unaudited	Unaudited	Unaudited
Cash flows received from SPV in the form of interest / accrued interest / additional interest	22,184	15,171	-
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	-	-	-
Add: Contribution to Corpus	-	55	-
Add: Proceeds from Unit issuance	-	-	1,47,060
Add: Borrowings at the Trust Level	67,000	2,52,800	-
Total cash flow at the Trust level (A)	89,184	2,68,026	1,47,060
Less: issue expenses payable by Trust including as reimbursements towards expenses of Trust met by the Sponsors	-	-	7
Less: annual expenses of the Trust including audit fees, project manager fees, investment management fees, other statutory fees, depository fees, legal expenses, credit rating fees and valuer fees, if any (pro-rated for half year)	6	104	25
Less: income tax (if applicable) at the standalone Trust level and payment of other statutory dues	-	-	-
Less: Repayment of debt at the Trust Consolidated Level (including principal, interest and other monies payable in terms of the relevant loan agreement)	14,995	10,665	119
Less: net cash set aside to comply with DSRA requirement under	-	-	-
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 at the Trust level 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	67,000	2,50,000	1,47,060
Less: Capital expenditure if any (including acquisition of other Infrastructure assets / SPVs)	-	-	-
Add: Cost of fresh issuance of units	-	8	-
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)	82,001	2,60,777	1,47,211
Net Distributable Cash Flows (C) = (A+B)	7,183	7,249	(151)



Rajkumar N Agawal

STATEMENT OF UNAUDITED CONSOLIDATED FINANCIAL INFORMATION

II Additional Disclosures as required by Paragraph 6 of Annexure A to SEBI Circular No CIR/IMD/DF/127/2016:

- B. Pursuant to Investment Management Agreement, the Investment Manager is entitled to an Investment Management fee of Rs.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, transaction expenses incurred with respect to investing, monitoring and disposing off investment of the Trust.

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	Half year ended 30th September, 2021	Half year ended 31st March, 2021	Half year ended 30th September, 2020
	Unaudited	Unaudited	Unaudited
Loss for the period (INR in million)	(4,346)	(28,117)	(13,895)
Weighted average number of units outstanding for computation of basic and diluted earnings per unit (no. in million)	1,471	1,471	16.07
Earnings per unit in INR (Basic and Diluted)	(2.96)	(19.12)	(864.55)

Trust has issued units on 29th September 2020. Hence, EPS for the half year ended 30th September 2020 calculated accordingly on weighted average number of units outstanding for the period.

D. Contingent Liabilities and Commitments

Particulars	INR Million		
	As at September 30, 2021	As at March 31, 2021	As at September 30, 2020
	Unaudited	Audited	Unaudited
Contingent Liabilities	41	370	371
Capital Commitments	12,090	15,125	-

E. Related Party Disclosures

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

A	Name of Party	Relationship
1	Reliance Projects and Property Management Services Limited (wef from 29 September 2020 to 29 October 2020)	Unit holder
2	Jamnagar Utilities and Power Private Limited (wef from 29 September 2020 to 29 October 2020)	Unit holder
3	Platinum Compass B 2018 RSC Limited	Unit holder
4	Public Investment Fund	Unit holder

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

A	Name of Party	Relationship
1	Axis Trustee Service Limited	Trustee
2	Infinite India Investment Manager Limited	Investment Manager
3	Reliance Industrial Investments and Holding Limited	Sponsor & Unit Holder
4	Reliance Industries Limited	Promoter of Sponsor
5	Jio Infrastructure Management Services Limited	Project Manager
6	Axis Bank Limited	Promoter of Trustee

B Director of the Parties to the Trust Specified II (A) above

i)	Directors of Reliance Industrial Investments and Holdings Limited
1	Hital Rasiklal Meswani
2	Vinod Mansukhlal Ambani
3	Mahendra Nath Bajpai
4	Savithri Parekh
5	Dhiren Vrajilal Dalal
6	Balasubramanian Chandrasekaran



Rajkumar N Aggarwal

STATEMENT OF UNAUDITED CONSOLIDATED FINANCIAL INFORMATION

II Additional Disclosures as required by Paragraph 6 of Annexure A to SEBI Circular No CIRJMD/DF/127/2016:

ii)	Directors of Axis Trustee Service Limited
1	Sanjay Sinha
2	Rajesh Kumar Dahiya
3	Ganesh Sankaran

iii)	Directors of Infinite India Investment Manager Limited
1	Shailesh Shankarlal Vaidya
2	Vishal Nimesh Kampani
3	Rajendra Dwarkadas Hingwala
4	Dipti Neelakantan

iv)	Directors of Jio Infrastructure Management Services Limited
1	Sudhakar Saraswatula
2	Nikhil Chakrapani Suryanarayana Kavipurapu
3	Harlihan Mahadevan

III Transactions with Related Parties during the period

INR Million

Sr. No	Particulars	Relation	Half year ended		
			As at September 30, 2021	As at March 31, 2021	As at September 30, 2020
			Unaudited	Unaudited	Unaudited
1	Professional Fees				
	Axis Trustee Service Limited	Trustee	1	4	1
	Infinite India Investment Manager Limited	Investment Manager	12	12	12
	Jio Infrastructure Management Services Limited	Project Manager	12	12	12
2	Units Allocated				
	Reliance Industrial Investments and Holdings Limited*	Sponsor & Unit Holder	-	-	22,060
	Jamnagar Utilities & Power Private Limited (JUPPL)	Unit Holder	Not Applicable	-	35,500
	Reliance Projects and Property Management Services Limited	Unit Holder	Not Applicable	-	64,500
3	Distribution to Unitholders				
	Public Investment Fund	Unit Holder	1,832	1,815	-
	Platinum Compass B 2018 RSC Limited	Unit Holder	1,832	1,815	-
	Reliance Industrial Investments and Holdings Limited	Sponsor & Unit Holder	1,078	1,068	-
4	Reliance Industries Ltd	Promoter of Sponsor			
	Repayment of Non Convertible Debentures (Unsecured)		-	2,53,420	-
	Interest on Non Convertible Debentures (Secured)		9,656	5,184	-
	Interest on Non Convertible Debentures (Unsecured)		-	5,234	11,435
	Issuance of Non Convertible Debentures (Secured)		-	2,53,420	-
	Internal Audit Fees		1	1	-
	Guarantee Commission Fees		-	41	-
	NCD Processing Fees		-	634	-
5	Reliance Projects and Property Management Services Limited	Unit Holder			
	Network Operating Expenses		-	869	-
	Capital Expenditure		-	9,572	-
6	Jamnagar Utilities and Power Private Limited	Project Manager			
	Repayment of Loans		-	63,200	-
	Loan Taken		-	50,000	-
	Interest on Loans		-	6,079	-
7	Axis Bank Ltd	Promoter of Trustee			
	Loan Taken		-	55,000	-
	Loan Repaid		-	57,500	-
	Processing fees paid		13	125	-
	Refinancing Arrangement		-	-	2,500
	Interest on Borrowings		2,137	1,901	2,264
8	Contribution to Corpus				
	Reliance Industrial Investments and Holdings Limited	Sponsor & Unit Holder	-	-	55



Rajhans N. Aggarwal

Digital Fibre Infrastructure Trust

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STATEMENT OF UNAUDITED CONSOLIDATED FINANCIAL INFORMATION

II Additional Disclosures as required by Paragraph 6 of Annexure A to SEBI Circular No CIR/IMD/DF/127/2016:

(iii) Outstanding balance at the period end

Sr. No	Particulars	Relation	As at September 30, 2021	As at March 31, 2021	As at September 30, 2020
			Unaudited	Unaudited	Unaudited
1	Axis Trustee Service Limited	Trustee	-	-	1
2	Infinite India Investment Manager Limited	Investment Manager	12	-	12
3	Jio Infrastructure Management Services Limited	Project Manager	12	-	12
4	Reliance Industrial Investments and Holdings Limited	Sponsor & Unit Holder	319	22,379	288
5	Public Investment Fund	Unit Holder	37,500	37,500	-
6	Platinum Compass B 2018 RSC Limited	Unit Holder	37,500	37,500	-
7	Reliance Industries Ltd	Promoter of Sponsor	-	-	-
	Borrowings - Non Convertible Debentures (Secured)		2,53,420	2,53,420	-
	Borrowings - Non Convertible Debentures (Unsecured)		-	-	2,53,420
	Interest accrued but not due on Non Convertible Debentures (Unsecured)		1,583	-	11,435
	Vendor account- Internal Audit fees payable		1	1	-
8	Borrowings - Secured Term Loans- Axis Bank Limited	Promoter of Trustee	55,000	55,000	55,000
9	Bank Balances*	Promoter of Trustee	22	28	0
10	Interest accrued but not due on loan	Promoter of Trustee	350	-	356

* Half year ended 30th September 2020, includes Bank balance of Rs. 436,228/-

For and on behalf of the Board of Directors

Infinite India Investment Management Limited

(Acting as Investment Managers of Digital Fibre Infrastructure Trust)

Deptin

Ms. Dipti Neelakantan
Director

DIN: 00505452

Date: 10th November 2021

Place: Mumbai

Sneha Raheja

Sneha Raheja
Compliance Officer

Rajkumar Agrawal

Mr. Rajkumar Agrawal
Authorised Signatory



INDEPENDENT AUDITOR'S REPORT

**Digital Fibre Infrastructure Trust (the "Trust")
acting through Axis Trustee Services Limited, as the trustee (the "Trustee")
Axis House, 2nd Floor, Wadia International Centre, Panbhurang Budhkar Marg,
Worli, Mumbai 400025**

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of Digital Fibre Infrastructure Trust ("the Trust"), which comprise the Balance Sheet as at 31st March 2021, and the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Cash Flow and the Statement of Changes in Equity for the year then ended, Statement of Net Assets at fair value as at 31st March, 2021, Statement of Total Returns at fair value and the Statement of Net Distributable Cash Flows for the year then ended and a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the standalone financial statements").

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

Basis for Opinion

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing 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 Standalone Financial Statements section of our report. We are independent of the Trust in accordance with the Code of Ethics issued by the ICAI together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules made thereunder, 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.



Deloitte Haskins & Sells LLP

Emphasis of matters

We draw attention to Note 6 of the standalone financial statements which describes the presentation of "Unit Capital" as "Equity" to comply with InvIT Regulations. Our opinion is not modified in respect of this matter.

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

The Investment Manager is responsible for the other information. The other information comprises the information 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 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 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.

When we read the Annual report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance as required under SA 720 'The Auditor's responsibilities Relating to Other Information'.

Management's Responsibility for the Standalone Financial Statements

Infinite India Investment Management Limited ("Investment Manager") 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, cash flows, changes in equity, net assets at fair value, total returns at fair value and net distributable cash flows of the Trust in accordance with the InvIT Regulations, Ind AS 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 in accordance with the provisions of the Act 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 statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, the Board of Directors of Investment Manager 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.



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

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

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism 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 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 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.

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



Deloitte Haskins & Sells LLP

them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Report on Other Legal and Regulatory Requirements

As required by the InvIT Regulations, we report that:

- a) We have sought and 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, Standalone Statement of Profit and Loss (including Other Comprehensive income), Standalone Cash Flow Statement and Standalone Statement of Changes in Equity dealt with by this Report are in agreement with the books of account of the Trust;
- c) In our opinion and to the best of our information and according to the explanations given to us, 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; and
- d) In our opinion and to the best of our information and according to the explanations given to us, the Standalone Financial Statements give the disclosures, in accordance with the InvIT Regulations, in respect of the net assets at fair value as at March 31, 2021, the total returns at fair value for the year ended March 31, 2021 and the net distributable cash flows for the year then ended.

For **DELOITTE HASKINS & SELLS LLP**
Chartered Accountants
(Firm's Reg. No. 117366W/W-100018)



Varsha A. Fadte
Partner
(Membership No. 103999)
UDIN: 21103999AAAAGS9971

Place: Chicalim Goa
Dated: June 16, 2021

Digital Fibre Infrastructure Trust

**STANDALONE FINANCIAL STATEMENTS FOR YEAR ENDED MARCH
31, 2021**

Digital Fibre Infrastructure Trust

Standalone Balance Sheet as at 31st March, 2021

Particulars	Notes	As at 31st March, 2021	(Amount In Rs.) As at 31st March, 2020
ASSETS			
Non Current Assets			
Financial Assets:			
Investments	1	2,62,65,00,005	2,62,65,00,000
Loans and Advances	2	3,97,06,00,00,000	-
Other Financial Assets	3	4,00,98,471	-
Total Non Current Assets		3,99,72,65,98,476	2,62,65,00,000
Current Assets			
Financial Assets:			
Cash and Cash Equivalents	4	79,06,528	2,91,34,652
Other Financial Assets	5	26,83,69,004	-
Total Current Assets		27,62,75,532	2,91,34,652
Total Assets		4,00,00,28,74,008	2,65,56,34,652
EQUITY AND LIABILITIES			
EQUITY			
Unit capital	6	1,47,06,00,00,000	-
Contribution to Corpus	7	31,83,10,000	26,35,10,000
Reserves and Surplus	8	(2,68,44,60,313)	(30,97,29,348)
Total Equity		1,44,69,38,49,687	(4,62,19,348)
LIABILITIES			
Non - Current Liabilities			
Financial Liabilities			
Borrowings	9	2,50,00,00,00,000	-
Other Financial Liabilities	10	5,09,21,74,597	-
Total Non-Current Liabilities		2,55,09,21,74,597	-
Current Liabilities			
Financial liabilities			
Trade Payables due to			
total outstanding dues of micro enterprises and small enterprise		-	-
total outstanding dues of creditors other than micro enterprises and small enterprises		75,92,652	4,22,64,000
Other Financial Liabilities	11	20,92,49,572	2,63,00,00,000
Other Current Liabilities	12	7,500	2,95,90,000
Total Current Liabilities		21,68,49,724	2,70,18,54,000
Total Liabilities		2,55,30,90,24,321	2,70,18,54,000
Total Equity and Liabilities		4,00,00,28,74,008	2,65,56,34,652

See accompanying Notes to the Standalone Financial Statements



Signature

Digital Fibre Infrastructure Trust
Standalone Balance Sheet
as at March 31, 2021

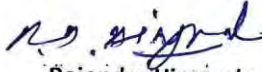
As per our Report of even date

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

For and on behalf of the Board of Investment Manager



Varsha A. Fadte
Partner



Rajendra Hingwala
DIN: 00160602



Dipti Neelakantan
DIN: 00505452

Place: Chicalim Goa
Date: June 16, 2021

Place: Mumbai
Date: June 16, 2021

Digital Fibre Infrastructure Trust

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

			(Amount in Rs.)
	Notes	1st April, 2020 to 31st March, 2021	1st April, 2019 to 31st March, 2020
INCOME			
Revenue from Operations	13	15,43,92,83,310	-
Other Income		-	-
Total Income		15,43,92,83,310	-
EXPENSES			
Finance Costs	14	8,36,30,28,493	23,67,00,000
Other Expenses	15	2,31,23,23,797	6,97,86,882
Total Expenses		10,67,53,52,290	30,64,86,882
Profit / (Loss) before tax		4,76,39,31,020	(30,64,86,882)
Tax expenses		-	-
Profit / (Loss) for the year		4,76,39,31,020	(30,64,86,882)
Other Comprehensive Income		-	-
Total Comprehensive Income / (Loss) for the year		4,76,39,31,020	(30,64,86,882)
Earning per unit of face value of Rs. 100 Each	16		
- For Basic (Rs.)		6.43	-
- For Diluted (Rs.)		6.43	-

See accompanying Notes to the Standalone Financial Statements



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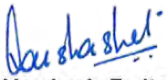
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Digital Fibre Infrastructure Trust
Standalone statement of P&L
for the year ended March 31, 2021

As per our Report of even date

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

For and on behalf of the Board of Investment Manager



Varsha A. Fadte
Partner



Rajendra Hingwala
DIN:00160602



Dipti Neelakantan
DIN: 00505452

Place: Chicalim Goa
Date: June 16, 2021

Place: Mumbai
Date: June 16, 2021

Digital Fibre Infrastructure Trust

Standalone Statement of Changes In Equity for the year ended 31st March, 2021

	(Amount In Rs.)	
	1st April, 2020 to 31st March, 2021	1st April, 2019 to 31st March, 2020
(A) Unit Capital		
Balance at the beginning of the year	-	-
Issuance during year	1,47,06,00,00,000	-
Balance at the end of the year	<u>1,47,06,00,00,000</u>	<u>-</u>
(B) Contribution to Corpus		
Balance at the beginning of the year	26,35,10,000	10,000
Changes in Contribution during the year	5,48,00,000	26,35,00,000
Balance at the end of the year	<u>31,83,10,000</u>	<u>26,35,10,000</u>
(C) Reserve and Surplus		
Particulars	Retained Earnings	Total
April 1, 2019 to March 31,2020		
Balance at the beginning of the reporting year	(32,42,466)	(32,42,466)
Total Comprehensive (Loss) for the year	(30,64,86,882)	(30,64,86,882)
Balance at the end of the year	<u>(30,97,29,348)</u>	<u>(30,97,29,348)</u>
April 1, 2020 to March 31,2021		
Balance at the beginning of the year	(30,97,29,348)	(30,97,29,348)
Total Comprehensive Profit for the year	4,76,39,31,020	4,76,39,31,020
Less : Distribution to Unit holders	(7,11,93,21,660)	(7,11,93,21,660)
Units issuance costs	(1,93,40,325)	(1,93,40,325)
Balance at the end of the year	<u>(2,68,44,60,313)</u>	<u>(2,68,44,60,313)</u>



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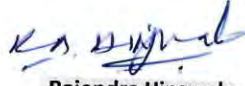
Digital Fibre Infrastructure Trust
Standalone statement of changes in
Equity for the year ended March 31, ~~2020~~
2021

As per our Report of even date

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

For and on behalf of the Board of Investment Manager


Varsha A. Fadte
Partner


Rajendra Hingwala
DIN:00160602

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Dipti Neelakantan
DIN: 00505452

Place: Chicalim Goa
Date: June 16, 2021

Place: Mumbai
Date: June 16, 2021

Digital Fibre Infrastructure Trust

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

	1st April, 2020 to 31st March, 2021	(Amount in Rs) 1st April, 2019 to 31st March, 2020
A CASH FLOW FROM OPERATING ACTIVITIES:		
Net Profit / (Loss) before tax as per Statement of Profit and Loss	4,76,39,31,020	(30,64,86,882)
Adjusted for		
Finance costs	8,36,30,28,493	23,67,00,000
Operating Profit/ (Loss) before Working Capital Changes	13,12,69,59,513	(6,97,86,882)
(Decrease) / Increase in Trade Payables	(3,46,71,348)	4,22,64,000
Increase in other current liabilities	2,26,25,92,093	2,63,47,534
(Increase) in Other Current Assets	(26,83,69,004)	-
(Increase) in Other Non Current Financial Assets	(4,00,98,471)	-
Net Cash flow generated from / (used in) Operating Activities (A)	15,04,64,12,782	(11,75,348)
B CASH FLOW FROM INVESTING ACTIVITIES:		
Loans and advances given	(3,97,06,00,00,000)	-
Net Cash flow (used in) Investing Activities (B)	(3,97,06,00,00,000)	-
C CASH FLOW FROM FINANCING ACTIVITIES:		
Proceeds from long-term borrowings	2,50,00,00,00,000	-
Other Financial Liability	2,80,00,00,000	-
Repayment of long term Borrowings	(2,63,00,00,000)	-
Contribution to corpus during the year	5,48,00,000	26,35,00,000
Interest paid	(8,15,37,78,921)	(23,67,00,000)
Issuance of Unit capital	1,47,06,00,00,000	-
Units issuance costs	(1,93,40,325)	-
Distribution to Unit holders	(7,11,93,21,660)	-
Net Cash flow generated from Financing Activities (C)	3,81,99,23,59,094	2,68,00,000
Net (decrease) / increase in Cash and Cash Equivalents (A+B+C)	(2,12,28,124)	2,56,24,652
Opening Balance of Cash and Cash Equivalents	2,91,34,652	35,10,000
Closing Balance of Cash and Cash Equivalents - Refer note 4	79,06,528	2,91,34,652



Signature

Signature

Digital Fibre Infrastructure Trust
Standalone Cash Flow Statement for
the year ended March 31, 2021

As per our Report of even date

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

For and on behalf of the Board of Investment Manager


Varsha A. Fadte
Partner


Rajendra Hingwala
DIN:00160602


Dipti Neelakantan
DIN: 00505452

Place: Chicalim Goa
Date: June 16, 2021

Place: Mumbai
Date: June 16, 2021

Digital Fibre Infrastructure Trust

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

A INTRODUCTION

Digital Fibre Infrastructure Trust a contributory irrevocable infrastructure investment trust has been registered under the provision of Trust Act under the Registration Act, 1908. The Trust is Registered with SEBI as an InvIT under the SEBI (Infrastructure Investment Trusts) Regulations, 2014. The objective of the Trust is to carry on the activity of Investment in Infrastructure Projects.

B ACCOUNTING POLICIES

B.1 Basis of preparation of Standalone financial statements

The standalone Financial Statements of Trust comprises the Standalone Balance Sheets as at 31st March 2021; the Standalone Statement of Profit and Loss, the Standalone Statement of Cash Flows and the Standalone Statement of Changes in Equity for the year ended 31 March 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 31 March 2021, the Statement of Total Returns at Fair Value and Statement of Net Distributable Cash Flows for year then ended, and other additional financial disclosures as required under the SEBI (Infrastructure Investment Trusts) Regulations, 2014. The standalone Financial Statements have 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 1. CIR/IMD/DF/114/2016 dated 20 October 2016 ("SEBI Circular"); Indian Accounting Standards as defined in Rule 2(1)(a) of the Companies (Indian Accounting Standards) Rules, 2015 ('Ind AS'), to the extent not inconsistent with the InvIT Regulations (refer note 6.1 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. The financial statements are presented in Indian Rupees, which is also its functional currency and all values are rounded to the nearest Rupee, except when otherwise indicated.

These standalone financial statements for the year ended 31st March 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 6 to the standalone financial statements.

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:

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

Held primarily for trading;

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

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;

Held primarily for trading;

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

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.

(d) 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.

(e) 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.

(f) 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.



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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.

(g) 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 cash flow statement, 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 Trust cash management

(j) Revenue recognition

The Trust earns revenue primarily from Investments.

Interest income

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

Dividends

Revenue is recognised when the Trust's right to receive the payment is established.

(k) 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.

C. Investment in Subsidiaries and Associates

The Company has accounted for its investments in subsidiaries and associates at cost.

ii) Financial liabilities

A. Initial recognition and measurement:

All financial liabilities are recognized initially at fair 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.

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) Global Health Pandemic On COVID-19

The outbreak of corona virus (COVID-19) pandemic globally and in India is causing significant disturbance and slowdown of economic activity. The Company's operations and revenue during the period were not impacted due to COVID-19.



Digital Fibre Infrastructure Trust

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

	(Amount in Rs.)	
	As at 31st March, 2021	As at 31st March, 2020
1 Investment-in Subsidiary Company		
Investments measured at Cost		
In Equity Shares of Jio Digital Fibre Private Limited unquoted, fully paidup (262,65,00,005 shares (PY 262,65,00,000) of Rs. 1 each)	2,62,65,00,005	2,62,65,00,000
Total	2,62,65,00,005	2,62,65,00,000
2 Loans and Advances		
(Unsecured Considered Good)		
Loan to Jio Digital Fibre Private Limited	3,97,06,00,00,000	-
Total	3,97,06,00,00,000	-
3 Non Current Financial Assets		
Put Option on Jio Digital Fibre Private Limited Shares (Refer note 23)	4,00,98,471	-
Total	4,00,98,471	-
		(Amount in Rs.)
	As at 31st March, 2021	As at 31st March, 2020
4 Cash and Cash Equivalents		
Balances with Banks in current accounts	79,06,528	2,91,34,652
Total	79,06,528	2,91,34,652
		(Amount in Rs.)
	As at 31st March, 2021	As at 31st March, 2020
5 Other Curret Financial Asset		
Interest Receivable	26,83,69,004	-
Total	26,83,69,004	-



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Digital Fibre Infrastructure Trust

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

6 Unit capital

6.1 Unit capital

Issued, Subscribed and fully paid up Unit Capital

1,47,06,00,000 (31st March 2020 : Nil) units of Rs 100 (31st March 2020 : Nil) each

(Amount in Rs.)
As at
31st March, 2021 As at
31st March, 2020

1,47,06,00,00,000 -

The SEBI circular no. CIR/IMD/DF/114/2016 dated 20-Oct-2016 issued under the SEBI InvIT Regulation require that the 'Unit Capital' should be presented as 'Equity' in the financial statements of the Trust. Further, the SEBI InvIT Regulation requires that 90% of the Net Distributable Cash Flows of the Trust should be distributed to the Unitholders. Any instrument which contains an obligation to mandatorily pay its holders, is a compound financial instrument under Ind AS 32 - Financial Instruments: Presentation has to be accounted as such. However, considering the requirements of the SEBI InvIT Regulation, a special legislation, the 'Unit Capital' has been presented as 'Equity' in the Financial Statements.

Rights and Restrictions of Units

The Trust has only one class of units. Each unit represents a undivided beneficial interest in the Trust. Each holder of unit is entitled to one vote per unit. The Unitholders have the right to receive atleast 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 distributions will be in proportion of 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 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) or any interest in the Trust Assets (or any part thereof). A Unitholders right is limited to the right to require due administration of trust in accordance with the provisions 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.

6.2 Information in unitholders holding more than 5% of Unit Capital

Name of Unitholder	Relationship	As on 31st March 2021		As on 31st March 2020	
		No of Unit held	Percentage	No of Unit held	Percentage
Reliance Industrial Investments And Holdings Limited	Sponsor	22,06,00,000	15.00%	-	-
Jamnagar Utilities And Power Private Limited	Uniholder	25,50,00,000	17.34%	-	-
Platinum Compass B 2018 RSC Limited	Uniholder	37,50,00,000	25.50%	-	-
Public Investment Fund	Uniholder	37,50,00,000	25.50%	-	-
Sikka Ports & Terminals Limited	Uniholder	24,50,00,000	16.66%	-	-

6.3 Reconciliation of the units outstanding at the beginning and at the end of the Financial year

Particulars	As at	As at
	31st March, 2021	31st March, 2020
Units at the beginning of the year	-	-
Issued during the year	1,47,06,00,000	-
Units at the end of the year	1,47,06,00,000	-

7 Contribution to Corpus

By Settlor
Total

		(Amount in Rs.)	
		As at 31st March, 2021	As at 31st March, 2020
		31,83,10,000	26,35,10,000
		<u>31,83,10,000</u>	<u>26,35,10,000</u>

8 Reserves and Surplus

Retained earning

As per last Balance Sheet

Profit / (Loss) for the year

Less : Distribution to Unit holders

Units issuance costs

Total

		(Amount in Rs.)	
		As at 31st March, 2021	As at 31st March, 2020
		(30,97,29,348)	(32,42,466)
		4,76,39,31,020	(30,64,86,882)
		(7,11,93,21,660)	-
		(1,93,40,325)	-
		<u>(2,68,44,60,313)</u>	<u>(30,97,29,348)</u>



Digital Fibre Infrastructure Trust

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

	As at 31st March, 2021	(Amount in Rs) As at 31st March, 2020
9 Borrowings		
At amortised Cost		
Unsecured:		
Loan from Others	2,50,00,00,00,000	-
Total	2,50,00,00,00,000	-

Loan of Rs.25000,00,00,000 carrying interest rate of 12.01% p.a. repayable in 108 quarterly installments, starting from December 2024

10 Other Financial Liabilities		
Amount payable as Consideration for Novation	2,80,00,00,000	-
Call Option on Jio Digital Fibre Private Limited Shares (Refer Note 23)	2,29,21,74,597	-
Total	5,09,21,74,597	-

11 Other Financial Liabilities		
Current maturities of Borrowing	-	2,63,00,00,000
Interest Payable	20,92,49,572	-
Total	20,92,49,572	2,63,00,00,000

	As at 31st March, 2021	(Amount in Rs) As at 31st March, 2020
12 Other Current Liabilities		
Statutory Dues	7,500	2,95,90,000
Total	7,500	2,95,90,000

	1st April, 2020 to 31st March, 2021	(Amount in Rs) 1st April, 2019 to 31st March, 2020
13 Revenue from Operations		
Interest on loan	15,43,92,83,310	-
Total	15,43,92,83,310	-

14 Finance Costs		
Interest	8,36,30,28,493	23,67,00,000
Total	8,36,30,28,493	23,67,00,000

15 Other Expenses		
Audit Fee	19,47,000	1,79,36,000
Professional Fee	5,81,68,446	5,18,48,000
Demat Charges	-	1,348
Fair Value of Put/Call option (net)	2,25,20,76,126	-
Miscellaneous Expenses	1,32,225	1,534
Total	2,31,23,23,797	6,97,86,882



Digital Fibre Infrastructure Trust

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

	As at 31st March, 2021	As at 31st March, 2020
16 EARNING PER UNIT (EPU)		
The following reflects the income and unit data used in the basic and diluted EPU Computations		
(i) Net Profit / (loss) as per Statement of Profit and Loss attributable to Unit	4,76,39,31,020	(30,64,86,882)
(ii) Weighted Average number of Units used as denominator for calculating Basic	1,47,06,00,000	-
Unit Allotted (in days)	184	-
(iii) Weighted Average number of Potential Units	74,13,43,562	-
(iv) Total Weighted Average number of units used as denominator		
(v) Earning per unit of unit value of Rs 100		
- For Basic (Rs.)	6.43	-
- For Diluted (Rs.)	6.43	-

17 RELATED PARTY DISCLOSURES

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

Sr No	Name of the Related Party	Relationship
1	Reliance Industrial Investments and Holdings Limited	Sponsor & Unit Holder
2	Axis Trustee Service Limited	Trustee
3	Infinite India Investment Management Limited	Investment Manager
4	Jio Digital Fibre Private Limited (JDFPL)	Subsidiary
5	Jio Infrastructure Management Services Limited	Project Manager
6	Reliance Industries Limited (RIL)	Promotor of sponsor
7	Jamnagar Utilities & Power Private Limited (JUPPL)	Unit holder
8	Reliance Projects and Property Management Services Limited (wef from 29 September 2020 to 29 October 2020)	Unit holder
9	Platinum Compass B 2018 RSC Limited	Unit holder
10	Public Investment Fund	Unit holder

(ii) Transactions during the year with related parties

(Amount in Rs)

Particulars	1st April, 2020 to 31st March, 2021	1st April, 2019 to 31st March, 2020
Professional Fees		
Axis Trustee Service Limited	16,52,000	16,52,000
Infinite India Investment Management Limited	2,36,00,000	2,36,00,000
Jio Infrastructure Management Services Limited	2,36,00,000	2,36,00,000
Loan granted to JDFPL	3,97,06,00,00,000	-
Novation of RVL loan together with interest to JDFPL	2,80,00,00,000	-
Interest on loan granted to JDFPL	15,43,92,83,310	-
Units Allocated		
Reliance Projects and Property Management Services Limited (wef from 29 September 2020 to 29 October 2020)	64,50,00,00,000	-
Jamnagar Utilities & Power Private Limited (JUPPL)	35,50,00,00,000	-
Reliance Industrial Investments and Holdings Limited	22,06,00,00,000	-
Distribution to Unitholders		
Platinum Compass B 2018 RSC Limited	1,81,54,12,500	-
Public Investment Fund	1,81,54,12,500	-
Reliance Industrial Investments and Holdings Limited	1,06,79,46,660	-
Contribution to Corpus		
Reliance Industrial Investments and Holdings Limited	5,48,00,000	26,35,00,000



Signature

Signature

Digital Fibre Infrastructure Trust
Notes to standalone Financial Statements for the year ended 31st March, 2021

(iii) Closing Balance:

(Amount in Rs)

Particulars	As at 31st March, 2021	As at 31st March, 2020
Axis Trustee Service Limited	-	16,52,000
Infinite India Investment Management Limited	-	2,36,00,000
Reliance Industrial Investments and Holdings Limited - Contribution to Corpus	31,83,00,000	26,35,10,000
Jio Digital Fibre Private Limited (JDFPL) - Interest Receivable	26,83,69,005	-
Jio Digital Fibre Private Limited (JDFPL) - Novation - (Credit Balance)	2,80,00,00,000	-
Jio Digital Fibre Private Limited (JDFPL) - Investment	2,62,65,00,005	-
Jio Digital Fibre Private Limited (JDFPL) - Loan	3,97,06,00,00,000	-
Reliance Industrial Investments and Holdings Limited - Units Allocated	22,06,00,00,000	-
Platinum Compass B 2018 RSC Limited - Units Allocated	37,50,00,00,000	-
Public Investment Fund - Units Allocated	37,50,00,00,000	-

Note - Also refer note 23

18 CONTINGENT LIABILITIES AND COMITMENTS - Nil

19 FINANCIAL INSTRUMENTS

FAIR VALUE MEASUREMENT HIERARCHY:

As at March 31, 2021	Carrying amount	Fair value		
	Total	Level 1	Level 2	Total
Financial assets				
At Amortised Cost				
Cash and cash equivalents	79,06,528	-	-	-
Loan Given	3,97,06,00,00,000	-	-	-
Other Current Financial Assets	26,83,69,004	-	-	-
At Fair Value				
Other Non Current Financial Assets	4,00,98,471	-	4,00,98,471	4,00,98,471
At Cost				
Investment	2,62,65,00,005	-	-	-
Total	4,00,00,28,74,008	-	4,00,98,471	4,00,98,471
Financial liabilities				
At Amortised Cost				
Trade Payables	75,92,652	-	-	-
Borrowings	2,50,00,00,00,000	-	-	-
Other Current Financial Liabilities	20,92,49,572	-	-	-
Other Non Current Financial Liabilities	2,80,00,00,000	-	-	-
At Fair Value				
Other Non Current Financial Liabilities	2,29,21,74,597	-	2,29,21,74,597	2,29,21,74,597
Total	2,55,30,90,16,821	-	2,29,21,74,597	2,29,21,74,597
As at March 31, 2020				
Financial assets				
At Amortised Cost				
Cash and cash equivalents	2,91,34,652	-	-	-
At Cost				
Investment	2,62,65,00,000	-	-	-
Total	2,65,56,34,652	-	-	-
Financial liabilities				
At Amortised Cost				
Trade Payables	4,22,64,000	-	-	-
Other Non Current Financial Liabilities	2,63,00,00,000	-	-	-
Total	2,67,22,64,000	-	-	-

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. Option contracts are valued using Black-Scholes model which is based on volatility in interest rates and market values.



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Digital Fibre Infrastructure Trust

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

20 Financial Risk Management

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

i) Market Risk

a) Interest Rate Risk

The Trust exposure to the risk of changes in market interest rate relates to the floating rate debt obligations.

The exposure of the Trust borrowings and derivatives to interest rate changes at the end of the reporting period are as follows:

Particulars	Interest Rate Exposure	
	As at 31st March 2021	As at 31st March 2020
Borrowings		
Non-Current - Floating (Includes Current Maturities)*	-	-
Non-Current - Fixed (Includes Current Maturities)*	2,50,00,00,00,000	-
Total	2,50,00,00,00,000	-

* Fair value sensitivity analysis for fixed-rate borrowings:

The Trust does not account for any fixed-rate borrowings at fair value through profit or loss. Therefore, a change in interest rates at the reporting date would not affect profit or loss.

Sensitivity analysis of 1% change in Interest rate (floating rate borrowings):

Particulars	Interest Rate Sensitivity	
	As at 31st March 2021	
	Up Move	Down Move
Total Impact		
Impact on Equity	-	-
Impact on P&L	-	-

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 trust. Credit risk arises

from trust's activities in investments and outstanding receivables from customers.

The Trust 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 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.

Maturity profile of financial liabilities as on 31st March, 2021

Particulars	0 to 1 year	1-3 Years	More than 3 years	Total
Trade Payables	75,92,652	-	-	75,92,652
Borrowings	-	-	2,50,00,00,00,000	2,50,00,00,00,000
Other Non Current Financial Liabilities	-	-	2,80,00,00,00,000	2,80,00,00,00,000
Other Current Financial Liabilities	20,92,49,572	-	-	20,92,49,572
Total	21,68,42,224	-	2,52,80,00,00,000	2,53,01,68,42,224

Maturity profile of financial Assets as on 31st March, 2021

Particulars	0 to 1 year	1-3 Years	More than 3 years	Total
Other Current Financial Asset	26,83,69,004	-	-	26,83,69,004
Total	26,83,69,004	-	-	26,83,69,004

Maturity profile of financial liabilities as on 31st March, 2020

Particulars	0 to 1 year	1-3 Years	More than 3 years	Total
Trade Payables	4,22,64,000	-	-	4,22,64,000
Other Financial Liabilities	2,63,00,00,000	-	-	2,63,00,00,000
Total	2,67,22,64,000	-	-	2,67,22,64,000



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Digital Fibre Infrastructure Trust
Notes to standalone Financial Statements for the year ended 31st March, 2021
21 Segment Reporting

The Trust activities comprise of owing and investing in Infrastructure SPVs to generate cash flow 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.

22 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.

23 Put and Call Option

As per the terms of the Shareholders and Option Agreement entered into between the Trust, the Investment Manager, Reliance Industries Limited (RIL), Reliance Industrial Investments and Holdings Limited (RIIHL) and Jio Digital Fibre Private Limited (JDFPL), RIL has a right, but not obligation, to purchase the entire equity stake of the Trust in JDFPL after a specific term or occurrence of certain events for a consideration of Rs. 262,65,00,000 or the fair value at the exercise date, which ever is lower. Likewise, after a specific term, the Trust has the right, but not the obligation, to sell its entire stake in JDFPL to RIIHL for a consideration of Rs. 262,65,00,000 or the fair value at the exercise date, which ever is lower.

24 Disclosures as required by InvIT Regulation:
(A) Calculation of Net Distributable Cash Flows:

Description	Amount in Rs.	
	Year ended	
	31st March 2021	
Cash flows received from SPV in the form of interest / accrued interest / additional interest	15,17,09,14,306	
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	-	
Contribution to Corpus	5,48,00,000	
Proceeds from Unit issuance	1,47,06,00,00,000	
Borrowings at the Trust level	2,52,80,00,00,000	
Total cash flow at the Trust level (A)	4,15,08,57,14,306	
Less: issue expenses payable by Trust including as reimbursements towards expenses of Trust met by the Sponsors		
Less: annual expenses of the Trust including audit fees, project manager fees, investment management fees, other statutory fees, depository fees, legal expenses, credit rating fees and valuer fees, if any	13,61,69,294	
Less: income tax (if applicable) at the standalone Trust level and payment of other statutory dues	-	
Less: Repayment of debt at the Trust Level (including principal, interest and other monies payable in terms of the relevant loan agreement)	10,78,38,73,716	
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 at the Trust level 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	3,97,06,00,00,000	
Less: Capital expenditure if any (including acquisition of other infrastructure assets / SPVs)	-	
Add: Proceeds from fresh issuance of units	75,40,325	
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)	4,07,98,75,83,335	
Net Distributable Cash Flows (C) = (A+B)*	7,09,81,30,971	

* This does not include the opening Cash & Bank Balance of Rs.29134652.44



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Digital Fibre Infrastructure Trust
Notes to standalone Financial Statements for the year ended 31st March, 2021

(B) Debt Payment History

	As at 31st March, 2021	As at 31st March, 2020
(i) Loan from Others		
Carrying amount of debt at the beginning of the year	2,63,00,00,000	2,63,00,00,000
Additional borrowing during the year	-	-
Repayments during the year	2,63,00,00,000	-
Other adjustments	-	-
Carrying amount of debt at the end of the year	-	2,63,00,00,000

(C) Statement of Net Assets at Fair Value

Particulars	As At 31st March, 2021		As At 31st March, 2020	
	Book Value	Fair Value*	Book Value	Fair Value*
A. Assets	4,00,00,28,74,008	4,00,00,28,74,008	2,65,56,34,652	2,65,56,34,652
B. Liabilities	2,55,30,90,24,321	2,55,30,90,24,321	2,70,18,54,000	2,70,18,54,000
C. Net Assets (A-B)	<u>1,44,69,38,49,687</u>	<u>1,44,69,38,49,687</u>	<u>(4,62,19,348)</u>	<u>(4,62,19,348)</u>

* Fair value has been determined based on the fair valuation report of independent valuer appointed under the InvT Regulations.

(D) Statement of Total Return at Fair Value

Particulars	As at 31st March, 2021	As at 31st March, 2020
Total comprehensive Income (As per Statement of Profit and Loss)	4,76,39,31,020	(30,64,86,882)
Add/(Less): Other Changes in Fair Value (e.g. Property, Plant and Equipment)	-	-
Total Return	<u>4,76,39,31,020</u>	<u>(30,64,86,882)</u>

- 25 The outbreak of Coronavirus (COVID-19) pandemic globally and in India is causing significant disturbance and slowdown of economic activity. The Trust's main activity is to hold investment in subsidiary which is engaged in the business of providing Fibre infrastructure and related services operations in India. The subsidiary 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 the subsidiary, 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 subsidiary currently caters to. Also, the subsidiary has completed substantial portion of its planned capital expenditure and for the balance as well as for the operations and maintenance of the fibre assets, the subsidiary has in place long-term arrangements with reputed and experienced contractors/service providers. Further, part of its sanctioned borrowings are available to the subsidiary for utilization on need basis and the Trust also accesses global and local financial markets to meet its liquidity requirements. In view of the foregoing, the Trust does not expect any significant challenges, including emanating out of COVID-19, particularly in the next 12 months.
- 26 In accordance with section 10(23FC) of the Income Tax Act, 1961, the income of Trust in form of interest income from Project SPV is exempt from tax. Accordingly, the Trust is not required to provide for any tax liability.
- 27 **APPROVAL OF FINANCIAL STATEMENTS**
The financial statements were approved for issue by the Board of Directors of Investment Manager on June 16, 2021



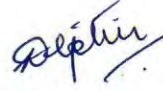
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Digital Fibre Infrastructure Trust
Standalone Financial Statements for
the year ended March 31, 2021

For and on behalf of the Board of Investment Manager



Rajendra Hingwala
DIN:00160602



Dipti Neelakantan
DIN: 00505452

Place: Mumbai
Date: June 16, 2021

INDEPENDENT AUDITOR'S REPORT

Digital Fibre Infrastructure Trust (the "Trust") acting through Axis Trustee Services Limited, as the trustee (the "Trustee") Axis House, 2nd Floor, Wadia International Centre, Panbhurang Budhkar Marg, Worli, Mumbai 400025

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of Digital Fibre Infrastructure Trust (the "Trust") and its subsidiary (collectively, the "Trust Group"), which comprise the Consolidated Balance Sheet as at March 31, 2021, the Consolidated Statements of Profit and Loss (including other comprehensive income), the Consolidated Statements of Changes in Equity and the Consolidated Statements of Cash Flows for the year ended March 31, 2021, Consolidated Statement of Net Assets at fair value as at 31st March, 2021, Consolidated Statement of Total Returns at fair value and the Statements of Net Distributable Cash Flows for the year then ended and a summary of significant accounting policies and other explanatory information (Collectively, the "Consolidated Financial Statements").

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 (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 Group as at March 31, 2021, and its loss, including total comprehensive loss, the changes in equity, its cash flows for the year ended March 31, 2021, its net assets at fair value as at March 31, 2021 and total returns at fair value and net distributable cash flows of the Trust for the year ended on that date.

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 Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Trust Group in accordance with the Code of Ethics issued by the ICAI together with the independence requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 (the "Act") and the Rules made thereunder, and we have fulfilled our other responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a reasonable basis for our opinion on the Consolidated Financial Statements.



Deloitte Haskins & Sells LLP

Emphasis of matters

We draw attention to Note 9A of the consolidated financial statements which describes the presentation of "Unit Capital" as "Equity" to comply with InvIT Regulations. Our opinion is not modified in respect of this matter.

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

The Investment Manager is responsible for the other information. The other information comprises the information included in the Annual report, but does not include the consolidated financial statements, standalone financial statements and our auditor's report thereon. The Annual report is expected to be made available to us after the date of this auditor's report.

Our opinion on the consolidated financial statements does not cover the other information and 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 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.

When we read the Annual report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance as required under SA 720 'The Auditor's responsibilities Relating to Other Information'.

Management's Responsibility for the Consolidated Financial Statements

Infinite India Investment Management Limited ("Investment Manager") is responsible for the preparation and presentation of the Consolidated Financial Statements that give a true and fair view of the financial position, financial performance including other comprehensive income, changes in equity and 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, Ind AS and other accounting principles generally accepted in India, to the extent not inconsistent with InvIT Regulations.

The Investment Manager and Board of Directors of the subsidiary company, respectively, are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act and the InvIT Regulations for safeguarding of the assets of the Trust 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.

In preparing the Consolidated Financial Statements, the Board of Directors of Investment Manager is responsible for assessing the Trust Group'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 Group or to cease operations, or has no realistic alternative but to do so.



Deloitte Haskins & Sells LLP

The Investment Manager and Board of Directors of the subsidiary company, respectively, are also responsible for overseeing the Trust Group's financial reporting process.

Auditor's Responsibilities 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 and other pronouncements issued by ICAI 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 Statements.

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

- Identify and assess the risks of material misstatement of the Consolidated Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Trust Group'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 Group'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 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 Trust 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 entity within the Trust Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entity included in the consolidated financial statements of which we are the independent auditors. We remain solely responsible for our audit opinion.



Deloitte Haskins & Sells LLP

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 Investment Manager and such other entity 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.

Report on Other Legal and Regulatory Requirements

As required by the InvIT Regulations, we report that:

- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
- b) The Consolidated Balance Sheet, Consolidated Statement of Profit and Loss (including Other Comprehensive income), Consolidated Cash Flow Statement and Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the Consolidated Financial Statements;
- c) In our opinion and to the best of our information and according to the explanations given to us, 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; and
- d) In our opinion and to the best of our information and according to the explanations given to us, the Consolidated Financial Statements give the disclosures, in accordance with the InvIT Regulations, in respect of the net assets at fair value as at March 31, 2021, the total returns at fair value for the year ended March 31, 2021 and the net distributable cash flows for the year then ended.

For **DELOITTE HASKINS & SELLS LLP**
Chartered Accountants
(Firm's Reg. No. 117366W/W-100018)

Varsha A. Fadte
Partner
(Membership No. 103999)
UDIN: 21103999AAAAGT1496

Place: Chicalim Goa
Dated: June 16, 2021

DIGITAL FIBRE INFRASTRUCTURE TRUST

**CONSOLIDATED
FINANCIAL STATEMENTS FOR YEAR ENDED MARCH 31, 2021**

Digital Fibre Infrastructure Trust

Consolidated Ind AS Balance Sheet as at March 31, 2021

		(Rs.in Million)	
		As at	As at
Particulars	Notes	March 31, 2021	March 31, 2020
ASSETS			
NON-CURRENT ASSETS			
Property, Plant and Equipment	1	11,76,271	10,49,976
Goodwill		1,39,310	1,39,310
Other Intangible Assets	1	4,75,550	5,03,440
Financial Assets			
Other Financial Assets	2	5,147	5,243
Other Non-Current Assets	3	7,998	592
Total Non-Current Assets		18,04,276	16,98,561
CURRENT ASSETS			
Financial Assets			
Investments	4	1,494	-
Trade receivables	5	93	5
Cash and Cash Equivalents	6A	114	166
Other Bank Balances	6B	92	38
Other Financial Assets	7	3,017	26,893
Other Current Assets	8	38,636	25,467
Total Current Assets		43,446	52,569
Total Assets		18,47,722	17,51,130
EQUITY AND LIABILITIES			
EQUITY			
Unit Capital	9A	1,47,060	-
Contribution to Corpus	9B	319	264
Other Equity	10	5,28,559	5,77,690
Total Owner's Equity		6,75,938	5,77,954
Non-Controlling Interest		(1,20,898)	(1,14,760)
LIABILITIES			
Non - Current Liabilities			
Financial Liabilities			
Borrowings	11	8,66,932	4,08,194
Other Non -Current Financial Liabilities	13	2,292	-
Deferred Tax Liabilities (Net)	12	2,33,972	2,51,765
Other Non -Current Liabilities	14	1,53,075	1,56,018
Total Non-Current Liabilities		12,56,271	8,15,977
Current Liabilities			
Financial Liabilities			
Borrowings	15	-	1,45,000
Trade Payables Due to	16		
Micro and Small Enterprises		-	-
Other Than Micro and Mmall Enterprises		8	43
Other Financial Liabilities	17	241	2,24,015
Creditors for Capital Expenditure		30,027	90,822
Other Current Liabilities	18	6,135	12,079
Total Current Liabilities		36,411	4,71,959
Total Liabilities		12,92,682	12,87,936
Total Equity and Liabilities		18,47,722	17,51,130

See accompanying Notes to the Consolidated Ind AS Financial Statements



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Balance Sheet as at March 31, 2021
of Digital Fibre Infrastructure Trust

As per our Report of even date

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

For and on behalf of the Board of Investment Manager



Varsha A. Fadte
Partner



Rajendra Hingwala
DIN:00160602



Dipti Neelakantan
DIN: 00505452

Place: Chicalim Goa
Date: June 16, 2021

Place: Mumbai
Date: June 16, 2021

Digital Fibre Infrastructure Trust

Consolidated Ind AS Statement of Profit and Loss for the year ended March 31, 2021

Particulars	Notes	For the year ended March 31, 2021	(Rs. in Million) For the year ended March 31, 2020
INCOME			
Revenue from Operations	19	76,398	61,257
Other Income	20	242	136
Total Income		76,640	61,393
EXPENSES			
Network Operating Expenses	21	10,408	8,620
Employee Benefits Expense	22	6	1
Finance Costs	23	66,534	62,619
Depreciation and Amortisation Expense	1	63,127	59,057
Other Expenses	24	2,507	150
Total Expenses		1,42,582	1,30,447
Loss before Tax		(65,942)	(69,054)
Tax Expenses			-
i Current tax		-	-
ii Deferred tax		(17,793)	(17,307)
Loss for the year		(48,149)	(51,747)
Other Comprehensive Income			
(I) Items that will not be reclassified to profit or loss		0	-
(II) Income tax relating to items that will not be reclassified to profit or loss		(0)	-
		0	-
Total Comprehensive loss for the year		(48,149)	(51,747)
Attributable to Owners of the Trust		(42,011)	(66,393)
Attributable to Non Controlling Interest		(6,138)	14,646
Earning per unit of face value of Rs. 100 Each	25		
- For Basic (Rs.)		(56.67)	-
- For Diluted (Rs.)		(56.67)	-

Note: "0" represents the amounts below the denomination threshold.
See accompanying Notes to the Consolidated Ind AS Financial Statements



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Statement of P&L for the year
ended March 31, 2021
of Digital Fibre Infrastructure Trust

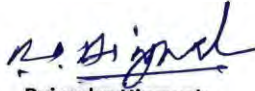
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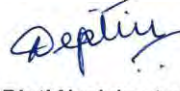
For and on behalf of the Board of Investment Manager



Varsha A. Fadte
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DIN: 00505452

Place: Chicalim Goa
Date: June 16, 2021

Place: Mumbai
Date: June 16, 2021

Digital Fibre Infrastructure Trust

Consolidated Ind AS Statement of Changes In Equity for the year ended March 31, 2021

	April 01, 2020 to March 31, 2021	(Rs.in Million) April 01, 2019 to March 31, 2020
(A) Unit Capital		
Balance at the beginning of the year	-	-
Issuance during year	1,47,060	-
Balance at the end of the year	<u>1,47,060</u>	<u>-</u>

	For the year ended March 31, 2021	(Rs.in Million) For the year ended March 31, 2020
(B) Initial Contribution		
Balance at the beginning of the year (Previous year Rs.10,000)	264	-
Contribution during the year	55	264
Balance at the end of the year	<u>319</u>	<u>264</u>

(C) Non Controlling Interest		
Opening balance as at beginning of the year	(1,14,760)	(1,80,582)
Reversal of Deferred tax liability	-	51,176
(Loss)/ Profit for the year	(6,138)	14,646
Balance at the end of the year	<u>(1,20,898)</u>	<u>(1,14,760)</u>

Particulars	Investment classified as Equity: Preference Shares	Reserves and Surplus: Retained Earnings	(Rs.in Million) Total
April 1, 2020 to March 31, 2021			
Balance at the beginning of the year i.e. April 1, 2020	7,81,397	(2,03,707)	5,77,690
Total Comprehensive Loss for the year	-	(42,011)	(42,011)
Distribution to Unit holders	-	(7,120)	(7,120)
Balance at the end of the reporting period i.e. March 31, 2021	<u>7,81,397</u>	<u>(2,52,838)</u>	<u>5,28,559</u>

Particulars	Investment classified as Equity: Preference Shares	Reserves and Surplus: Retained Earnings	Total
April 1, 2019 to March 31, 2020			
Balance at the beginning of the reporting period i.e. April 1, 2019	7,81,397	(1,90,580)	5,90,817
Total Comprehensive Loss for the year	-	(66,393)	(66,393)
Reversal of Deferred Tax Liability on account of change in tax rate (refer note 12)	-	53,266	53,266
Balance at the end of the reporting period i.e. March 31, 2020	<u>7,81,397</u>	<u>(2,03,707)</u>	<u>5,77,690</u>

See accompanying Notes to the Consolidated Ind AS Financial Statements

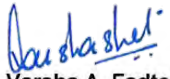


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Ind AS statement of changes in
Equity for the year ended
March 31, 2021
of Digital Fibre Infrastructure Trust

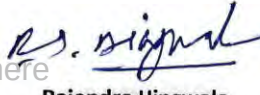
As per our Report of even date

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

For and on behalf of the Board of Investment Manager


Varsha A. Fadte
Partner

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Rajendra Hingwala
DIN: 00160602


Dipti Neelakantan
DIN: 00505452

Place: Chicalim Goa
Date: June 16, 2021

Place: Mumbai
Date: June 16, 2021

Consolidated Ind AS statement of Cash Flows for the year ended March 31, 2021

	(Rs. in Million)	
	For the year ended March 31, 2021	For the year ended March 31, 2020
A CASH FLOW FROM OPERATING ACTIVITIES:		
Net Loss as per Statement of Profit and Loss	(65,942)	(69,054)
Adjusted for:		
Depreciation and amortisation expense	63,127	59,057
Profit on sale of current investments	(203)	(136)
Gain on fair valuation of investments	(2)	-
Interest Income	3	(0)
Finance Costs	66,534	62,619
Operating cash flows before working capital changes	63,517	52,486
Adjusted for:		
Trade and Other Receivables	(20,590)	19,988
Trade and Other Payables	(6,626)	1,67,192
	(27,216)	1,87,180
Cash generated from operations	36,300	2,39,666
Taxes paid	(120)	(21)
Net Cash Flow from Operating Activities (A)	36,180	2,39,645
B CASH FLOW FROM INVESTING ACTIVITIES:		
Purchase of Property, Plant and Equipment	(1,98,571)	(2,33,131)
Purchase of Investments	(1,35,604)	(1,75,010)
Sale of Investments	1,34,315	1,75,335
Fixed Deposits with Banks	-	(38)
Net Cash flow (used in) Investing Activities (B)	(1,99,860)	(2,32,844)
C CASH FLOW FROM FINANCING ACTIVITIES:		
Repayment of Borrowings - Current	(1,45,000)	(1,27,920)
Proceeds from Borrowings - Non current	8,66,889	1,34,999
Repayment of Borrowings - Non current	(5,71,050)	(2,00,000)
Proceeds from Borrowings - Current	-	1,87,790
Deposit repaid	(32,600)	-
Finance Costs Paid	(94,544)	(34,515)
Inter corporate deposit taken	-	32,600
Contribution received during the year / period	1,47,060	264
Units issuance costs	(8)	-
Distribution to Unit holders	(7,119)	-
Net cash flow generated from/(used in) financing activities (C)	1,63,628	(6,782)
Net (decrease) / increase in Cash and Cash Equivalents (A+B+C)	(52)	19
Opening Balance of Cash and Cash Equivalents	166	147
Closing Balance of Cash and Cash Equivalents (Refer Note 6A)	114	166
Changes in Liabilities arising from financing activities		

	As at April 1, 2020	Cash Inflow	Cash Outflow	Non Cash Finance costs including amortisation	As at March 31, 2021
Borrowings - Non-Current (Refer Note 11)	5,67,854	8,66,889	(5,68,420)	610	8,66,932
Borrowings - Current (Refer Note 15)	1,45,000	-	(1,45,000)	-	-
Total	7,12,854	8,66,889	(7,13,420)	610	8,66,932

	As at April 1, 2019	Cash flow	Non cash Finance costs including amortisation	As at March 31, 2020
Borrowings - Non-Current (Refer Note 11)	6,35,376	(65,001)	109	5,67,854
Borrowings - Current (Refer Note 15)	85,130	59,870	-	1,45,000
Total	7,20,506	(5,131)	109	7,12,854

Note: "0" represents the amount below the denomination threshold.



Contd. Last Page of Consolidated Ind AS
Statement of Cash Flows for
the year ended March 31, 2021
of Digital Fibre Infrastructure Trust

As per our Report of even date

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

For and on behalf of the Board of Investment Manager



Varsha A. Fadte
Partner



Rajendra Hingwala
DIN:00160602



Dipti Neelakantan
DIN: 00505452

Place: Chicalim Goa
Date: June 16, 2021

Place: Mumbai
Date: June 16, 2021

Digital Fibre Infrastructure Trust

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

A CORPORATE INFORMATION

The Consolidated Ind AS Financial Statements comprise financial statements of "Digital Fibre Infrastructure Trust" ("the Parent" / "the Trust") and its subsidiary viz., Jio Digital Fibre Private Limited (the "Company") (collectively referred to as "the Trust Group") for the year ended March 31, 2021. Digital Fibre Infrastructure Trust a contributory irrevocable infrastructure investment trust has been registered under the provision of Trust Act under the Registration Act, 1908. The Trust is also registered with SEBI as an Infrastructure Investment Trust (InvIT) under the SEBI (Infrastructure Investment Trusts) Regulations, 2014 as amended. The objective of the Trust is to carry on the activity of Investment in Infrastructure Projects i.e. business of providing fibre Infrastructure and related operations and maintenance services. The registered office address is 9th Floor, Maker Chambers IV, 222, Nariman Point, Mumbai-400021

B ACCOUNTING POLICIES

B.1 BASIS OF PREPARATION OF IND AS FINANCIAL STATEMENTS

The consolidated Financial Statements of Trust comprises the Consolidated Balance Sheets as at 31st March 2021; the Consolidated Statement of Profit and Loss, the Consolidated Statement of Cash Flows and the Consolidated Statement of Changes in Equity for the year ended 31 March 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 31 March 2021, the Statement of Total Returns at Fair Value and Statement of Net Distributable Cash Flows for year then ended, and other additional financial disclosures as required under the SEBI (Infrastructure Investment Trusts) Regulations, 2014. The consolidated Financial Statements have 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/127/2016 dated 29 November 2016 ("SEBI Circular"); Indian Accounting Standards as defined in Rule 2(1)(a) of the Companies (Indian Accounting Standards) Rules, 2015 ('Ind AS'), to the extent not inconsistent with the InvIT Regulations (refer note 9A 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.

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.

These consolidated financial statements for the year ended 31st March 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 9A to the consolidated financial statements.

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 Trust 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 Trust Group obtains control over the subsidiary and ceases when the Trust 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 Trust Group gains control until the date when the Trust Group ceases to control the subsidiary.

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

When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with the Trust Group's accounting policies.

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

Changes in the Trust Group's ownership interests in existing subsidiaries that do not result in the Trust Group losing the control over the subsidiaries are accounted for as equity transactions. The carrying amounts of the Trust 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 Trust Group.



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When the Trust 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 Trust 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.

B3 BUSINESS COMBINATION

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 Trust Group, liabilities incurred by the Trust Group to the former owners of the acquiree and the equity interests issued by the Trust 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 Trust 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 Trust Group presents assets and liabilities in the Balance Sheet based on Current/ Non-Current classification as under:

An asset is treated as Current when it is:

- (I) Expected to be realised or intended to be sold or consumed in normal operating cycle;
- (II) Held primarily for trading;
- (III) Expected to be realised within twelve months after the reporting period, or
- (IV) Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is current when:

- (I) It is expected to be settled in normal operating cycle;
- (II) Held primarily for trading;
- (III) It is due to be settled within twelve months after the reporting period, or
- (IV) There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The Trust Group classifies all other liabilities as non-current.

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

The Trust 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 costs 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, other than construction equipment, is provided using straight-line method based on estimated useful life of 30 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 Trust Group this represents the best estimate thereof on the basis of technical evaluation, other than construction equipment, which is depreciated based on useful life as prescribed in Schedule II of the Companies Act, 2013.

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.



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(c) Other Intangible assets:

Other Intangible assets are stated at cost of acquisition net of recoverable taxes less accumulated amortisation/depletion and impairment loss, if any. The cost comprises purchase price, borrowing costs and any cost directly attributable to bringing the asset to its working condition for the intended use and net charges on foreign exchange contracts and adjustments arising from exchange rate variations attributable to the intangible assets.

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 Trust Group and the cost can be measured reliably.

Gains or losses arising from derecognition of an intangible asset 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.

Bandwidth capacities acquired under Indefeasible Right to Use (IRU) are amortized over the period of the agreement.

Customer Contracts are amortized using straight line method over the tenure of contract for 20 years.

(d) 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 Trust 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 Trust Group assesses whether: (i) the contract involves the use of an identified asset (ii) the Trust Group has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Trust Group has the right to direct the use of the asset.

At the date of commencement of the lease, the Trust 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 short-term and low value leases, the Trust 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.

Right of use assets are amortised 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 of disposal 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 Trust 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 Trust Group to the lessee. Amounts due from lessees under finance leases are recorded as receivables at the Trust 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 Trust 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.

(e) Finance costs

Finance costs comprises interest expenses and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost. Finance 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 finance costs eligible for capitalisation.

All other finance costs are charged to Statement of Profit and Loss in the period in which they are incurred.



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(f) Provisions

Provisions are recognised when the Trust 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.

(g) Taxation

The tax expense for the period comprises current and deferred tax. Tax is recognised in profit or loss, except to the extent that it relates to items recognised in the comprehensive income or in equity. In this case, the tax is also recognised in Other Comprehensive Income.

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 Ind AS 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.

(h) Employee Benefits Expense

Short Term Employee Benefits

The undiscounted amount of short term employee benefits expected to be paid in exchange for the services rendered by employees are recognised as an expense during the period when the employees render the services.

Post Employment Benefits

Defined Contribution Plans

The Trust Group recognizes contribution payable to the provident fund scheme as an expense, when an employee renders the related service. If the contribution payable to the scheme for service received before the balance sheet date exceeds the contribution already paid, the deficit payable to the scheme is recognized as a liability after deducting the contribution already paid. If the contribution already paid exceeds the contribution due for services received before the balance sheet date, then excess is recognized as an asset to the extent that the pre-payment will lead to, for example, a reduction in future payment or a cash refund.

Defined Benefit Plans

The Trust Group pays gratuity to the employees whoever has completed five years of service with the Trust Group at the time of resignation/superannuation. The gratuity is paid @15 days salary for every completed year of service as per the Payment of Gratuity Act, 1972.

The gratuity liability amount is contributed to the approved gratuity fund formed exclusively for gratuity payment to the employees. The gratuity fund has been approved by respective IT authorities.

The liability in respect of gratuity and other post-employment benefits is calculated using the Projected Unit Credit Method and spread over the period during which the benefit is expected to be derived from employees' services.

Re-measurement of Defined Benefit Plans in respect of post-employment are charged or credited to the Other Comprehensive Income.

Other Long Term Employee Benefits

Compensated Absences are accrued and provided for on the basis of actuarial valuation made as at the year end by an independent actuary using the Projected Unit Credit Method.

(i) Cash and cash equivalents

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



(j) Impairment of Non-Financial Assets - Property, Plant and Equipment & Other Intangible asset

At each balance sheet date, the Trust Group assesses whether there is any indication that any property, plant and equipment and other intangible assets or group of assets, called cash generating units (CGU) may be impaired. If any such impairment exists, the recoverable amount of an asset or CGU is estimated to determine the extent of impairment, if any. Where it is not possible to estimate the recoverable amount of an individual asset, the Trust 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.

(k) Foreign Currencies

Transactions and Translations

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 a 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.

(l) Revenue recognition

The Trust Group earns service revenue primarily from providing Optical fibre cable network and related service. Revenue is recognized when the Trust Group satisfies the performance obligation by transferring the promised services to the customers. Revenue is recognized as and when services are rendered on a monthly basis as per the contractual terms prescribed under Fibre Usage Agreement entered with customer. Revenue is recognised to the extent it is probable that the economic benefits will flow to the Trust 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 Trust Group has rendered the services, as per the contractual arrangements. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government.

Unbilled revenue represents revenues recognized after the last invoice is raised on the customer at the period end. These are billed in subsequent periods based on the prices specified in the Fibre Usage 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 Trust 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

Dividend income is recognised when the Trust Group's right to receive the dividends is established.

(m) 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.



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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. Other Equity Investments

All other equity investments are measured at fair value, with value changes recognised in Statement of Profit and Loss, except for those equity investments for which the Trust Group has elected to present the value changes in 'Other Comprehensive Income'.

D. Derecognition

The Trust Group derecognizes a financial asset when the contractual rights to the cash flows from the asset expires or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party.

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 the fair value due to the short maturity of these instruments.

iii) Derivative Financial Instruments and Hedge Accounting

The Trust 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:

Fair Value Hedge

The Trust 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.

C. Derecognition:

A financial liability (or a part of financial liability) is derecognized from the Trust Group's Balance Sheet when the obligation specified in the contract is discarded or cancelled or expired.

(n) Cash Flow Statement

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



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C Critical accounting judgements and key sources of estimation uncertainty:

The preparation of the Trust Group's financial statements requires management to make judgement, estimates and assumptions that affect the reported amount of revenue, expenses, assets and liabilities and the accounting 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 arrangement 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) 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 amount and timing of anticipated future payments and any possible actions that can be taken to mitigate the risk of non-payment.

(c) Impairment of Non-Financial Assets

The Trust Group assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists or when annual impairment testing for an asset is required, the Trust 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 Trust 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.

(d) Recognition of Deferred Tax Assets and Liabilities

Deferred tax assets and liabilities are recognised for deductible temporary differences and unused tax losses for which there is probability of utilisation against the future taxable profit. The Trust 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.

(e) Global Health Pandemic On COVID-19

The outbreak of corona virus (COVID-19) pandemic globally and in India is causing significant disturbance and slowdown of economic activity. The Trust Group's operations and revenue during the period were not impacted due to COVID-19.



Digital Fibre Infrastructure Trust

Notes forming part of Consolidated Ind AS Financial Statements as at March 31, 2021

(Rs. in Million)

NOTE 1. Property, Plant and Equipment and other Intangible Assets

Description	Gross Block		Depreciation and Amortisation		Net Block	
	As at 01-Apr-20	Additions	Deduction	As at 31-Mar-21	As at 31-Mar-21	As at 31-Mar-20
Tangible Assets :						
Plant and Equipments	10,82,301	1,63,785	(1,065)	12,45,021		
Total (A)	10,82,301	1,63,785	(1,065)	12,45,021	68,750	10,49,976
Other Intangible Assets :						
Indefeasible right to use (IRU)	53,336	-	(540)	52,796		
Customer Contracts	4,77,526	-	-	4,77,526	6,987	49,830
Total (B)	5,30,862	-	(540)	5,30,322	47,785	4,53,610
Total (A+B)	16,13,163	1,63,785	(1,605)	17,75,343	54,772	5,03,440
Previous Year Figures	8,91,309	7,21,854	-	16,13,163	1,23,522	15,53,416
Note:					59,747	15,53,416

1 Depreciation for the year includes depreciation of Rs. 694 Million (Previous period 690 Million) capitalised during the year. Thus the net amount of Rs.63,127 Million (Previous period Rs.59,057 Million) has been considered in Statement of Profit and Loss.



Delhite Hashtings & SLP LLP

Digital Fibre Infrastructure Trust

Notes forming part of Consolidated Ind AS Financial Statements as at March 31, 2021

	As at March 31, 2021	(Rs. in Million) As at March 31, 2020
2 Other Financial Assets - Non Current (Unsecured and Considered Good)		
Security Deposits	5,107	5,243
Put Option (Refer note 34)	40	-
Total	<u>5,147</u>	<u>5,243</u>

	As at March 31, 2021	(Rs. in Million) As at March 31, 2020
3 Other Non-Current Assets (Unsecured and Considered Good)		
Capital advances*	-	0
Advance Income Tax**	141	21
Balance with GST authorities*	7,286	-
Others (comprises refundable customs duty)	571	571
Total	<u>7,998</u>	<u>592</u>

*Current Year: Nil, Previous Year : Rs.151

*Advance Income Tax:

Note: "0" represents the amount below the denomination threshold.

At beginning of year	21	-
Charge for the year - Current Tax	-	-
Tax Deducted at Source/Tax paid during the year	120	21
At end of year	<u>141</u>	<u>21</u>

3.1 Reconciliation of the income tax expenses to the accounting profit:

	For the year ended March 31, 2021	(Rs. In Million) For the year ended March 31, 2020
Loss before tax	(65,942)	(69,054)
Applicable tax rate	25.17%	25.17%
Computed tax expense	(16,596)	(17,380)
Tax effect of:		
Impact on account of Income exempt from tax	1,197	(73)
Current Tax Provision (A)	-	-
Deferred Tax Provision (B) (Refer note12)	(17,793)	(17,307)
Total Tax Expense / (Income) recognised in Statement of Profit and Loss (A+B)	(17,793)	(17,307)
Effective tax rate	26.98%	25.17%



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Digital Fibre Infrastructure Trust

Notes forming part of Consolidated Ind AS Financial Statements as at March 31, 2021

	As at March 31, 2021		(Rs. In Million) As at March 31, 2020	
4 Current Investments				
Investments measured at Fair Value Through Profit or Loss (FVTPL)	Units	Amount	Units	Amount
IDFC Cash Fund-Growth-(Direct Plan) (Face value of Rs. 1000 each)	112640	280		-
SBI Liquid Fund-Growth-(Direct Plan) (Face value of Rs. 1000 each)	1,06,988	345		-
Nippon India Liquid Fund - Direct Plan Growth Plan - Growth Option (LFAGG) (Face value of Rs. 1000 each)	1,72,711	869		-
Total		1,494		-
5 Trade Receivables (Unsecured and considered good)				
Trade Receivables		93		5
Total		93		5
6A Cash and Cash Equivalents				
Balances with banks in Current Accounts		114		166
Total		114		166
6B Other Bank Balances				
Fixed Deposit with Banks*		92		38
Total		92		38

*Fixed Deposits with Bank of Rs. 38 Million have been pledged with government authorities.



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Digital Fibre Infrastructure Trust

Notes forming part of Consolidated Ind AS Financial Statements as at March 31, 2021

	As at March 31, 2021	(Rs. in Million) As at March 31, 2020
7 Other Financial Assets - Current		
Deposit for capital expenditure	-	23,000
Interest accrued on Fixed Deposit*	0	0
Other Receivables**	3,017	3,893
Total	3,017	26,893

*Current Year: Rs. 4,20,105, Previous Year : Rs.4,30,717

** Includes Contractually reimbursable/receivable/ MTM of derivative

Note: "0" represents the amount below the denomination threshold.

	As at March 31, 2021	(Rs. in Million) As at March 31, 2020
8 Other Current Assets (Unsecured and considered good)		
Balance with GST authorities*	38,397	25,459
Other Advances**	239	8
Total	38,636	25,467

*Includes Input tax credit pending for availment of Rs. 14,650 million(Previous Year Rs 11,610 million)

**Includes prepaid expenses and advances to vendors



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Notes forming part of Consolidated Ind AS Financial Statements as at March 31, 2021

	As at March 31, 2021	(Rs. in Million) As at March 31, 2020
9A Unit capital		
Unit capital		
Issued, Subscribed and fully paid up Unit Capital		
1,47,06,00,000 (March 31, 2020 : Nil) units of Rs 100 (March 31, 2020 : Nil) each	1,47,060	-

The SEBI circular no. CIR/IMD/DF/114/2016 dated 20-Oct-2016 issued under the SEBI InvIT Regulation require that the 'Unit Capital' should be presented as 'Equity' in the financial statements of the Trust. Further, the SEBI InvIT Regulation requires that 90% of the Net Distributable Cash Flows of the Trust should be distributed to the Unitholders. Any instrument which contains an obligation to mandatorily pay its holders, is a compound financial instrument under Ind AS 32 - Financial Instruments: Presentation and has to be accounted as such. However, considering the requirements of the SEBI InvIT Regulation, a special legislation, the 'Unit Capital' has been presented as 'Equity' in the Financial Statements.

Rights and Restrictions of Units

The Trust has only one class of units. Each unit represents an undivided beneficial interest in the Trust. Each holder of unit is entitled to one vote per unit. The Unitholders have the right to receive atleast 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 distributions will be in proportion of 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 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) or any interest in the 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 provisions 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.

Information in unitholders holding more than 5% of Unit Capital

Name of Unitholder	Relationship	As on March 31, 2021		As on March 31, 2020	
		No of Unit held	Percentage	No of Unit held	Percentage
Reliance Industrial Investments And Holdings Limited	Sponsor	220600000	15.00%	-	-
Jamnagar Utilities And Power Private Limited	Unitholder	255000000	17.34%	-	-
Platinum Compass B 2018 RSC Limited	Unitholder	375000000	25.50%	-	-
Public Investment Fund	Unitholder	375000000	25.50%	-	-
Sikka Ports & Terminals Limited	Unitholder	245000000	16.66%	-	-

Reconciliation of the units outstanding at the beginning and at the end of the Financial year

Particulars	As at March 31, 2021	As at March 31, 2020
Units at the beginning of the year	-	-
Issued during the year	1,47,06,00,000	-
Units at the end of the year	1,47,06,00,000	-

	As at March 31, 2021	(Rs. in Million) As at March 31, 2020
9B Initial Contribution		
Balance at the beginning of the year (Previous year Rs.10,000) By Settlor	264	-
	55	264
Balance at the end of the year	319	264

	As at March 31, 2021	(Rs. in Million) As at March 31, 2020
10 Other Equity		
Instruments classified as equity		
0.01% (Previous year 10%) Redeemable, Cumulative, Participating and Optionally Convertible Preference Share of Rs.10 each, fully paid up	7,81,397	7,81,397
Retained earnings		
As per last Balance Sheet	(2,03,707)	(1,90,580)
Total Comprehensive Loss for the year	(42,011)	(66,393)
Distribution to Unit holders	(7,120)	53,266
Balance at end of the year	(2,52,838)	(2,03,707)
TOTAL	5,28,559	5,77,690

10.1 Terms/ rights and restrictions attached to Preference Shares :

With effect from September 29, 2020, the terms of the 78,139,666,092, 10% Cumulative Participating and Optionally Convertible Preference Shares of Rs. 10/- each were changed to 0.01% Redeemable, cumulative, participating and optionally convertible preference shares of Rs. 10 each. These are convertible into 1 (One) Equity Share of Re.1 each for every 54 (Fifty Four) Preference Shares of Rs. 10 each at a premium of Rs. 539 per Equity Share at any time at the option of the Company but in any case not later than March 30, 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 30, 2039. The Preference share shall be entitled to the surplus Assets either on winding up or liquidation or otherwise."

10.2 The reconciliation of the number of 0.01% Redeemable, Cumulative, Participating and Optionally Convertible Preference Share is set out below:

	As at March 31, 2021 No. of Shares	As at March 31, 2020 No. of Shares
Particulars		
No. of shares at the beginning of the year	78,13,96,66,092	78,13,96,66,092
Add: Issue of Shares	-	-
No. of shares at the end of the year	78,13,96,66,092	78,13,96,66,092

10.3 Aggregate number of Shares issued for consideration other than cash during the period of 5 years immediately preceding the reporting date:

Pursuant to Fair Valuation of the assets acquired in the Scheme, 78,139,666,092 shares of Rs. 10 each were issued and allotted as fully paid for consideration other than in cash, to the shareholder of the demerged company as a consideration for the demerger and vesting of its Fibre Undertaking.

10.4 The details of shareholders holding more than 5% shares (10% Cumulative Optionally Convertible Preference Shares):

Name of Shareholder	As at March 31, 2021		As at March 31, 2020	
	No of Shares	% held	No of Shares	% held
Reliance Industries Limited	77,70,11,98,375	99.44%	77,70,11,98,375	99.44%



(Rs. in Million)

11 Borrowings	As at	
	March 31, 2021	March 31, 2020
At amortised cost	Non-Current	Non-Current
(I) Term Loan		
(a) Secured		
(i) From banks*	3,64,119	1,34,761
(b) Unsecured		
(i) From banks	-	20,000
(ii) From others	2,50,000	-
(II) Non Convertible Debentures		
(i) Unsecured	-	2,53,420
(ii) Secured**	2,52,800	-
(III) Redeemable Preference Shares (Unsecured)	13	13
Total	8,66,932	4,08,194

*Net off Rs. 880 millions (Previous Year Rs. 580 millions) as prepaid finance charges.

**Net off Rs. 620 million (Previous Year Nil) as prepaid finance charges.

(i) **Secured loans from Banks consist of:**

- a) Loan of Rs.40,000 Million carrying interest rate of 7.65 % p.a from Bank of Baroda, is repayable after 2 years of moratorium in 40 equal quarterly instalments starting from end of 27th month from date of drawdown and secured on pari-passu basis by hypothecation of the movable properties, both present and future, including movable plant and machinery, spares, tools and accessories.
- b) Loan of Rs.55,000 Million carrying interest rate of 7.55 % p.a from Punjab National Bank, is repayable after 2 years of moratorium in 40 equal quarterly instalments starting from end of 27th month from date of drawdown and secured on pari-passu basis by hypothecation of the movable properties, both present and future, including movable plant and machinery, spares, tools and accessories.
- c) Loan of Rs.55,000 Million carrying interest rate of 7.75 % p.a from Axis Bank, is repayable after 2 years of moratorium in 40 equal quarterly instalments starting from end of 27th month from date of drawdown and secured on pari-passu basis by hypothecation of the movable properties, both present and future, including movable plant and machinery, spares, tools and accessories.
- d) Loan of Rs.55,000 Million carrying interest rate of 7.45 % p.a and of Rs 20,000 Million carrying interest rate 7.40% from HDFC Bank, is repayable after 2 years of moratorium in equal quarterly instalments starting from end of 27th month from date of drawdown and secured on pari-passu basis by hypothecation of the movable properties, both present and future, including movable plant and machinery, spares, tools and accessories.
- e) Loan of Rs.50,000 Million carrying interest rate of 7.75 % p.a and of Rs 15,000 Million carrying interest rate 7.70% from ICICI Bank, is repayable after 2 years of moratorium in 40 equal quarterly instalments starting from end of 27th month from date of drawdown and secured on pari-passu basis by hypothecation of the movable properties, both present and future, including movable plant and machinery, spares, tools and accessories.
- f) Loan of Rs.75,000 Million carrying interest rate of 7.65 % p.a from State Bank of India, is repayable after 2 years of moratorium in 40 equal quarterly instalments starting from end of 27th month from date of drawdown and secured on pari-passu basis by hypothecation of the movable properties, both present and future, including movable plant and machinery, spares, tools and accessories.
- g) Rs.1,34,761 Million outstanding as at March 31, 2020, which have been repaid during the year.

(ii) **Unsecured loans from banks consist of:**

Loan of Rs.20,000 Million outstanding as at March 31, 2020, which have been repaid during the year.

(iii) **Unsecured loans consist of:**

Loan of Rs.2,50,000 million (Sikka Ports and Terminals Ltd - Rs.2,00,000 million and Jamnagar Utilities Port & Power Limited - Rs. 50,000 million), carrying interest rate of 12.01%, and is repayable annually from September 28, 2024 till September 28, 2050.



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(iv) **Non-Convertible Debentures consist of:**

- a) 60,000, 7.60% Secured Non-Convertible Redeemable Debentures – Series PPD1 (NCD – Series PPD1) of face value of Rs. 10,00,000 each, redeemable after 2 years of moratorium in 40 equal quarterly instalments starting 22 Mar 2023 to 22 Dec 2032 and secured on pari-passu basis by hypothecation of the movable properties, both present and future, including movable plant and machinery, spares, tools and accessories.
- b) 1,00,000, 7.60% Secured Non-Convertible Redeemable Debentures – Series PPD2 (NCD – Series PPD2) of face value of Rs. 10,00,000 each, redeemable after 2 years of moratorium in 40 equal quarterly instalments starting 22 Mar 2023 to 22 Dec 2032 and secured on pari-passu basis by hypothecation of the movable properties, both present and future, including movable plant and machinery, spares, tools and accessories.
- c) 93,420, 7.60% Secured Non-Convertible Redeemable Debentures – Series PPD3 (NCD – Series PPD3) of face value of Rs. 10,00,000 each, redeemable after 2 years of moratorium in 40 equal quarterly instalments starting 22 Mar 2023 to 22 Dec 2032 and secured on pari-passu basis by hypothecation of the movable properties, both present and future, including movable plant and machinery, spares, tools and accessories.

(v) **Unsecured Non-Convertible Debentures consist of :**

253,420, 9.00% Non-Convertible Redeemable Debentures – Series II (NCD – Series II) of face value of Rs. 10,00,000 each, aggregating to Rs. 25,342 crores redeemable at par on or before March 30, 2029 at the option of the Company, have been fully redeemed in December 2020.

(vi) **Redeemable Preference Shares consist of :**

With effect from September 29, 2020, the terms of the 1,250,000 10% Cumulative, non-participating and non-convertible preference shares of Rs. 10/- each were varied to 0.01% Cumulative, redeemable, non-participating and non-convertible Preference Shares of Rs. 10 each, redeemable at any time at the option of the Trust Group at Rs. 10 each aggregating to Rs. 12.5 million, but not in any case later than March 31, 2039. The Redeemable Preference Shares will carry a preferential right vis-à-vis Equity Shares and Preference Shares with respect to payment of dividend and repayment of capital. No right to participate in Surplus Assets either on winding up or on liquidation.

- (vi) In absence of profit as per Section 71(4) of Companies Act, 2013, the subsidiary company has not created the Debenture Redemption Reserve for cumulative amount of Rs. 2,534 million. The subsidiary company shall create the Debenture Redemption Reserve out of Profits, if any in the future years.

	As at March 31, 2021	(Rs.in Million) As at March 31, 2020
12 Deferred Tax Liabilities (Net)		
At the start of the year	(2,51,765)	(3,73,515)
On account of change in tax rate		1,04,443
Credit to Profit and Loss account	17,793	17,307
At the end of the year	(2,33,972)	(2,51,765)

**Component of Deferred Tax Asset/
Liabilities**

	As at beginning of the year	(Charge)/Credit to Statement of Profit and Loss during the year	As at March 31, 2021
Deferred tax asset/(liabilities) in relation to:			
Property, Plant and Equipment and Other Intangible Assets	(2,74,151)	(28,482)	(3,02,633)
Carried Forward Losses	22,386	46,275	68,661
Total	(2,51,765)	17,793	(2,33,972)

As per section 115BAA introduced by the Taxation Laws (Amendment) Act, 2019, the Trust Group had adopted new income tax rates and accordingly the effect had been given in the amount of brought forward deferred tax liabilities of the Trust Group during last year.

	As at March 31, 2021	(Rs.in Million) As at March 31, 2020
13 Other Non Current Financial Liabilities		
Call Option (Refer Note 34)	2,292	-
Others*	0	-
Total	2,292	-

*Current Year: Rs. 2,19,456, Previous Year : Nil

*Provisions for Gratuity

	As at March 31, 2021	(Rs.in Million) As at March 31, 2020
14 Other Non Current Liabilities		
Revenue received in advance	1,53,075	1,56,018
Total	1,53,075	1,56,018



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	As at March 31, 2021	(Rs.in Million) As at March 31, 2020
15 Borrowings - Current		
Unsecured - At amortised Cost		
(a) Term Loan : from Others*	-	1,45,000
Total	-	1,45,000

*Loan of Rs.81,800 Million from Sikka Port and Terminal Limited carrying interest rate of 9.25% p.a. outstanding as on March 31, 2020 has been fully repaid in current year.

*Loan of Rs.63,200 Million from Jamnagar Utilities Private Limited carrying interest rate of 9.25% p.a. outstanding as on March 31, 2020 has been fully repaid in current year.

Maximum amount outstanding at any time during the year in respect of monies raised by the Trust Group on Commercial Papers is Rs Nil (Previous year Rs. 25,730)

	As at March 31, 2021	(Rs.in Million) As at March 31, 2020
16 Trade Payables due to		
Micro and small enterprises	-	-
Creditors Other than Micro and Small enterprises	8	43
Total	8	43

16.1 There are no overdue amounts to Micro, Small and Medium Enterprises as at March 31, 2021 and as at March 31, 2020 for which disclosure requirements under Micro, Small and Medium Enterprises Development Act, 2006 are applicable.

	As at March 31, 2021	(Rs.in Million) As at March 31, 2020
17 Other Current Financial Liabilities		
Current Maturities of Long Term Debt (secured)	-	1,59,660
Current Maturities of Long Term Debt (unsecured)*	-	2,630
Interest accrued but not due	231	29,120
Others**	10	32,605
Total	241	2,24,015

*consist of loan for Rs 2,630 million from Reliance Ventures Limited carrying interest rate 9% per annum transferred to JDFPL under novation agreement dated 18th December 2020.

**Includes deposit repayable on demand secured by the guarantee given by the Parent of the sponsor of the Trust and includes derivative liability in the previous year.

	As at March 31, 2021	(Rs.in Million) As at March 31, 2020
18 Other Current Liabilities		
Revenue received in advance	5,420	8,623
Other Payables*	715	3,456
Total	6,135	12,079

* Other Payables include statutory dues like GST, TDS etc.



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Digital Fibre Infrastructure Trust

Notes forming part of Consolidated Ind AS Financial Statements as at March 31, 2021

	For the year ended March 31, 2021	(Rs. in Million) For the year ended March 31, 2020
19 Revenue from Operations		
Sale of Services	76,398	61,257
Total	76,398	61,257
20 Other Income		
Interest Income*	3	0
Profit on sale of current investments (Net)	203	-
Gain on fair valuation of investment	2	-
Miscellaneous Income	34	136
Total	242	136
*Current Year: Rs. 29,78,825, Previous Year : Rs.4,95,539		
Note: "0" represents the amount below the denomination threshold.		
21 Network Operating Expenses		
Repairs and Maintenance	10,408	8,620
Total	10,408	8,620
22 Employee Benefits Expense		
Salaries and Wages	5	1
Contribution to Provident and Other Funds	1	0
Total	6	1
Note: "0" represents the amount below the denomination threshold.		
23 Finance Costs		
Interest Expenses	65,772	61,869
Exchange Loss (attributable to Finance costs)	152	354
Other Borrowing Cost	610	396
Total	66,534	62,619
24 Other Expenses		
Fair Value of Put/Call option (net)	2,252	-
Professional fees	105	52
Payment to Auditors	11	24
General Expenses	139	74
Total	2,507	150



Digital Fibre Infrastructure Trust
Notes forming part of Consolidated Ind AS Financial Statements as at March 31, 2021

	As at March 31, 2021	As at March 31, 2020
25 EARNING PER UNIT (EPU)		
The following reflects the income and unit data used in the basic and diluted EPU Computations		
(i) Net Loss as per Statement of Profit and Loss attributable to Unit	(42,011)	(66,393)
(ii) Weighted Average number of Units used as denominator for calculating Basic	1,47,06,00,000	-
Unit Allotted (in days)	184	-
(iii) Weighted Average number of Potential Units	74,13,43,562	-
(iv) Total Weighted Average number of units used as denominator		
(v) Earning per unit of unit value of Rs 100		
- For Basic (Rs.)	(56.67)	-
- For Diluted (Rs.)	(56.67)	-

26 RELATED PARTY DISCLOSURES

As per Ind AS 24 & SEBI InvIT Regulations, the disclosures of transactions with the related parties

(i) List of related parties, with whom transactions have taken place and relationships, as per the SEBI InvIT regulations:

Sr No	Name of the Related Party	Relationship
1	Reliance Industrial Investments and Holdings Limited	Sponsor & Unitholder
2	Axis Trustee Service Limited	Trustee
3	Infinite India Investment Manager Limited	Investment Manager
4	Jio Infrastructure Management Services Limited	Project Manager
5	Reliance Industries Limited	Promoter of sponsor
6	Reliance Projects and Property Management Services Limited (wef from 29 September 2020 to 29 October 2020)	Unitholder
7	Jamnagar Utilities and Power Private Limited (wef from 29 September 2020 to 29 October 2020)	Unitholder
8	Platinum Compass B 2018 RSC Limited	Unitholder
9	Public Investment Fund	Unitholder
10	Axis Bank Limited	Promoter of Trustee

(ii) Transactions during the year with related parties

(Rs.in Million)

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
Professional Fees		
Axis Trustee Service Limited	5	2
Infinite India Investment Manager Limited	24	24
Jio Infrastructure Management Services Limited	24	24
Units Allocated		
Jamnagar Utilities & Power Private Limited (JUPPL)	35,500	-
Reliance Projects and Property Management Services Limited	64,500	-
Reliance Industrial Investments and Holdings Limited	22,060	-
Distribution to Unitholders		
Public Investment Fund	1,815	-
Platinum Compass B 2018 RSC Limited	1,815	-
Reliance Industrial Investments and Holdings Limited	1,068	-
Reliance Industries Limited		
Repayment of Non Convertible Debentures (Unsecured)	2,53,420	2,85,130
Interest on Non Convertible Debentures	21,853	23,528
Addition of Inter Corporate Deposit	-	12,790
Repayment of Inter Corporate Deposit	-	12,790
Interest on Inter Corporate Deposit	-	127
Issuance of Non Convertible Debentures (Secured)	2,53,420	-
Internal Audit Fees	1	-
Guarantee Commission Fees	41	-
NCD Processing Fees	634	-
Reliance Projects and Property Management Services Limited		
Network Operating Expenses	869	-
Capital Expenditure	9,572	-
Jamnagar Utilities and Power Private Limited		
Repayment of Loans	63,200	-
Loan Taken	50,000	-
Interest on Loans	6,079	-
Axis Bank Limited		
Loan Taken	55,000	25,000
Loan repaid	57,500	-
Refinancing Arrangement	-	27,500
Interest on Borrowings	4,165	4,692
Contribution to Corpus		
Reliance Industrial Investments and Holdings Limited	55	264



Particulars	As at March 31, 2021	As at March 31, 2020
Professional Fees payable		
Axis Trustee Service Limited	-	2
Infinite India Investment Manager Limited	-	24
Reliance Industrial Investments and Holdings Limited		
Contribution to Corpus	319	264
Units Allocated	22,060	-
Public Investment Fund		
Units Allocated	37,500	-
Platinum Compass B 2018 RSC Limited		
Units Allocated	37,500	-
Reliance Industries Limited		
Equity Share Capital	2,495	2,495
0.01% (Previous year 10%) Redeemable, Cumulative, Participating and Optionally Convertible Preference Share of Rs.10 each, fully paid up	7,81,397	7,81,397
0.01% (Previous year 10%) Cumulative, redeemable, non-participating and non-convertible preference shares	13	13
Borrowings - Non Convertible Debentures	2,53,420	2,53,420
Interest accrued but not due on Non Convertible Debentures	-	20,527
Vendor account- Internal Audit fees payable	1	-
Axis Bank Limited		
Axis Bank Limited - Bank Balances	28	56
Borrowings - Secured Term Loans- Axis Bank Limited	55,000	57,291

	As at March 31, 2021	As at March 31, 2020
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(i) Contingent Liabilities

(i) Claims/disputed liabilities against the Trust Group not acknowledged as debts *

* The disputed liabilities are not likely to have any material effect on financial position of the Trust Group

370 650

(ii) Commitments

Estimated amount of contracts remaining to be executed on Capital account not provided for.

As at March 31, 2021	As at March 31, 2020
15,125	25,315

28 Arrears of fixed cumulative dividend on redeemable, cumulative, participating and optionally convertible preference shares classified as 'Other Equity' Rs. 1,16,928 Million as on 31st March, 2021 and Rs 78,140 Million as on 31st March, 2020.

29 Capital Management

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

- Maintain diversity of sources of financing and spreading the maturity across tenure buckets in order to minimize liquidity risk.
- Maintain AAA rating by ensuring that the financial strength of the Balance Sheet is preserved.
- Manage financial market risks arising from foreign exchange and interest rates, and minimise the impact of market volatility on earnings.

(d) Gearing Ratio

(Rs in Million)

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

	As at March 31, 2021	As at March 31, 2020
Gross Debt	8,66,932	7,15,484
Cash and Marketable Securities*	1,608	166
Net debt (A)	8,65,324	7,15,318
Total Equity (B)	6,75,938	5,77,954
Net debt to equity ratio (A/B)	1.28	1.24

*Cash and Marketable Securities includes Cash and Cash Equivalents of Rs.114 Million (Previous year Rs.166 Million) and current investment Rs.1,492 Million (Previous Year Nil)



Digital Fibre Infrastructure Trust

Notes forming part of Consolidated Ind AS Financial Statements as at March 31, 2021

30 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 1	Level 2
Financial Assets						
At Amortized Cost						
Trade Receivables	93	-	-	5	-	-
Cash and Bank Balances	114	-	-	166	-	-
Other Bank Balances	92	-	-	38	-	-
Other Financial Assets	8,124	-	-	32,136	-	-
At FVTPL						
Investments	1,494	1,494	-	-	-	-
Financial Derivatives	40	-	40	220	-	220
Financial Liabilities						
At Amortized Cost						
Borrowings	8,66,932	-	-	7,15,484	-	-
Trade Payables	8	-	-	43	-	-
Other Financial Liabilities	241	-	-	61,725	-	-
Creditors for Capital Expenditure	30,027	-	-	90,822	-	-
At FVTPL						
Other Financial Liabilities	2,292	-	2,292	-	-	-

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

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

Valuation methodology:

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

- The fair value of investment in Mutual Funds is measured at NAV.
- The fair value of Forward Foreign Exchange contracts is determined using observable forward exchange rates at the balance sheet date.
- The Trust 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. Option contracts are valued using Black-Scholes model which is based on volatility in interest rates and market values.
- All foreign currency denominated assets and liabilities are translated using exchange rate at reporting date.

B. Financial Risk Management

The different types of risks the Trust Group is exposed to include market risk, credit risk and liquidity risk. The Trust 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 Trust 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 reporting year.

(In Million)

Particulars	Foreign Currency Exposure			
	As at March 31, 2021		As at March 31, 2020	
	USD	EURO	USD	EURO
Other Financial Liability	-	-	6,480	0
Derivatives				
Forward	-	-	(6,480)	(0)
Net Exposure	-	-	-	-

Note: "0" represents the amount below the denomination threshold.

Sensitivity analysis of 1% change in exchange rate at the end of reporting year.

(Rs. In Million)

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



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Digital Fibre Infrastructure Trust

Notes forming part of Consolidated Ind AS Financial Statements as at March 31, 2021

b) Interest Rate Risk

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

Particulars	Interest Rate Exposure	
	As at March 31, 2021	As at March 31, 2020
Borrowings		
Non-Current - Floating*	6,14,119	3,15,000
Non-Current - Fixed*	2,52,813	2,56,063
Current - Fixed	-	1,45,000
Total	8,66,932	7,16,063

*Includes Current year Rs 1,531 million (Rs 579 million in previous year) towards Prepaid Finance Charges.

Fair value sensitivity analysis for fixed-rate borrowings:

The Trust Group does not account for any fixed-rate borrowings at fair value through profit or loss. Therefore, a change in interest rates at the reporting date would not affect profit or loss.

Sensitivity analysis of 1% (floating rate borrowings) change in Interest rate:

Particulars	Interest Rate Sensitivity			
	As at March 31, 2021		As At March 31, 2020	
	Up Move	Down Move	Up Move	Down Move
Total Impact	(6,141)	6,141	(3,150)	3,150
Impact on Equity	-	-	-	-
Impact on P&L	(6,141)	6,141	(3,150)	3,150

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 Trust. Credit risk arises from Trust 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 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 cash flow position and ensures that the Group is able to meet its financial obligation at all times including contingencies.

(Rs. In Million)

Maturity Profile as at March 31, 2021					
Particulars	0 to 1 year	1-3 Years	3-5 Years	Above 5 years	Total
Trade Payable (Refer Note 16)	8	-	-	-	8
Other Current Financial Liabilities (Refer Note 17)	231	-	-	-	231
Creditors for Capital Expenditure	30,027	-	-	-	30,027
Borrowings* (Refer Note 11, 15 and 17)	-	77,303	1,26,736	6,64,381	8,68,420
Total	30,266	77,303	1,26,736	6,64,381	8,98,686

* Includes Rs.1,500 Million as prepaid finance charges.

Maturity Profile as at March 31, 2020					
Particulars	0 to 1 year	1-3 Years	3-5 Years	Above 5 years	Total
Trade Payable (Refer Note 16)	43	-	-	0,00	43
Other Current Financial Liabilities (Refer Note 17)	29,120	-	-	-	29,120
Creditors for Capital Expenditure	90,822	-	-	-	90,822
Borrowings* (Refer Note 11, 15 and 17)	3,07,630	1,38,000	4,000	2,66,433	7,16,063
Total	4,27,615	1,38,000	4,000	2,66,433	8,36,048

* Includes Rs.579 Million as prepaid finance charges.

31 SEGMENT REPORTING

The Trust Group is engaged in setting up, operating and managing of Fiber Infrastructure. All activities of the Trust Group revolve around this main business. Accordingly the Trust Group has single segment as per the requirements of Ind AS 108 -Operating Segment. Significant portion of the revenue is derived from a single customer.

32 PAYMENT TO AUDITORS

	(Rs. in Million)	
	Current Year	Previous Year
i Statutory Audit Fees	7	24
ii Tax Audit Fees	1	-
iii Certification Fees	2	-
iv Expenses Reimbursed	1	-
Total	11	24



Digital Fibre Infrastructure Trust

Notes forming part of Consolidated Ind AS Financial Statements as at March 31, 2021

33 Disclosures as required by SEBI Circular No.CIR/IMD/DF/114/2016 dated October 20, 2016
The Trust consists of only one project.

(A) Operating cash flows

	(Rs. In Million)	
	As at	
	March 31, 2021	March 31, 2020
CASH FLOW FROM OPERATING ACTIVITIES		
Net Loss Before Tax as per Statement of Profit and Loss	(70,691)	(68,744)
Adjusted for:		
Depreciation and Amortisation Expense	63,127	59,057
Profit on sale of current investments	(205)	(136)
Gain on fair valuation of investments	(2)	-
Interest Income	(3)	-
Finance Costs	73,609	62,382
Operating profit before working capital changes	65,835	52,559
Trade and Other Receivables	(20,282)	19,988
Other Payables	(8,855)	1,67,125
Cash Generated from Operations	36,698	2,39,671
Tax Paid	(120)	(21)
Net Cash generated from operating activities	36,578	2,39,650

(B) Statement of Net Distributable Cash Flows (NDCF) of Project

	(Rs. In Million)
Description	As at March 31, 2021
Loss after tax as per profit and loss account	(52,898)
Add: Depreciation and amortisation as per profit and loss account, in case of impairment reversal, same needs to be deducted from profit and loss.	63,127
Add / less: Loss / gain on sale of infrastructure assets	-
Add / less: Finance Cost	73,609
Add/ Less : Gain on sale of Mutual Fund Investment	(207)
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 /	-
Less: Capital expenditure, if any	(1,98,571)
Less: Investments made in accordance with the investment objective, if any	(1,344)
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;	(17,793)
• any other non-cash item, lease rents recognised on a straight-line basis, etc.	-
Add / less: Working capital changes	(29,137)
Add / less: Taxes paid	(120)
Add / less: Provisions made in earlier year and expensed in the current year	-
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)	10,13,949
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	(7,48,820)
Less :Interest paid to third party	(86,659)
Less: Cash reserved to make due payments to secured lenders in subsequent years	-
Add / less: Proceeds from any fresh issuance of preference shares / redemption of any preference shares including redemption or capital reduction of the optionally convertible preference shares (Net of monies attributable to optionally convertible preference shares and retained in the SPV)	-
Add: Proceeds from any fresh issuance of equity shares	-
Add: Unpaid and accrued interest and principal amount towards debt outstanding including but not limited to Trust Loan 1 and Trust Loan 2	-
Less: Monies attributable to the optionally convertible preference shares in terms of SHOA / other transaction agreements	-
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)	68,034
Net Distributable Cash Flows (C) = (A+B)	15,136



Digital Fibre Infrastructure Trust

Notes forming part of Consolidated Ind AS Financial Statements as at March 31, 2021

(C) Statement of Net Distributable Cash Flows (NDCFs) of Trust

(Rs. In Million)	
Description	As at March 31, 2021
Cash flows received from SPV in the form of interest / accrued interest / additional interest	15,171
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	-
Contribution to Corpus	55
Proceeds from Unit issuance	1,47,060
Borrowings at the Trust level	2,52,800
Total cash flow at the Trust level (A)	4,15,086
Less: issue expenses payable by Trust including as reimbursements towards expenses of Trust met by the Sponsors	-
Less: annual expenses of the Trust including audit fees, project manager fees, investment management fees, other statutory fees, depository fees, legal expenses, credit rating fees and valuer fees, if any (prorated for half year)	136
Less: income tax (if applicable) at the standalone Trust level and payment of other statutory dues	-
Less: Repayment of debt at the Trust Level (including principal, interest and other monies payable in terms of the relevant loan agreement)	10,784
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 at the Trust level 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	3,97,060
Less: Capital expenditure if any (including acquisition of other infrastructure assets / SPVs)	-
Add: Proceeds from fresh issuance of units	8
Less: Reserve for debentures / loans / capex expenditure in the intervening year till next proposed distribution if deemed necessary by the Investment Manager invested in permitted investments	-
Total cash outflows/retention at the Trust level (B)	4,07,988
Net Distributable Cash Flows (C) = (A+B)	7,098

(D) Debt Payment History

(Rs. In Million)		
	As at March 31, 2021	March 31, 2020
(i) Term Loan from Banks		
Carrying amount of debt at the beginning of the year	3,14,421	1,79,313
Additional borrowing during the year	3,65,000	1,34,999
Repayments during the year	(3,15,000)	-
Other adjustments	(302)	109
Carrying amount of debt at the end of the year	3,64,119	3,14,421
(ii) Non Convertible Debenture (NCD) and Redeemable Preference Shares		
Carrying amount at the beginning of the year	2,53,433	5,38,563
Additional borrowing during the year	2,53,420	-
Repayments during the year	(2,53,420)	(2,85,130)
Other adjustments	(619)	-
Carrying amount at the end of the year	2,52,814	2,53,433
(iii) Loan from Others		
Carrying amount of debt at the beginning of the year	1,47,630	2,630
Additional borrowing during the year	2,50,000	1,87,790
Repayments during the year	(1,47,630)	(42,790)
Carrying amount of debt at the end of the year	2,50,000	1,47,630
(iv) Total ((i) to (iii))		
Carrying amount of debt at the beginning of the year	7,15,484	7,20,506
Additional borrowing during the year	8,66,889	3,22,789
Repayments during the year	(7,16,050)	(3,27,920)
Other adjustments	609	109
Carrying amount of debt at the end of the year	8,66,932	7,15,484



Digital Fibre Infrastructure Trust

Notes forming part of Consolidated Ind AS Financial Statements as at March 31, 2021

(E) Statement of Net Assets at Fair Value

Particulars	(Rs. In Million)			
	As At		As At	
	March 31, 2021		March 31, 2020	
	Book Value	Fair Value*	Book Value	Fair Value*
A. Assets	18,47,722	18,62,062	17,51,130	17,58,249
B. Liabilities	12,92,682	12,92,682	12,87,935	12,87,936
C. Net Assets (A-B)	5,55,040	5,69,380	4,63,195	4,70,313

* Fair value has been determined based on the fair valuation report of independent valuer appointed under the InvT Regulations.

(F) Statement of Total Return at Fair Value

Particulars	(Rs. In Million)	
	As At March 31, 2021	As At March 31, 2020
Total comprehensive Income/(Loss) (As per Statement of Profit and Loss)	(48,149)	(51,747)
Add / (Less): Other Changes in Fair Value (e.g., in investment property, property, plant & equipment (if cost model is followed)) not recognized in Total Comprehensive Income	-	-
Total Return	(48,149)	(51,747)

34 Put and Call Option

As per the terms of the Shareholders and Option Agreement entered into between the Trust, the Investment Manager, Reliance Industries Limited (RIL), Reliance Industrial Investments and Holdings Limited (RIHL) and Jio Digital Fibre Private Limited (JDFPL), RIL has a right, but not obligation, to purchase the entire equity stake of the Trust in JDFPL after a specific term for a consideration of Rs. 262,65,00,000 or the fair value at the exercise date, which ever is lower. Likewise, after a specific term, the Trust has the right, but not the obligation, to sell its entire stake in JDFPL to RIHL for a consideration of Rs. 262,65,00,000 or the fair value at the exercise date, which ever is lower.

35 List of Subsidiary

Name of the Group	Place of Incorporation	Principal activities	% holding as on March 31, 2021	% holding as on March 31, 2020
Jio Digital Fiber Private Limited	India	Providing Fiber Infrastructure and related operations and maintenance services.	51%	51%

36 The outbreak of Coronavirus (COVID-19) pandemic globally and in India is causing significant disturbance and slowdown of economic activity. The Trust Group is engaged in the business of providing Fibre infrastructure and related services operations in India. The subsidiary of Trust Group has executed a long-term Fiber Usage Agreement (FUA) with Reliance Jio Infocomm Limited (RJIL) as its customer, which results into committed revenues and cash flows for the Trust 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 Trust Group currently caters to. Also, the Trust Group has completed substantial portion of its planned capital expenditure and for the balance as well as for the operations and maintenance of the fibre assets, the Trust Group has in place long-term arrangements with reputed and experienced contractors/ service providers. In view of the foregoing, the Trust Group does not expect any significant challenges, including emanating out of COVID-19, particularly in the next 12 months.

37 The figure for the corresponding previous year have been regrouped / rearranged wherever necessary, to make them comparable

38 APPROVAL OF FINANCIAL STATEMENTS

The financial statements were approved for issue by Board of Directors on 16 June, 2021.

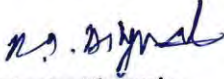


[Signature]

[Signature]

Contd.: Consolidated Financial
Statements for the years ended
March 31, 2021 (last page)
of Digital Fibre Infrastructure Trust

For and on behalf of the Board of Investment Manager


Rajendra Hingwala
DIN:00160602


Dipti Neelakantan
DIN: 00505452

Place: Mumbai
Date: June 16, 2021

CAPITALISATION STATEMENT

For the Trust on a consolidated basis:

Particulars	Pre-Issue as of September 30, 2021 (in ₹ million)	Post-Issue as of September 30, 2021 (in ₹ million)
Borrowings (non-current, current borrowings including maturity of long term borrowings, redeemable preference shares, non-convertible debentures including interest accrued)	998,860	998,860
Creditors for capital expenditure	475	475
Total borrowings including creditors for capital expenditure	999,335	999,335
Corpus contribution to the Trust	319	319
Unit Capital	147,060	194,947
Other equity	517,028	517,028
Total Equity	664,407	711,975

MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION

The following contracts, which are or may be deemed material have been entered into in due course. These contracts and also the documents for inspection referred to hereunder, may be inspected by Eligible Unitholders who have received this Letter of Offer at the office of the associate of the Investment Manager located at JM Financial, Sood Towers (East Tower), 6th Floor, Barakhamba Road, Connaught Place, New Delhi, from 10:00 A.M. to 5:00 P.M., on all Working Days from the date of this Letter of Offer until the date of Allotment of the Units pursuant to this Issue. Any of the contracts or documents mentioned in this Letter of Offer may be amended or modified at any time if so required in the interest of the Trust or if required by the other parties, without reference to the Unitholder, subject to compliance with applicable law and InvIT Documents.

1. Indenture of Trust entered into between the Sponsor and the Trustee dated January 31, 2019, as amended by the amended and restated Indenture of Trust dated September 21, 2020 and further amended by the amended and restated Indenture of Trust dated November 4, 2020.
2. SEBI registration certificate for the Trust bearing number IN/InvIT/18-19/0010 dated March 20, 2019 as an infrastructure investment trust.
3. The composite Scheme of Arrangement entered into between RJIL, JDFPL and SDIPL and their respective shareholders and creditors under Sections 230 to 232 read with Section 52 and other applicable provisions of the Companies Act, 2013.
4. The Framework Agreement dated September 27, 2021 entered into between the Trust, the Investment Manager, the Sponsor, the Fibre Co and RIL.
5. The Investment Management Agreement entered into between the Trustee (acting on behalf of the Trust) and the Investment Manager dated January 31, 2019, as amended by the amended and restated Investment Management Agreement dated September 21, 2020.
6. The Project Implementation and Management Agreement entered into between Trustee, the Project Manager, the Investment Manager, the Fibre Co and ICICI Securities Limited, dated April 14, 2020.
7. The Share Purchase Agreement entered into between the Trustee (acting on behalf of the Trust), RIL, the Investment Manager, the Sponsor, Digital Media Distribution Trust (acting through its trustee, Reliance Media Transmission Private Limited) and the Fibre Co, dated March 31, 2019.
8. The Cash Escrow Agreement entered into between the Trust (acting through its Trustee), the Investment Manager, and the Escrow Collection Bank, dated December 2, 2021.
9. The Trust Loan – I Agreement dated September 21, 2020 together with the letter amendment agreement dated September 28, 2020 entered into between the Trustee (acting on behalf of the Trust and the Investment Manager) and the Fibre Co, as amended from time to time.
10. The Trust Loan – II Agreement dated September 21, 2020 entered into between the Trustee (acting on behalf of the Trust and the Investment Manager) and the Fibre Co, as amended from time to time.
11. The Trust Loan – III Agreement dated December 22, 2020 entered into between the Trust and the Fibre Co, as amended from time to time.
12. The InvIT Loan Agreement dated September 21, 2020 entered into between the Trustee (acting on behalf of the Trust and represented by the Investment Manager), Sikka Ports & Terminals Limited, Jamnagar Utilities & Power Private Limited and the Sponsor, as amended from time to time.
13. The tripartite agreement dated January 29, 2020, between NSDL, the Trust and the Registrar.
14. The tripartite agreement dated January 31, 2020, between CDSL, the Trust and the Registrar.
15. The certified copies of the updated Memorandum and Articles of Association of the Investment Manager.
16. The board resolution of the Investment Manager dated August 3, 2021 and the resolution passed by the Unitholders dated December 2, 2021, authorising this Issue.

17. The consents from the (i) Legal counsel to the Trust and to the Sponsor as to Indian law; (ii) Trustee, the Sponsor and the Investment Manager; (iii) Valuer; (iv) Registrar; (v) Compliance Officer of the Trust; (vi) Escrow Collection Bank; and (vii) the Auditors.
18. The Audited Consolidated Financial Statements and the report thereon.
19. The Limited Review Financials.
20. The financial statements of the Sponsor for financial period or years ended March 31, 2021, March 31, 2020 and March 31, 2019 along with the report thereto.
21. The financial statements of the Investment Manager for financial period or years ended March 31, 2021, March 31, 2020 and March 31, 2019 along with the report thereto.
22. Corporate governance policies of the Investment Manager.

DECLARATION

The Investment Manager declares and certifies that all relevant provisions of the InvIT Regulations, the SEBI Rights Issue Guidelines, SEBI Act and all rules, regulations and guidelines issued by the GoI or SEBI (as the case may be) have been complied with and no statement made in this Letter of Offer is contrary to the applicable provisions of the InvIT Regulations, the SEBI Rights Issue Guidelines, the SCRA, SEBI Act and all rules, regulations and guidelines issued by the GoI or SEBI (as the case may be). The Investment Manager further certifies that all the statements and disclosures in this Letter of Offer are material, true, correct, not misleading and adequate in order to enable the Investors to make an informed decision.

For **Infinite India Investment Management Limited**

Sd/-

Shailesh Shankarlal Vaidya

Independent Director

Date: December 2, 2021

Place: Mumbai

DECLARATION

The Investment Manager declares and certifies that all relevant provisions of the InvIT Regulations, the SEBI Rights Issue Guidelines, SEBI Act and all rules, regulations and guidelines issued by the GoI or SEBI (as the case may be) have been complied with and no statement made in this Letter of Offer is contrary to the applicable provisions of the InvIT Regulations, the SEBI Rights Issue Guidelines, the SCRA, SEBI Act and all rules, regulations and guidelines issued by the GoI or SEBI (as the case may be). The Investment Manager further certifies that all the statements and disclosures in this Letter of Offer are material, true, correct, not misleading and adequate in order to enable the Investors to make an informed decision.

For **Infinite India Investment Management Limited**

Sd/-

Vishal Nimesh Kampani

Non-Executive Non-Independent Director

Date: December 2, 2021

Place: Dubai

DECLARATION

The Investment Manager declares and certifies that all relevant provisions of the InvIT Regulations, the SEBI Rights Issue Guidelines, SEBI Act and all rules, regulations and guidelines issued by the GoI or SEBI (as the case may be) have been complied with and no statement made in this Letter of Offer is contrary to the applicable provisions of the InvIT Regulations, the SEBI Rights Issue Guidelines, the SCRA, SEBI Act and all rules, regulations and guidelines issued by the GoI or SEBI (as the case may be). The Investment Manager further certifies that all the statements and disclosures in this Letter of Offer are material, true, correct, not misleading and adequate in order to enable the Investors to make an informed decision.

For **Infinite India Investment Management Limited**

Sd/-

Rajendra Dwarkadas Hingwala

Independent Director

Date: December 2, 2021

Place: Mumbai

DECLARATION

The Investment Manager declares and certifies that all relevant provisions of the InvIT Regulations, the SEBI Rights Issue Guidelines, SEBI Act and all rules, regulations and guidelines issued by the GoI or SEBI (as the case may be) have been complied with and no statement made in this Letter of Offer is contrary to the applicable provisions of the InvIT Regulations, the SEBI Rights Issue Guidelines, the SCRA, SEBI Act and all rules, regulations and guidelines issued by the GoI or SEBI (as the case may be). The Investment Manager further certifies that all the statements and disclosures in this Letter of Offer are material, true, correct, not misleading and adequate in order to enable the Investors to make an informed decision.

For **Infinite India Investment Management Limited**

Sd/-

Dipti Neelakantan

Non-Executive Non-Independent Director

Date: December 2, 2021

Place: Mumbai

DECLARATION

The Sponsor declares and certifies that all relevant provisions of the InvIT Regulations, the SEBI Rights Issue Guidelines, SEBI Act and all rules, regulations and guidelines issued by the GoI or SEBI (as the case may be) have been complied with and no statement made in this Letter of Offer is contrary to the applicable provisions of the InvIT Regulations, the SEBI Rights Issue Guidelines, the SCRA, SEBI Act and all rules, regulations and guidelines issued by the GoI or SEBI (as the case may be). The Sponsor further certifies that all the statements and disclosures in this Letter of Offer are material, true, correct, not misleading and adequate in order to enable the Investors to make an informed decision.

For **Reliance Industrial Investments and Holdings Limited**

Sd/-

Hital Rasiklal Meswani

Chairman

Date: December 2, 2021

Place: Mumbai

DECLARATION

The Sponsor declares and certifies that all relevant provisions of the InvIT Regulations, the SEBI Rights Issue Guidelines, SEBI Act and all rules, regulations and guidelines issued by the GoI or SEBI (as the case may be) have been complied with and no statement made in this Letter of Offer is contrary to the applicable provisions of the InvIT Regulations, the SEBI Rights Issue Guidelines, the SCRA, SEBI Act and all rules, regulations and guidelines issued by the GoI or SEBI (as the case may be). The Sponsor further certifies that all the statements and disclosures in this Letter of Offer are material, true, correct, not misleading and adequate in order to enable the Investors to make an informed decision.

For **Reliance Industrial Investments and Holdings Limited**

Sd/-

Vinod Mansukhlal Ambani

Director

Date: December 2, 2021

Place: Mumbai

DECLARATION

The Sponsor declares and certifies that all relevant provisions of the InvIT Regulations, the SEBI Rights Issue Guidelines, SEBI Act and all rules, regulations and guidelines issued by the GoI or SEBI (as the case may be) have been complied with and no statement made in this Letter of Offer is contrary to the applicable provisions of the InvIT Regulations, the SEBI Rights Issue Guidelines, the SCRA, SEBI Act and all rules, regulations and guidelines issued by the GoI or SEBI (as the case may be). The Sponsor further certifies that all the statements and disclosures in this Letter of Offer are material, true, correct, not misleading and adequate in order to enable the Investors to make an informed decision.

For **Reliance Industrial Investments and Holdings Limited**

Sd/-

Mahendra Nath Bajpai

Director

Date: December 2, 2021

Place: Mumbai

DECLARATION

The Sponsor declares and certifies that all relevant provisions of the InvIT Regulations, the SEBI Rights Issue Guidelines, SEBI Act and all rules, regulations and guidelines issued by the GoI or SEBI (as the case may be) have been complied with and no statement made in this Letter of Offer is contrary to the applicable provisions of the InvIT Regulations, the SEBI Rights Issue Guidelines, the SCRA, SEBI Act and all rules, regulations and guidelines issued by the GoI or SEBI (as the case may be). The Sponsor further certifies that all the statements and disclosures in this Letter of Offer are material, true, correct, not misleading and adequate in order to enable the Investors to make an informed decision.

For **Reliance Industrial Investments and Holdings Limited**

Sd/-

Dhiren Vrajlal Dalal

Director

Date: December 2, 2021

Place: Mumbai

DECLARATION

The Sponsor declares and certifies that all relevant provisions of the InvIT Regulations, the SEBI Rights Issue Guidelines, SEBI Act and all rules, regulations and guidelines issued by the GoI or SEBI (as the case may be) have been complied with and no statement made in this Letter of Offer is contrary to the applicable provisions of the InvIT Regulations, the SEBI Rights Issue Guidelines, the SCRA, SEBI Act and all rules, regulations and guidelines issued by the GoI or SEBI (as the case may be). The Sponsor further certifies that all the statements and disclosures in this Letter of Offer are material, true, correct, not misleading and adequate in order to enable the Investors to make an informed decision.

For **Reliance Industrial Investments and Holdings Limited**

Sd/-

Balasubramanian Chandrasekaran

Director

Date: December 2, 2021

Place: Mumbai

DECLARATION

The Sponsor declares and certifies that all relevant provisions of the InvIT Regulations, the SEBI Rights Issue Guidelines, SEBI Act and all rules, regulations and guidelines issued by the GoI or SEBI (as the case may be) have been complied with and no statement made in this Letter of Offer is contrary to the applicable provisions of the InvIT Regulations, the SEBI Rights Issue Guidelines, the SCRA, SEBI Act and all rules, regulations and guidelines issued by the GoI or SEBI (as the case may be). The Sponsor further certifies that all the statements and disclosures in this Letter of Offer are material, true, correct, not misleading and adequate in order to enable the Investors to make an informed decision.

For **Reliance Industrial Investments and Holdings Limited**

Sd/-

Savithri Parekh

Director

Date: December 2, 2021

Place: Mumbai

ANNEXURE A

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Valuation Report

Digital Fibre

Infrastructure Trust (“Trust”)

(Acting through the Trustee - Axis Trustee Services Limited)

And

Infinite India Investment Management Limited

(In its capacity as Investment Manager of the Trust)

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

December 2021

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

To,
Infinite India Investment Management Limited
(In its capacity as the “Investment Manager” of the Trust)
7th Floor, Cnergy, Appasaheb Marathe Marg,
Prabhadevi,
Mumbai, 400025.
India

Dear Sir(s)/Madam(s),

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

We refer to engagement letter appointing BDO Valuation Advisory LLP (hereinafter referred to as “**BDO VAL**”, or “**Valuer**” or “**we,**” or “**our,**” or “**us**”), to provide professional services to Infinite India Investment Management Limited (“**Investment Manager**”) acting in the capacity of investment manager of the Digital Fibre Infrastructure Trust (“**Trust**”) with respect to determination of enterprise value of Jio Digital Fibre Private Limited (“**Fibre 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**” / “**Sponsor**”) is the sponsor of the Trust.

The Trust currently holds 51% of the outstanding equity share capital in Fibre Co and the remaining 49% of the outstanding equity share capital in Fibre Co is held by Reliance Industries Limited (“**RIL**”) and certain other minority shareholders. Further RIL and certain minority shareholders hold 100% of the Redeemable, cumulative, participating and optionally convertible preference shares (“**OCPS**”) of the Fibre Co and RIL further holds 100% of the redeemable preference shares (“**RPS**”) of the Fibre Co. The Trust and/or Fibre 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 Fibre Co and the commercial agreements in relation to the Fibre Infrastructure Business (defined in Section 1 of this Report) of Fibre Co.

We thereby, enclose our independent valuation report dated December 2, 2021 (“**the Report**” or “**this Report**”) providing our opinion on the fair enterprise value of the Fibre Co 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, Fibre Co and the Investment Manager (“**Management**”). We have considered the cut-off date for the current valuation exercise to be September 30, 2021 (“**Valuation Date**”) and market factors, have been considered up to September 30, 2021.



This valuation report has been prepared solely for the purpose of inclusion as a part of the Draft Letter of Offer (“DLOF”) and / or Letter of Offer (“LOF”) and such other documents as well as for submission to Securities and Exchange Board of India (“SEBI”) or any other regulatory or statutory authority as may be required for the Right Issue (as defined below) and in accordance with the SEBI InvIT Regulations guidelines requiring an independent valuation. This Report should not be used or relied upon for any other purpose.

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

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

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

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

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

This valuation report is based on the information provided to us by the Management. The projections provided by the Management are only the best estimates of growth and sustainability of revenue and cash flows. We have reviewed the financial forecast for consistency and reasonableness, however we have not independently verified the data provided.

Regards,

BDO Valuation Advisory LLP

Registered Valuer

Reg. No. - IBBI/RV-E/02/2019/103

Encl: As above

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1 Definitions, Abbreviations & Glossary of Terms

Additional Trust Loan 1	Additional loans to be extended by the Trust to the Fibre Co aggregating INR 4,783 crore (INR Four thousand seven hundred and eighty-three crore only) pursuant to the Trust Loan 1 Agreement
Additional Trust Loan 2	Additional loans extended and to be extended by the Trust to the Fibre Co aggregating INR 8,131 crore (INR Eight thousand one hundred and thirty-one crore only) pursuant to the Trust Loan 2 Agreement
FUA	Amended and restated fiber and duct use agreement dated September 21, 2020 between Jio Digital Fibre Private Limited, Reliance Jio Infocomm Limited and Reliance Projects & Property Management Services Limited as amended vide amendment agreement dated October 29, 2020 and further amended vide 2 nd amendment agreement dated December 18, 2020 and 3 rd amendment agreement dated September 27, 2021
O&M Agreement	Amended and restated operations and maintenance agreement dated September 21, 2020 between Jio Digital Fibre Private Limited, Jio Infrastructure Management Services Limited and Reliance Projects & Property Management Services Limited as amended vide agreement dated October 29, 2020 and 2 nd amendment agreement dated September 27, 2021
PEA	Amended and restated project execution agreement dated September 21, 2020 between Jio Digital Fibre Private Limited, Jio Infrastructure Management Services Limited and Reliance Projects & Property Management Services Limited as amended vide agreement dated October 29, 2020 and 2 nd amendment agreement dated September 27, 2021
Basic Maintenance Services	Means the maintenance services for the Contract Fibers and Contract Ducts as specified in the FUA
BV	Breakup Value
CAGR	Compounded Annual Growth Rate
Closing Date	September 29, 2020
Contract Ducts	Means the existing contract ducts, balance contract ducts and any other empty ducts ordered and accepted by Reliance Jio Infocomm Limited (“RJIL”) from time to time under the FUA
Contract Fiber	Means the fiber assets forming part of the FUA including contracted fiber yet to be built as well as any other Dark Fiber ordered and accepted by RJIL from time to time in terms of the FUA
Cr	Crore
CTM	Comparable Transaction Multiple
Dark Fiber	Means the fiber optic strand pairs located within cable and ducts which are provided without electronics or optronics and which are not lit or activated
DCF	Discounted Cash Flow
DE	Debt-Equity

Equity Shares	Equity shares of JDFPL of face value Re 1/- each
FCFE	Free Cash Flow to Equity
FCFF	Free Cash Flow to Firm
FPKM	Fiber Pair Kilometer
FTTH	Fiber to the Home
FY	Financial Year
ICAI	Institute of Chartered Accountants of India
Investment Amount	INR 35,000 crore (INR Thirty-nine thousand seven hundred and six crore only) comprising of INR 4,783 crore (INR Four thousand seven hundred and eighty-three crore only) being the net proceeds (after expenses) from the proposed Unit Issue on rights basis, INR 8,131 crore (INR Eight thousand one hundred and thirty-one crore only) as Additional InvIT Loan and INR 22,086 crore (INR twenty-two thousand and eighty six crore only) as additional external borrowings from banks by JDFPL
Investment Manager	Infinite India Investment Management Limited
Investment Management Agreement	The investment management agreement dated January 31, 2019 entered into between the Trustee and the Investment Manager as amended vide amendment agreement dated September 21, 2020 and further amended vide agreement dated November 4, 2020
IRU	Indefeasible rights of use
Unit Issue	The subsequent offer of units by the Trust by way of private placement under right issue in accordance with the SEBI InvIT Regulations and circulars issued thereunder
Additional InvIT Loan	Additional Loans raised and to be raised by the Trust aggregating INR 8,131 crore (INR Eight thousand one hundred and thirty-one crore only) in terms of the InvIT Loan Agreement
InvIT Loan Agreement	Agreement dated September 21, 2020 entered into between the Trust, RIIHL, Sikka Ports & Terminals Limited and Jamnagar Utilities & Power Private Limited as amended vide agreement dated October 29, 2020 and further amended vide amendment agreement dated September 27, 2021
InvIT Asset	Jio Digital Fibre Private Limited
Initial Project Agreements	Collectively (i) Fiber and Duct Use Agreement dated March 27, 2019 as amended vide agreement dated April 5, 2019; (ii) Operations and Maintenance Agreement dated March 31, 2019; and (iii) Project Execution Agreement dated March 31, 2019 The Initial Project Agreements would stand replaced by the Project Agreements with effect from the Closing Date
Last Mile Fibers	Means RJIL's optic fibers and ducts which connects RJIL's in-line amplifiers, points of presence, colocation premises or other network infrastructure or equipment with the Fiber Assets (as defined herein below) at the nearest manhole / handhole / chamber.

NAV	Net Asset Value
NCD	Non-convertible debentures of the Fibre Co
Mn	Million
NCLT	National Company Law Tribunal
NLD	National Long Distance
Novation Agreement	Novation agreement dated December 22, 2020 entered into between the Trust (acting through the Trustee), the Investment Manager, Fibre Co and Reliance Ventures Limited
PM	Placement Memorandum dated September 29, 2020
RPS	0.01% cumulative, redeemable, non-participating and non-convertible preference shares of face value of Rs.10/- each of JDFPL
Project Agreement	Together the FUA, O&M Agreement and the PEA
Project Manager or JIMSL	Jio Infrastructure Management Services Limited
Proposed Transaction	Acquisition of additional fibre assets by JDFPL aggregating the Investment Amount
Sponsor / RIIHL	Reliance Industrial Investments and Holdings Limited
RPPMSL	Reliance Projects & Property Management Services Limited (formerly known as Reliance Digital Platform & Projects Services Limited)
RIL	Reliance Industries Limited
Scheme / Scheme of Arrangement	Scheme of arrangement involving RJIL, Reliance Jio Infratel Private Limited, JDFPL and their respective shareholders and creditors in terms of which the Fibre Infrastructure Business was demerged and transferred to JDFPL as a going concern with effect from close of business hours March 31, 2019
SEBI InvIT Regulations	Securities and Exchange Board of India (Infrastructure Investment Trusts) Regulations, 2014 and amendments thereto including any circulars and guidelines issued thereunder
Services	Means the operations and maintenance services set out in the O&M Agreement
SHOA	Shareholders and Option Agreement dated September 21, 2020 between the Trust (acting through its Trustee), the Investment Manager, RIL, RIIHL and JDFPL as amended vide agreement dated September 28, 2020 and further amended vide amendment agreement dated October 29, 2020
SPA	Share purchase agreement dated March 31, 2019 entered into between the Trust (acting through the Trustee), the Investment Manager, RIIHL, Digital Media Distribution Trust (acting through its trustee) and RIL
OCPS	0.01% redeemable, cumulative, participating and optionally convertible preference shares of face value of Rs.10/- each of JDFPL
Fibre Co / JDFPL / the Company	Jio Digital Fibre Private Limited
Fibre Infrastructure Business	The business of setting up and maintaining passive optic fiber cable infrastructure and related assets and providing passive optic fiber cable infrastructure services

Framework Agreement	Framework agreement dated September 27, 2021 entered into between the Trust (acting through the Trustee), the Investment Manager, the Fibre Co, RIL and RIIHL
Transaction Documents	Transaction Documents” means and includes: i. Project Agreements and the Initial Project Agreements; ii. Trust Deed; iii. Shareholders and Option Agreement; iv. Trust Loan 1 Agreement; v. Trust Loan 2 Agreement; vi. Trust Loan 3 Agreement; vii. Novation Agreement; viii. Placement memorandum (including the preliminary placement memorandum); ix. Letter of Offer (including Draft Letter of Offer) in relation to the Unit Issue; x. Framework Agreement; xi. InvIT Loan agreement; xii. Investment Management Agreement; and xiii. Project Implementation and Management Agreement; Including all amendments thereto
Trust	Digital Fibre 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 as amended vide amendment to Indenture of Trust effective September 21, 2020 and as further amended vide amendment to indenture of Trust effective November 4, 2020
Trust Loan 1	Loan extended by the Trust to Fibre Co aggregating INR 14,706 crore pursuant to a ‘Trust Loan 1 Agreement’ plus Additional Trust Loan 1 aggregating INR 4,783 crore pursuant to the amendments to Trust Loan 1 Agreement
Trust Loan 2	Loan extended by the Trust to Fibre Co aggregating INR 24,720 crore pursuant to a ‘Trust Loan 2 Agreement’ plus Additional Trust Loan 2 aggregating INR 8,131 crore pursuant to the amendments to Trust Loan 2 Agreement
Trust Loan 3	Loan extended by the Trust to Fibre Co aggregating INR 280 crore pursuant to a ‘Trust Loan 3 Agreement’
Trust Loan 1 Agreement	Agreement dated September 21, 2020 entered into between the Trust and JDFPL as amended vide amendment agreement dated October 29, 2020 and further amended on September 27, 2021 and on December 2, 2021
Trust Loan 2 Agreement	Agreement dated September 21, 2020 entered into between the Trust and JDFPL as amended vide amendment agreement dated October 29, 2020 and further amended on September 27, 2021 and on December 2, 2021
Trust Loan 3 Agreement	Agreement dated December 22, 2020 entered into between the Trust and JDFPL



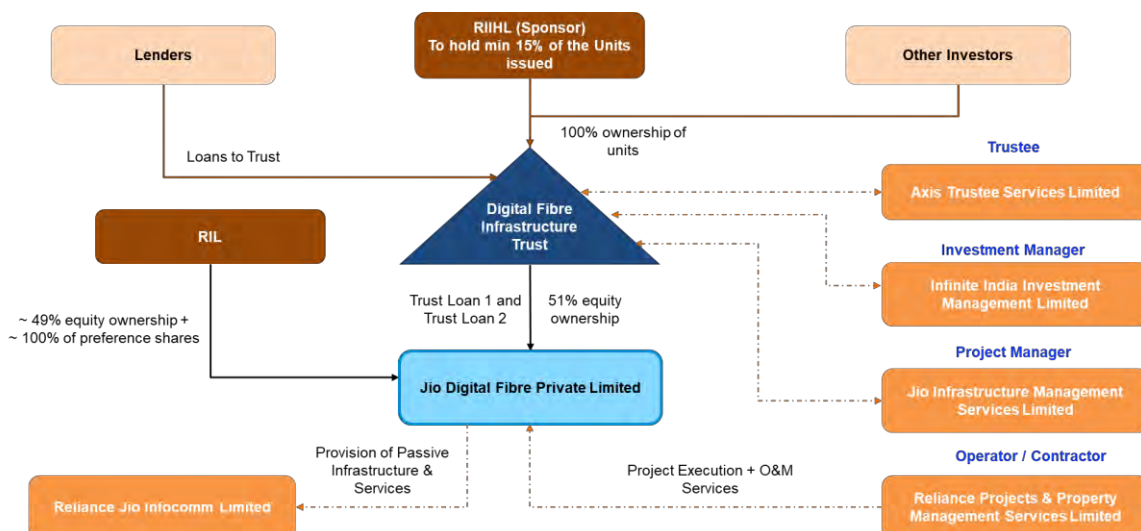
Trustee	Axis Trustee Services Limited
Valuation Date	September 30, 2021
WACC	Weighted Average Cost of Capital

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2 Executive Summary

2.1 Brief Background and Purpose

- 2.1.1 The Digital Fibre Infrastructure Trust (“Trust”) was settled vide Trust Deed dated January 31, 2019 with Reliance Industrial Investments and Holdings Limited (“RIIHL”) as the settlor as well 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 20, 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 51% of the equity share capital in Jio Digital Fibre Private Limited (“Fibre Co”) which is in the business of designing, planning, establishing, operating, maintaining and managing passive optic fiber cable infrastructure assets for telecommunication service providers (“Fibre Infrastructure Business”).
- 2.1.4 Infinite India Investment Management Limited (“Investment Manager”) is the Investment Manager of the Trust.
- 2.1.5 Reliance Industrial Investments and Holdings Limited (“RIIHL” or “Sponsor”) is a wholly owned subsidiary of Reliance Industries Limited (“RIL”).
- 2.1.6 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 Fibre Co and the Trustee in accordance with the SEBI InvIT Regulations.
- 2.1.7 Reliance Projects & Property Management Services Limited (“RPPMSL” or “Contractor” or “Operator”), a company wholly owned by RIL has been appointed as the “Contractor” in terms of the Amended and Restated Project Execution Agreement and as the “Operator” in terms of the Amended and Restated O&M Agreement.
- 2.1.8 The following structure illustrates the relationship amongst the Parties to the Trust (being the Trust, Trustee, the Sponsor, the Investment Manager and the Project Manager), the Contractor / Operator, JDFPL and the Unitholders as of the Closing Date.



- 2.1.9 The Trust carried out an initial offer of its Units on September 29, 2020 and raised INR 14,706 crore. The proceeds of the initial offer of its Units were extended as Trust Loan 1 to the Fibre Co. Additionally the Trust borrowed under the InvIT Loan Agreement in December 2020 INR 25,000 crore and this amount was extended as Trust Loan 2 (INR 24,720 crore) and Trust Loan 3 (INR 280 crore) to the Fibre Co.
- 2.1.10 The Trust entered into the Framework Agreement dated September 27, 2021. The Framework Agreement laid down the details of the Proposed Transaction including indicative fibre asset roll out plan, the estimated capex requirements and the proposed funding plan.
- 2.1.11 Pursuant to the Framework Agreement, the Trust borrowed INR 6,700 crore (INR Six thousand seven hundred crore only) out of the sanctioned INR 8,131 crore (INR Eight thousand one hundred and thirty-one crore only) on September 29, 2021 in terms of the InvIT Loan Agreement. The Trust has from the aforesaid borrowings extended INR 6,700 crore as Additional Trust Loan 2 to the Fibre Co.
- 2.1.12 The Trust proposes to make a rights issue of Units, from the proceeds of which (net of all issue related expenses), the Trust proposes to extend as Additional Trust Loan 1 to the Fibre Co of INR 4,783 crore (INR Four thousand seven hundred and eighty-three crore only).
- 2.1.13 The Additional Trust Loan 1 and Additional Trust Loan 2 would part-fund the additional fibre to be acquired by the Fibre Co under the Proposed Transaction.
- 2.1.14 For the purpose of the Draft Letter of Offer and Letter of Offer to be issued for the proposed Unit Issue, the Investment Manager has appointed BDO VAL to undertake the valuation of the InvIT Asset.
- 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 1,92,945.8 crore.

3 Introduction

3.1 Terms of Engagement

- 3.1.1 We, BDO Valuation Advisory LLP, Registered Valuer vide Registration Number IBBI/RV-E/02/2019/103, have been appointed by Infinite India Investment Management Limited in the capacity of Investment Manager to the Trust, to determine the enterprise value of InvIT Asset on a going concern basis as per SEBI InvIT Regulations.
- 3.1.2 This Report has been prepared by us pursuant to terms of engagement letter between BDO VAL and the Investment Manager including the terms and conditions set out therein.

3.2 Background and Purpose of Valuation

- 3.2.1 Pursuant to the Scheme, the Fibre Infrastructure Business of RJIL was demerged and transferred to JDFPL as a going concern with effect from close of business hours March 31, 2019. JDFPL as a consideration for the demerger issued and allotted as follows:
- (a) 500,00,00,009 Equity Shares of face value Re 1/- each to the equity shareholders of RJIL;
 - (b) 7813,96,66,092 OCPS of face value of Rs.10 each to the shareholders of RJIL; and
 - (c) 12,50,000 Preference Shares of face value of Rs.10 each to the preference shareholders of RJIL.
- 3.2.2 Thereafter the Trust acquired 51% of the outstanding equity share capital of JDFPL in terms of the SPA.
- 3.2.3 The Trust carried out an initial offer of its Units on September 29, 2020 and raised INR 14,706 crore. The proceeds of the initial offer of its Units were extended as Trust Loan 1 to the Fibre Co. Additionally the Trust borrowed under the InvIT Loan Agreement in December 2020 INR 25,000 crore and this amount was extended as Trust Loan 2 (INR 24,720 crore) and Trust Loan 3 (INR 280 crore) to the Fibre Co.
- 3.2.4 The Trust entered into the Framework Agreement dated September 27, 2021. The Framework Agreement laid down the details of the Proposed Transaction including indicative fibre asset roll out plan, the estimated capex requirements and the proposed funding plan.
- 3.2.5 Pursuant to the Framework Agreement, the Trust borrowed INR 6,700 crore (INR Six thousand seven hundred crore only) out of the sanctioned INR 8,131 crore (INR Eight thousand one hundred and thirty-one crore only) on September 29, 2021 in terms of the InvIT Loan Agreement. The Trust has from the aforesaid borrowings extended INR 6,700 crore as Additional Trust Loan 2 to the Fibre Co.
- 3.2.6 The Trust proposes to make a rights issue of Units, from the proceeds of which (net of all expenses), the Trust proposes to extend as Additional Trust Loan 1 to the Fibre Co INR 4,783 crore (INR Four thousand seven hundred and eighty-three crore only).
- 3.2.7 The Additional Trust Loan 1 and Additional Trust Loan 2 would part-fund the capex on additional fibre to be incurred by the Fibre Co under the Proposed Transaction.

- 3.2.8 The Investment Manager has appointed Valuer to undertake the valuation of InvIT Asset to comply with the SEBI InvIT Regulations for determination of the enterprise value of Fibre Co and the inclusion of the Report in Draft Letter of Offer and Letter of Offer in relation to the Unit Issue and such other documents as well as for submission to SEBI or any other regulatory/statutory authority as may be required under the applicable laws for the Issue (“Purpose”).
- 3.2.9 This Report should not be used or relied upon for any other purpose. The suitability or applicability of this Report for any purpose other than that mentioned above has not been verified by us.

3.3 Source of Information

- 3.3.1 For the purpose of this valuation exercise, we have relied on the following sources of information:
- i. Background of the Fibre Infrastructure Business;
 - ii. Background of the Optic Fibre industry;
 - iii. Audited Financial Statements of Fibre Co for the financial year (“FY”) ended March 31, 2019, FY ended March 31, 2020 and FY ended March 31, 2021 and un-audited limited reviewed financial results for six months ended September 30, 2021;
 - iv. Projections of Fibre Co from October 1, 2021 to September 30, 2050 with the underlying assumptions;
 - v. Transaction Documents made available to us and relevant extracts of the documents provided to us as requested;
 - vi. Copy of the Scheme of Arrangement;
 - vii. Other relevant data and information provided to us by the Management whether in oral or physical form or in soft copy, and discussions with them;
 - viii. Information available in public domain and provided by leading database sources; and
 - ix. Management Representation Letter.

4 Exclusions and Limitations

4.1 Restricted Audience

- 4.1.1 This Report and the information contained herein are absolutely confidential and are intended for the use of the Investment Manager, Sponsor and the Trust in connection with the Purpose set out in the Report.
- 4.1.2 It should not be copied, disclosed, circulated, quoted or referred to, either in whole or in part, in correspondence or in discussion with any other person except to whom it is issued without our written consent. It can however be relied upon and disclosed in connection with 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, Sponsor or the Trust extend the use of the Report beyond the purpose mentioned earlier in the Report, with or without our consent, we will not accept any responsibility to any other party (including but not limited to the investors, if any) to whom this Report may be shown or who may acquire a copy of the Report.
- 4.1.3 It is clarified that this Report is not a fairness opinion under any of the stock exchange/listing regulations. In case of any third-party having access to this Report, please note that this Report is not a substitute for the third party's own due diligence/appraisal/enquiries/independent advice that the third party should undertake for its purpose.

4.2 Limitation Clause

- 4.2.1 The Report is subject to the limitations detailed hereinafter. This Report is to be read in totality, and not in parts, in conjunction with the relevant documents referred to therein.
- 4.2.2 The scope of the assignment did not include performing audit tests for the purpose of expressing an opinion on the fairness or accuracy of any financial or analytical information that was used during the course of the work. Further, conducting a financial or technical feasibility study was also not covered.
- 4.2.3 During the course of work, valuer has relied upon assumptions and projections as provided by Management. These assumptions require exercise of judgment and are subject to uncertainties.
- 4.2.4 Further, this Report is based on the extant regulatory environment and the financial, economic, monetary and business/market conditions, and the information made available to us or used by us up to, the date hereof, which are dynamic in nature and may change in future, thereby impacting the valuation of InvIT Asset. Subsequent developments in the aforementioned conditions may affect this Report and the assumptions made in preparing this Report and we shall not be obliged to update, review or reaffirm this Report if the information provided to us changes. The information presented in this valuation Report does not reflect the outcome of any due diligence procedures, which may change the information contained herein and, therefore, the valuation Report materially.
- 4.2.5 Valuation is not a precise science and the conclusions arrived at in many cases will of necessity be subjective and dependent on the exercise of individual judgment as the valuation analysis is governed by the concept of materiality. There is therefore no indisputable single value. While we have provided an assessment of the value based on an analysis of information

available to us and within the scope of our engagement, others may place a different value on the 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. Our work did not constitute a validation of the financial projections of the Company under consideration and accordingly, we do not express any opinion on the same. Although, we have reviewed the financial projections provided by Management for consistency and reasonableness our reliance on the financial projections for the purpose of valuation should not be construed as an assurance about the accuracy of the assumptions or the achievability of the financial projections.
- 4.2.8 This Report is based on information received from sources mentioned herein and discussions with the Management. we have assumed that the parties involved have furnished to us all information, which they are aware of concerning the financial statements and respective liabilities, which may have an impact on Report. We have ignored some data provided to us which we believe may not be material for the purpose of assignment.
- 4.2.9 We have not done any independent technical valuation or appraisal or due diligence of the assets or liabilities of the Trust or Fibre 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 us. Nothing has come to our knowledge to indicate that the material provided to us was misstated or incorrect or would not afford reasonable grounds upon which to base our Report.
- 4.2.10 The Valuer have not made any independent verification with respect to the Fibre 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 us for the purpose of this Report.
- 4.2.11 Except to the extent required under the SEBI InvIT Regulations, we are not responsible for matters of legal nature including issues of legal title and compliance with local laws in respect of Fibre Co and also no consideration has been given to litigation and other contingent liabilities that are not recorded in the financial of Fibre 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 our standard practice to make sure that factual inaccuracies/omissions are avoided in our final Report.
- 4.2.14 This Report does not look into the business/commercial reasons behind the Purpose nor the likely benefits arising out of the same. Similarly, it does not address the relative merits of investing in InvIT as compared with any other alternative business transaction, or other alternatives, or whether or not such alternatives could be achieved or are available. The assessment of commercial and investment merits of the Trust are sole responsibility of the

investors of the Trust and we do not express any opinion on the suitability or otherwise of entering into any financial or other transactions with the Investment Manager, the Trust or Fibre Co.

- 4.2.15 In rendering this Report, we have not provided any legal, regulatory, tax, accounting, actuarial advice and accordingly we do not assume any responsibility or liability in respect thereof.
- 4.2.16 For the present valuation exercise, we have also relied upon information available in the public domain, however, the accuracy and timeliness of the same has not been independently verified by me.
- 4.2.17 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. Our 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 our valuation must be placed considering these unprecedented circumstances.
- 4.2.18 In the particular circumstances of this case, we shall be liable only to the Investment Manager, Sponsor and the Trust. We shall have no liability (in contract or under statute or otherwise) to any other party for any economic loss or damage arising out of or in connection with this engagement, however the loss or damage is caused, as laid out in the engagement letter, for such valuation work.
- 4.2.19 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 us, nor any of professional associates who worked as team member shall in any way be responsible for the contents stated herein. Accordingly, we make no representation or warranty, express or implied, in respect of the completeness, authenticity or accuracy of such statements. We expressly disclaim any and all liabilities, which may arise based upon the information used in this Report.

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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 Fibre Infrastructure Business.
- iii. The site visits were conducted as below:

Sr. No.	Location	Zone	Date of Visit
1	RCP Kalyan	Mumbai	August 30, 2021
2	RCP Sanpada	Mumbai	August 30, 2021
3	Span between Nerul-Sanpada	Mumbai	August 30, 2021
4	Span between Prabhadevi - Sewri	Mumbai	August 30, 2021
5	GDC-Bandra	Mumbai	August 30, 2021
6	Span - Devanahalli-Chintamani	Bengaluru	August 27, 2021
7	Span - Bangalore_Whitefield-Hoskote	Bengaluru	August 27, 2021
8	Span - Aswath Nagar-Bangalore-Whitefield Path 2 Span - Aswath Nagar-Bellandur AG2	Bengaluru	August 27, 2021
9	Span - I-KA-KYLR-AG1-4400 Hoskote to KYLR	Bengaluru	August 27, 2021
10	Span - Manesar - Sohana Road	Delhi	August 30, 2021
11	Span - GRGN-RIL-0482_DLHI-RIL-6010	Delhi	August 30, 2021
12	Span - Dwarka _Bawana	Delhi	August 30, 2021
13	Span - VKSP_Rajouri Garden	Delhi	August 30, 2021
14	Span - DLHI-AG1-3117_DLHI-AG1-5565 - Dwarka to Najafpur	Delhi	August 30, 2021
15	Span - Anand Vihar - Loni	Delhi	August 30, 2021
16	Span - 6510 - 5729 ring 4 - Shahadra to Seemapuri Border	Delhi	August 30, 2021
17	Span - Hadapsar to Ghorpadi	Pune	August 30, 2021
18	Span - Ghorpadi to Vimannagar	Pune	August 30, 2021
19	Span - Swargate to Dhankawadi	Pune	August 30, 2021
20	Span - Hinjewadi SAG2 to Aundh AG2	Pune	August 30, 2021
21	Span - Hinjewadi SAG2 to Akurdi AG2	Pune	August 30, 2021

- iv. Due to the ongoing CoVID pandemic we could not conduct an upto date visit of Network Operating Centre.
- v. Analysis of additional information received post preliminary discussion and site visit. Valuer and its professional associates had various meetings with the Management to discuss business model, assumptions considered and future business outlook.
- vi. Obtained various disclosures from the Management pertaining to approvals and litigations of the InvIT Asset as required under the SEBI InvIT Regulations.
- vii. Carried out the valuation based on internationally accepted valuation methodologies and in cognizance of international valuation standards and Valuation Standards 2018 issued by ICAI Registered Valuers Organization.

6 Overview of Fibre Infrastructure Business

6.1 Fibre Infrastructure Business

- 6.1.1 The Fibre Infrastructure Business was demerged and transferred to JDFPL as a going concern from RJIL in terms of the Scheme. The Scheme was approved by the National Company Law Tribunal, Ahmedabad with effect from close of business hours on March 31, 2019.
- 6.1.2 The Fibre Infrastructure Business, prior to the Scheme coming into effect, was carried on by RJIL, primarily for its captive consumption for its telecommunication service operations.
- 6.1.3 The Fibre Infrastructure Business includes a nation-wide network of owned as well as IRU of underground cables and ducts with embedded Dark Fiber as well as a network of empty ducts (i.e. not having any or fiber in it), each connecting a manhole to another manhole and situated between two ends of a designated route where fibers are already laid by JDFPL (together referred to as “Fiber Assets”). It is being clarified that the Fiber Assets do not include Last Mile Fibers.
- 6.1.4 The Fiber Assets have been classified as NLD (own build), NLD (IRU), ‘Intra-city’, ‘Enterprise Access’ and FTTH.
- 6.1.5 JDFPL has entered into the FUA with RJIL to provide RJIL the use of the Contract Fibers and Contract Ducts and providing Basic Maintenance Services.
- 6.1.6 As of September 30, 2021, the Fiber Assets consisted of 22.78 million FPKM which is expected to increase to 26.13 million FPKM during Fiscal 2022 and to 29.32 million FPKM during Fiscal 2023.

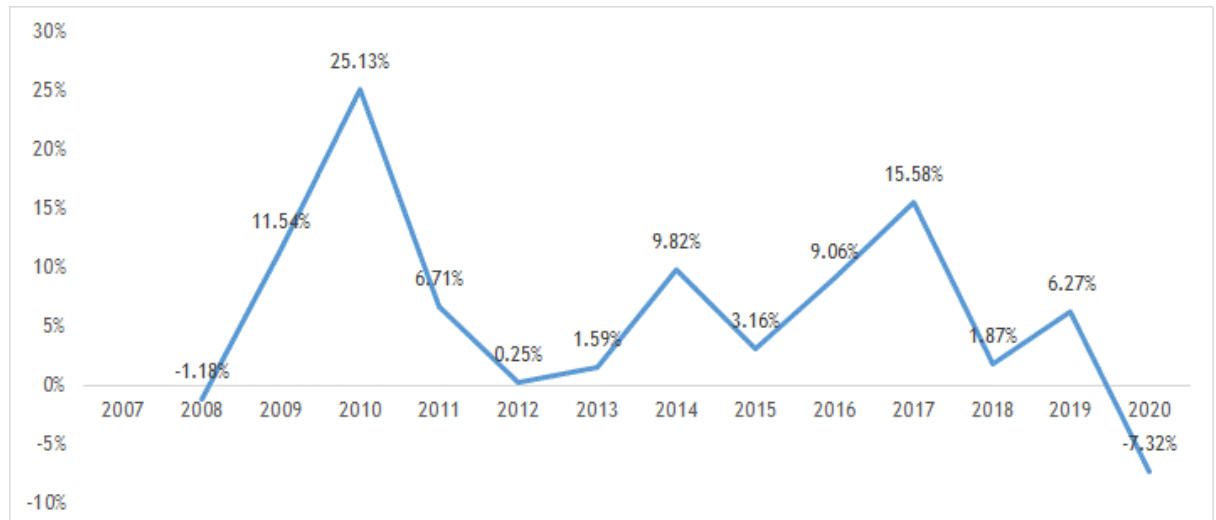
6.2 Site Visit Details

- 6.2.1 Owing to the spread of the InvIT assets over 7,19,185 kms and the nature of the assets being deployed under the ground, it was not possible to physically verify the whole of the InvIT assets and hence our verification team had visited the control room located at Reliance Corporate Park in Navi Mumbai, Maharashtra to check the control systems deployed to check the InvIT assets and its functioning as well as select spans in Mumbai, Delhi and Bengaluru areas for undertaking physical inspection of the Fiber Assets vide the Optical Time Domain Refractometers readings of the lit fibres.
 - 6.2.2 Due to Covid protocols, we have not visited the control room located at Reliance Corporate Park in Navi Mumbai, Maharashtra. Hence, we have relied on the visit made on February 26, 2020.
 - 6.2.3 This exercise, we believe reasonably meets the requirements of conducting physical verification by the Valuer under the SEBI InvIT Regulations.
- 6.3 Other disclosures as required under the SEBI InvIT Regulations have been provided in Annexure IV of the Report.

7 Industry Overview

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

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



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

- 7.1.2 India’s per capita income has also risen in recent years. According to the International Monetary Fund (the “IMF”), India’s GDP per capita at current prices in 2020-21 is estimated at ₹ 145,679 against ₹ 151,760 for 2019-20. (Source: International Monetary Fund, accessed on November 21, 2021 at: <http://www.imf.org/external/datamapper/NGDPDPC@WEO/OEMDC/ADVEC/WEOWORLD/IND>)

7.2 Indian Telecommunication Industry

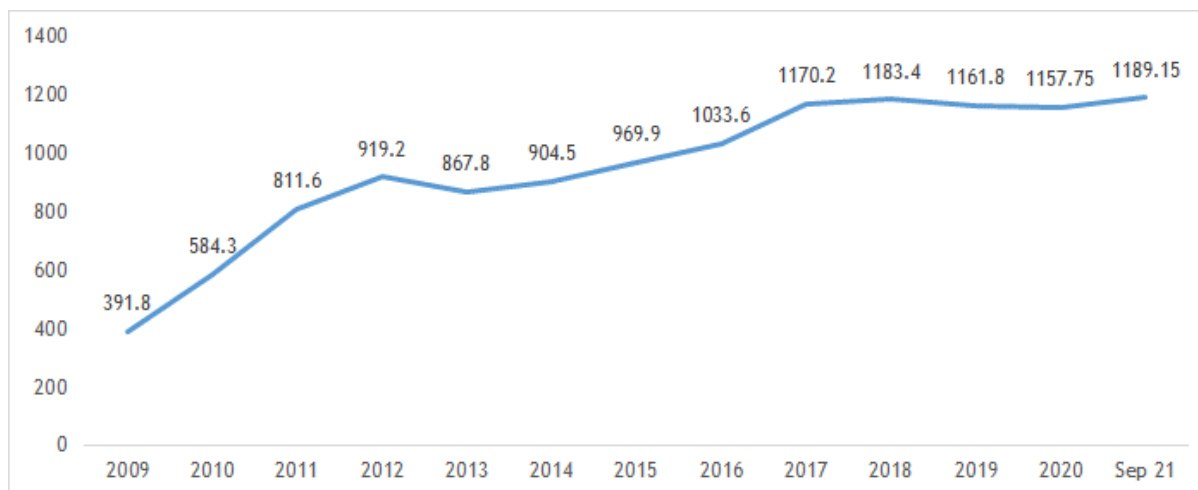
Indian mobile telecommunications services sector

- 7.2.1 The mobile telecommunications industry is an integral part of the Indian economy. The industry has contributed to the economic growth and the GDP of the country by generating revenue for the Government and creating new jobs, directly and indirectly.
- 7.2.2 India is currently the world’s second-largest telecommunications market by subscribers and strong customer demand has led to a rapid growth in this sector, according to Deloitte. As of September 30, 2021, India had a total reported subscriber base (including wireless and wireline subscribers) of 1,189.15 million, according to TRAI.
- 7.2.3 Mobile telecommunications operators offer two basic subscription methods, pre-paid and post-paid. The pre-paid subscription model is currently the most widely used subscription method in the mobile telecommunications industry in India.

(In millions)	Wireless	Wireline	Total
Total Telephone Subscribers as of September 30, 2021	1166.02	23.13	1189.15
Urban Telephone Subscribers as of September 30, 2021	637.89	21.20	659.09
Rural Telephone Subscribers as of September 30, 2021	528.13	1.93	530.06
Broadband Subscribers (in millions) as of September 30, 2021	770.49	24.39	794.88

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

The chart below illustrates the annual subscriber base from March 31, 2009 to September 30, 2021:



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 September 30, 2021 are provided below:

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

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

Subscribers as of September 30, 2021	Bharti Airtel	Vodafone Idea	Reliance Jio
Circle	(In millions)		
Andhra Pradesh	31.19	14.77	31.39
Assam	9.66	2.90	8.69
Bihar	36.29	10.97	34.13
Delhi	15.83	15.81	18.61
Gujarat	11.84	24.31	26.86
Haryana	5.69	8.03	9.34

Subscribers as of September 30, 2021	Bharti Airtel	Vodafone Idea	Reliance Jio
Himachal Pradesh	3.33	0.61	3.76
Jammu & Kashmir	5.51	0.45	4.42
Karnataka	30.29	8.53	20.94
Kerala	7.38	16.55	9.47
Kolkata	5.55	6.46	10.35
Madhya Pradesh	15.46	20.79	36.61
Maharashtra	20.11	29.37	37.77
Mumbai	9.47	11.58	13.04
North East	5.44	1.27	3.97
Orissa	10.99	2.07	14.35
Punjab	11.48	8.86	12.24
Rajasthan	21.59	11.63	25.44
Tamil Nadu (incl. Chennai)	27.60	18.42	25.60
Uttar Pradesh (East)	36.56	20.78	33.39
Uttar Pradesh (West)	17.90	19.34	21.53
West Bengal	15.30	16.50	22.93
Total	354.47	269.99	424.84

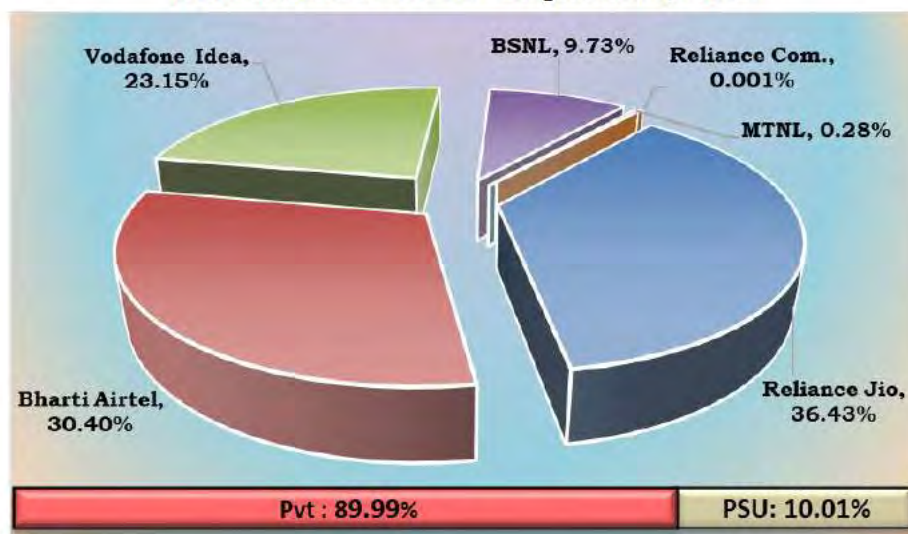
(Source: TRAI)

7.2.6 The wireless telecommunication industry in India has undergone a massive transformation since 2016 with the launch of services by RJIL. RJIL brought about a change in the fundamental tenet of the industry with entire growth being driven by affordable data services. As of September 30, 2021, RJIL had 424.84 million wireless subscribers on its network, according to TRAI.

7.2.7 As of September 30, 2021, according to TRAI, private access service providers held a 89.99% market share in terms of wireless subscribers, whereas BSNL and MTNL, the two public service undertaking access service providers, held a combined market share of 10.01%. Among private access service providers, notable companies include Vodafone Idea (with a market share of 23.15%), Bharti Airtel (with a market share of 30.40%) and RJIL (with a market share of 36.43%).

The following diagrams show the graphical representation of access service provider-wise market share based on wireless subscribers as of September 30, 2021:

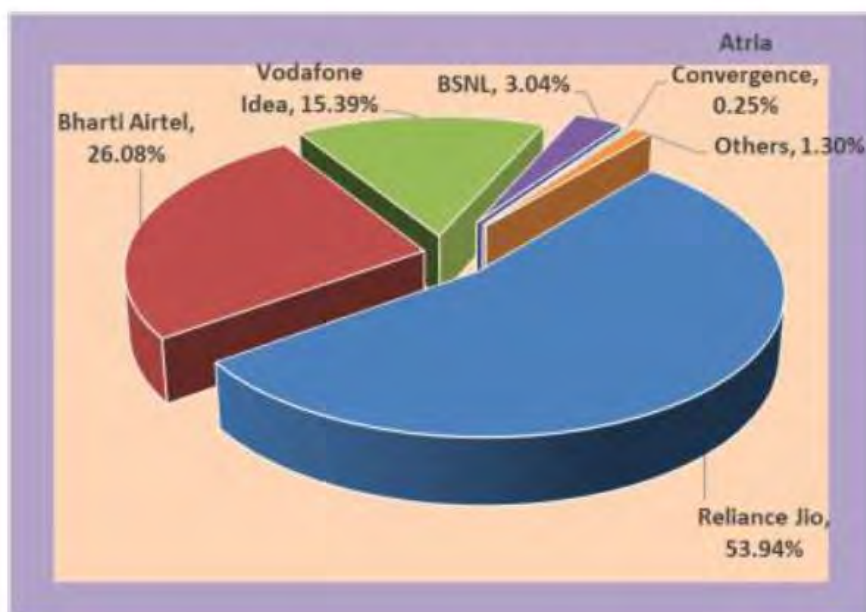
Access Service Provider-wise Market Shares in term of Wireless Subscribers as on 30th September, 2021



(Source: TRAI)

On the other hand, within the subset of broadband service providers, RJIL holds the largest market share with 53.94% as of September 30, 2021. This is followed by Bharti Airtel with 26.08% and Vodafone Idea with 15.39% of market share.

**Service Provider-wise Market Share of Broadband
(wired + wireless) Services as on 30th September 2021**

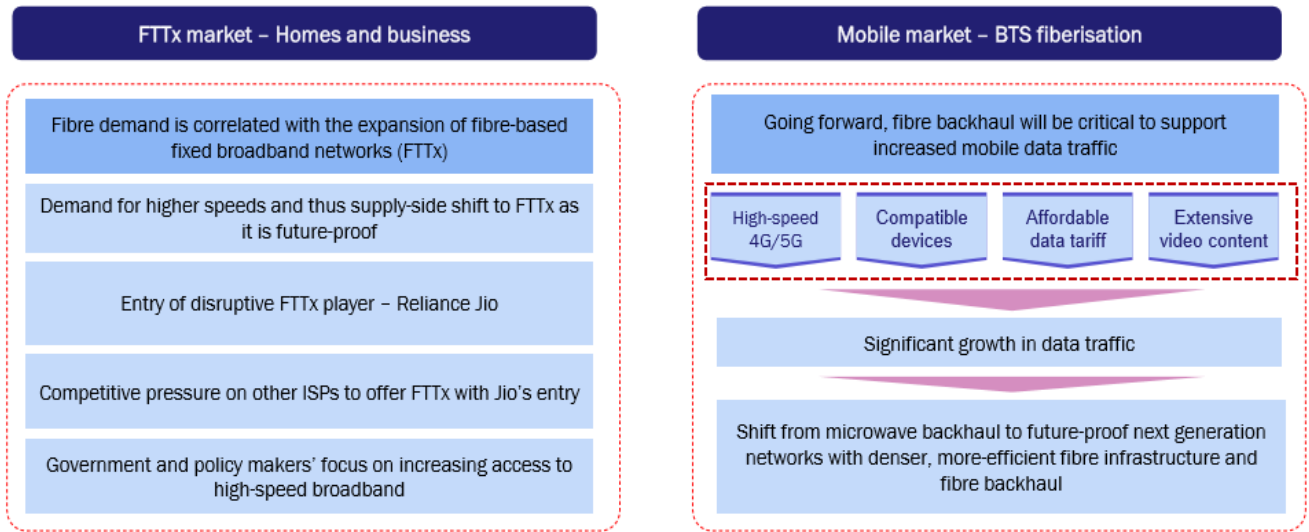


(Source: TRAI)

- 7.2.8 During FY2021-FY2021, the Department of Telecommunication has been allocated INR 58,737 crore, out of which 56% allocation is towards revenue expenditure and remaining 44% is towards capital expenditure.
- 7.2.9 Tata Group company Nelco recently announced that it is in talks with Canadian firm Telesat to sign a commercial pact for launching fast satellite broadband services in India under the latter's Lightspeed brand, a move which will put the combined entity against Bharti Enterprises-backed OneWeb, Elon Musk's SpaceX and Amazon.
- 7.2.10 In August 2021, the Department of Telecommunications (DoT) officials was working on a package, which includes reducing the revenue share license fee to 6% of adjusted gross revenue (AGR) of the operators from the current 8%. This would be done by reducing the 5% universal service obligation levy by two percentage points and providing relief of about INR. 3,000 crore (US\$ 403.63 million) annually to the operators.
- 7.2.11 The Union Cabinet approved INR 12,195 crore (US\$ 1.65 billion) production-linked incentive (PLI) scheme for telecom & networking products under the Department of Telecom which is expected to bring in investment of around INR 3,000 crore (US\$ 400.08 million) and generate huge direct and indirect employment.
- 7.2.12 Under Union Budget 2021-22, the government allocated INR 14,200 crore (US\$ 1.9 billion) for telecom infrastructure that entails completion of optical fibre cable-based network for Defence services, rolling out broadband in 2.2 lakh panchayats and improving mobile services in the North East.

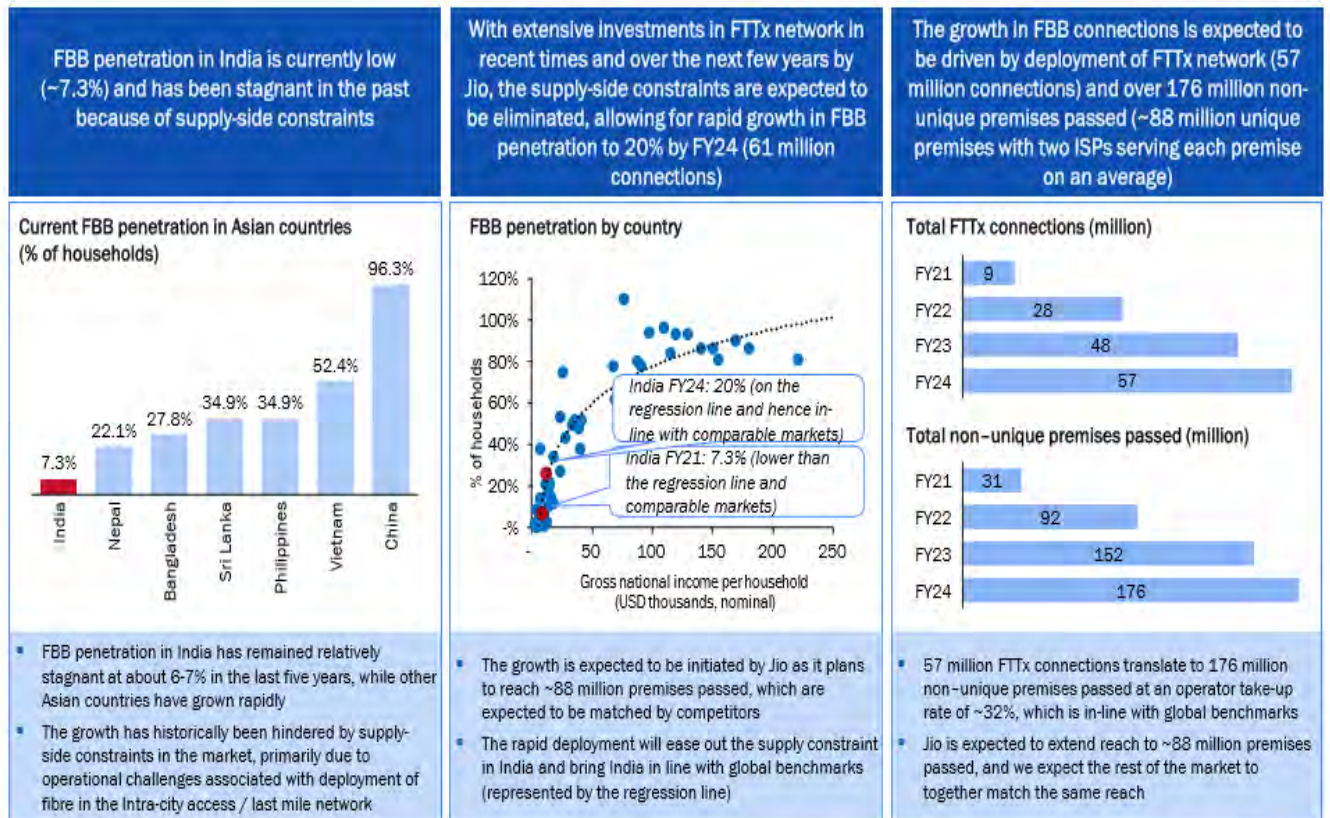
Indian Optic Fibre Industry

7.2.13 The demand for Fibre in India will be driven by extensive FTTx deployment for connecting homes and businesses and BTS fiberisation to support mobile traffic growth.



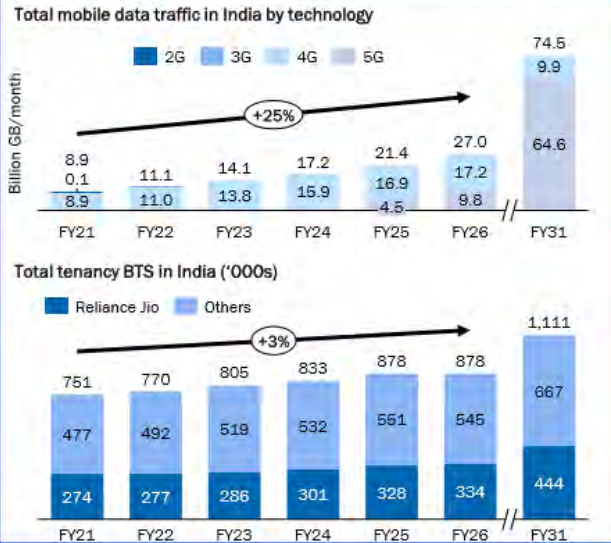
(Source: Analysys Mason)

7.2.14 According to Analysys Mason, India currently lags in terms of FBB penetration, the FBB penetration is expected to grow from 7.3% in FY21 to 19.8% by FY24, resulting in 176 million non-unique FTTx premises passed.

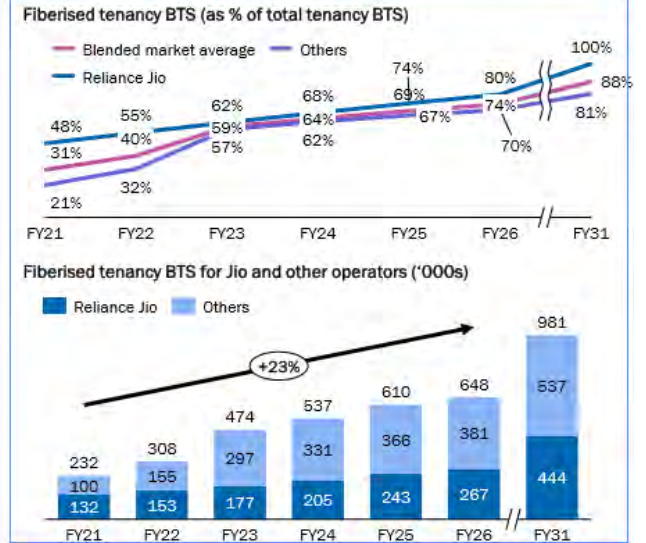


7.2.15 The increased MBB take-up and data usage will drive mobile traffic growth and thus increase the need for fiberisation. 648k BTS are expected to be fiberised by FY26 (~74% fiberisation).

Driven by growth in number of subscribers as well as usage per subscriber, wireless data traffic is expected to grow at 25% CAGR over the next 5 years. Growth in traffic will lead to capacity-driven tenancy BTS reaching 878K by FY 26



Need for increase in mobile backhaul 'fiberisation' considering the growth in data traffic will result in fiberised BTS reaching 74% of total tenancy BTS by FY26, which is inline with the global benchmarks



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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 ICAI Valuation Standards 2018 issued by ICAI Registered Valuers Organisation, there are three generally accepted approaches to valuation:

- i. **“Cost”** Approach
- ii. **“Income”** Approach
- iii. **“Market”** Approach

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

8.1 Cost Approach

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

i. Net Asset Value Method

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

ii. Break Up Value Method

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

8.2 Income Approach

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

i. Discounted Cash Flow Method

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

8.3 Market Approach

i. Market Price Method

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

ii. 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	Fibre Co derives its true value from the potential to earn income in the future. Hence, we have considered DCF method under Income Approach for Valuation.
III	Market Approach	- Market Price	No	Fibre Co is not listed on any stock exchange, therefore we have not considered market price method of valuation.
		- Comparable Companies	No	There are no listed companies directly comparable to the business of the InvIT Asset considering the distinct nature of asset and capital structure. Hence, we have not considered CCM method.
		- Comparable Transactions	No	Due to unavailability of transactions in the public domain with business, scale and characteristics similar to Fibre Co.

- 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, we have used Free Cash Flow to Firm (“FCFF”) model for valuation.

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9 Valuation of InvIT Asset

- 9.1.1 The un-audited limited reviewed financial results of Fibre Co as on September 30, 2021 has been considered as the opening balance sheet of Fibre Co for the purpose of valuation.
- 9.1.2 Fibre Co and RJIL have entered into the FUA in terms of which Fibre Co shall provide RJIL the use of the Contract Fiber and Contract Ducts and provide RJIL Basic Maintenance Services for a period of 30 years from the Closing Date as provided for in the FUA. The financial projections provided by the Management for the period beginning from October 1, 2021 till September 30, 2050 has been considered for valuation. We have reviewed the financial forecast for consistency and reasonableness; however we have not independently verified the data provided.
- 9.1.3 Following are the key assumptions considered in the financial projections while determining the operating cash flows of Fibre Co:

i. Fiber Assets roll-out:

Years	As of March 31, 2021 (million FPKM)	As of September 30, 2021 (million FPKM)	As of March 31, 2022 (million FPKM)	As of March 31, 2023 (million FPKM)	As of March 31, 2024 (million FPKM)
NLD-Own build	7.34	8.57	9.22	9.71	9.71
NLD-IRU	0.62	0.62	0.62	0.62	0.62
Intra City					
A	0.68	0.72	0.84	0.97	0.97
B	2.47	2.78	3.24	3.60	3.60
Others	6.18	6.94	8.07	8.98	8.98
Enterprise Access	0.09	0.09	0.09	0.09	0.09
FTTH	2.82	3.06	4.04	5.35	5.35
Total	20.20	22.78	26.13	29.32	29.32

- The Fibre Assets is expected to increase from 22.78 million FPKM as of September 30, 2021 to 29.32 million FPKM by March 31, 2023. Currently, RJIL is the single largest user of the Fiber cables. However, the fibre infrastructure in India is at nascent stage and the demand for data usage is growing exponentially due to increase in rollout of 4G technology along with the arrival of 5G technology. Considering the demand for the fibre infrastructure we have considered other third-party customers as well for the current valuation exercise.
- The following is the split of the average FPKM assumed to have been tied up with RJIL and third-party customers as at the end of each year from Fiscal 2022 to 2029.

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Year	Fiscal 2022 (million FPKM)	Fiscal 2023 (million FPKM)	Fiscal 2024 (million FPKM)	Fiscal 2025 (million FPKM)	Fiscal 2026 (million FPKM)
<i>RJIL</i>					
NLD-Own build	5.99	6.60	6.60	6.60	6.60
NLD-IRU	0.62	0.62	0.62	0.62	0.62
Intra city					
A	0.43	0.53	0.53	0.53	0.53
B	1.65	1.97	1.97	1.97	1.97
Others	3.99	4.62	4.62	4.62	4.62
Enterprise Access	0.06	0.06	0.06	0.06	0.06
FTTH	2.60	3.89	3.89	3.89	3.89
Total	15.34	18.30	18.30	18.30	18.30

Particulars	Fiscal 2022 (million FPKM)	Fiscal 2023 (million FPKM)	Fiscal 2024 (million FPKM)	Fiscal 2025 (million FPKM)	Fiscal 2026 (million FPKM)	Fiscal 2027 (million FPKM)	Fiscal 2028 (million FPKM)	Fiscal 2029 (million FPKM)
Third party tenants								
NLD-Own build	0.26	0.52	1.05	1.31	1.38	1.48	1.56	1.56
NLD-IRU	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Intra City								
A	0.03	0.06	0.12	0.15	0.17	0.20	0.22	0.22
B	0.11	0.21	0.42	0.53	0.62	0.73	0.81	0.81
Others	0.27	0.53	1.06	1.33	1.59	1.93	2.18	2.18
Enterprise Access	0.00	0.01	0.01	0.01	0.01	0.01	0.01	0.01
FTTH	0.07	0.14	0.27	0.34	0.46	0.61	0.73	0.73
Total	0.73	1.47	2.94	3.67	4.22	4.96	5.51	5.51

ii. **Fiber Fees:**

RJIL had paid INR 16,464.0 crore as 'Upfront Fibre Fees' which would be amortized over the life of the FUA w.r.t to fibre off-take by RJIL under the FUA prior to the amendment dated September 27, 2021. As of September 30, 2021, the total unamortized Upfront Fees was INR 15,583 crore. Additionally, RJIL, shall pay 'Monthly Fiber Fees' for all Contract Fiber. Pursuant to the amendment to the FUA on September 27, 2021, RJIL shall pay only Monthly Fibre Fees to JDFPL for all additional fibre taken up by RJIL after September 27, 2021. The Monthly Fibre Fees was revised upwards to take into account the Upfront Fee portion that was otherwise payable under the FUA prior to its amendment.

A construct of upfront fees and monthly fibre fees has been assumed for third party customers.

Further given that RJIL is currently the primary customer and would continue to remain the key customer of the Fibre Co estimated to take up approximately 62% of the total 29.32 million FPKM to be built and operated by the Fibre Co, RJIL has been given 60% discount to the rate card in the total fiber fees payable over the life of the FUA. Additionally, and given the expectation that the requirements from third party customers would be more diverse and scattered across the total Fiber Assets of the Fiber Co. It has been assumed that the Fiber Co would be able to charge a premium of

10% to the rate card in the fiber fees payable by such third-party customer over the life their respective fiber and duct usage agreements.

iii. **Maintenance Fees:**

In addition to the fiber fees, the FUA provides for 'Monthly Maintenance Fees' to be charged to RJIL. The Maintenance Fees is determined in accordance with the terms of the FUA.

Similar maintenance fees would be charged from the third-party customers.

The amortization of the Upfront Fiber Fees, the Monthly Fiber Fees and the Monthly Maintenance Fees together constitute the total revenue for the Fiber Co.

iv. **O&M Contract Price**

The fees to be paid by Fiber Co. to the Operator including the escalations thereon has been considered in terms of the O&M Agreement to determine the forecasted O&M expenses.

v. **Other expenses**

The manpower head count of 50 with an average salary p.a. of INR 6.2 lakhs with escalation of 3% p.a. has been assumed. Additionally, fixed administration expenses of INR 25.0 crore with escalation of 1% p.a. and other variable administration expenses computed at 60% of the manpower costs p.a. has been estimated. Further certain miscellaneous expenditure of INR 53.0 crore with escalation of 5% p.a are considered.

vi. **Capital Expenditure**

Fiber Co. projects a total capex of ~ INR 23,983 crore (excluding GST) for completion of the balance Fiber Assets. The capex is towards laying of additional optic fiber cables.

vii. **Discounted Cash Flow**

- The explicit period has been considered from October 1, 2021 to September 30, 2050 and we understand that the FUA, O&M Agreement and PEA has come into effect from the Closing Date. It has been further assumed that the Fiber Co. would complete the capex for additional Fiber Assets by FY23;
- We have considered working capital requirement and changes in working capital as provided by the Management during the forecast period namely (a) 30 days receivable for third party customer billings; (b) 30 days payables towards total operating costs; and (c) other current liabilities at INR 5.0 crore. No credit period has been assumed for payments due from RJIL in the projections;
- The FCFF method under DCF has been used to calculate enterprise value of Fiber Co;
- In FCFF, the free cash flows available to the company are discounted by WACC to derive the net present value. We have considered a WACC of 12%;
- We have discounted the projected net cash flows 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;
- We have not considered any terminal cash flow given the fixed term of the Project Agreements and have considered recoupment of all working capital at the end of the forecast period;

- Income Tax rate of 25.17% being the tax rate prevailing in India has been considered.
- The enterprise value (“Enterprise Value”) of Fiber Co is arrived at INR 1,92,945.8 crore, determined as an aggregate of the present value of forecast period.

viii. **Discounting Factor**

- We have used the Free Cash Flows to Firm (“FCFF”) model under DCF method to estimate the Enterprise Value of Fiber 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, the cost of OCPS, the cost of the Preference Shares, the post-tax cost of debt (including NCDs) and the post-tax cost of the Loan 1 and Loan 2 and their respective weights in the capital structure of Fiber Co.
- The break-up of the debt as of September 30, 2021 is provided below

Particulars	As of September 30, 2021 in INR. Crore	As of March 31, 2022 in INR. crore + Additional borrowing to fund Capex
Long term and short-term loans (including current maturity of long-term borrowings) and interest accrued	42,559	64,656
NCDs	25,342	25,342
Preference Shares	1.25	1.25
Trust Loan 1	14,706	19,489
Trust Loan 2	31,420	32,851
Trust Loan 3	280	-
Total	1,14,308	1,42,339

Includes the unamortized processing fees for bank loans and NCD issuance

- The following is the break-up of the split of the share capital structure as of September 30, 2021.

Particulars	As of September 30, 2021 in INR. Crore
Equity Share capital	515
OCPS capital	78,140
Total	78,655

- While the Trust Loan 1 and Trust Loan 2 is in the nature of debt at the level of Fiber Co, at the consolidated Trust level, the same would be cancelled as inter-entity transaction. Further the Trust Loan 3 is expected to be set-off against amounts due from the Trust in terms of the Novation Agreement. However, the InvIT Loan would continue to reflect as a loan at the consolidated Trust level. For the purpose of this valuation exercise, we have considered the following to determine the WACC.

$$\text{WACC} = (\text{Cost of External Debt} * (1 - \text{tax rate}) * \text{External Debt as of September 30, 2021 (adjusted for any refinancing and additional debt for capex)} + \text{Cost of Loan 1} * (1 - \text{tax rate}) * \text{Loan 1} + \text{Cost of Loan 2} * (1 - \text{tax rate}) * \text{Loan 2} + \text{Cost of OCPS} * \text{OCPS capital} + \text{Cost of Preference Shares} * \text{Preference Share capital} + \text{Cost of Equity Shares} * \text{Equity Share capital}) / (\text{External Debt as of September 30, 2021 including refinanced and additional debt} + \text{Loan 1} + \text{Loan 2} + \text{OCPS capital} + \text{Preference Share capital} + \text{Equity Share capital as of September 30, 2021}).$$

- The Preference Shares carry the cost of the fixed dividend payable on the Preference Shares.
- The OCPS cost has been determined as the higher of (i) the fixed dividend payable to the OCPS; and (ii) the discount rate at which all the excess cash flow available to the OCPS holder in terms of the SHOA when discounted equals the face value the OCPS.
- We have considered the capital structure of the Fiber Co for determining the cost of equity. The following may be noted:
 - The OCPS are in the nature of redeemable, cumulative participating and optionally convertible preference shares and the holders of the OCPS shall be entitled to surplus assets of the Fiber Co either on winding up or liquidation or otherwise.
 - Further the OCPS holders also have preferential rights vis-à-vis Equity Share holder in payment of dividends.
 - Accordingly, the only right available to an equity share holder is the right to receive dividends in the event the same is declared (subject to the preferential right available to both the OCPS holder and the Preference Share holder) and the right to receive the face value of the equity share capital in the event of a winding up or liquidation.
 - Having regards to the above as well as the proportion of equity in the capital structure of the Fiber Co, we understand that the cost of equity in this case will be subservient to cost of OCPS and hence the cost of equity is considered to be same as cost of OCPS of 15.2%.
- Since, redeemable preference shares carry coupon of 0.01% we have considered cost of 0.01% for redeemable preference shares.

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- Further, we have considered post tax cost of external debt of 6.4% and post-tax cost of Trust Loan 1 of 12.4% and Trust Loan 2 of 9.5% respectively.
- We understand that there has been a slippage in the actual FY21 performance vis-à-vis the projected performance as well as there is risk in onboarding third-party tenants as there are no third-party tenants till the valuation report date. The delay in onboarding third-party tenants could delay the cash flows. Further, the additional risk also includes execution risk for capacity addition and change in product mix between earlier and current valuation. Considering the same we have added a nominal risk premium of 1.5%.
- After considering the above we have determined the WACC of 12.0% 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. We would like to highlight that in the ultimate analysis, valuation will have to be tempered by the exercise of judicious discretion and judgment taking into account all the relevant factors. There will always be several factors, e.g. quality of the management, present and prospective competition, yield on comparable securities and market sentiment, etc. which are not evident from the face of the balance sheets but which will strongly influence the worth of an entity or business.
- 10.3. The enterprise value of InvIT Asset is arrived at INR 1,92,945.8 crore, corresponding to an asset base of 22.78 million FPKM as of September 30, 2021.

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11 Annexures

11.1 Annexure I

Valuation of InvIT Asset as per DCF Method

Valuation as per Discounted Cash Flow Method as on September 30, 2021 (INR Cr)										
WACC @ Normal Rate		12.00%								
Year Ending	FY22*	FY23	FY24	FY25	FY26	FY27	FY28	FY29	FY30	FY31
Net Sales	6,483.1	18,147.1	21,282.1	23,569.5	31,159.2	34,115.0	36,100.4	36,363.2	36,363.2	36,363.2
EBITDA	5,738.0	16,505.6	19,568.8	21,837.7	29,407.9	32,343.9	34,308.9	34,550.9	34,529.7	34,508.2
EBITDA Margins	89%	91%	92%	93%	94%	95%	95%	95%	95%	95%
Less : Outflows										
Add/(Less): Amortization of Upfront fee (shown as revenue)	1,117.7	7,254.7	7,665.9	7,712.9	2,824.7	5,590.2	5,342.3	(2,094.2)	(2,094.2)	(2,094.2)
Add/(Less): Capital Expenditure and change in GST block	(12,989.9)	(9,734.6)	4,076.6	-	-	-	-	-	-	-
Add/(Less): Incremental Working Capital	314	(121)	(151)	(161)	(273)	(156)	(141)	(20)	2	2
Less: Taxation	-	(19)	(2,461)	(3,406)	(5,628)	(6,636)	(7,358)	(7,612)	(7,770)	(7,903)
Free Cash Flows (FCF)	(5,820)	13,885	28,699	25,983	26,331	31,143	32,152	24,825	24,667	24,512
Present Value Factor	0.97	0.89	0.80	0.71	0.64	0.57	0.51	0.45	0.40	0.36
Present Value of Cash Flows	(5,658)	12,398	22,879	18,494	16,734	17,671	16,289	11,230	9,963	8,839
NPV of Explicit Period	1,92,945.8									
Enterprise Value (EV)	1,92,945.8									

Valuation as per Discounted Cash Flow Method as on September 30, 2021 (INR Cr)										
Year Ending	FY32	FY33	FY34	FY35	FY36	FY37	FY38	FY39	FY40	FY41
Net Sales	36,363.2	36,363.2	36,363.2	36,363.2	36,363.2	36,363.2	36,363.2	36,363.2	36,363.2	36,363.2
EBITDA	34,486.3	34,464.0	34,441.2	34,418.1	34,394.5	34,370.6	34,346.1	34,321.2	34,295.8	34,269.9
EBITDA Margins	95%	95%	95%	95%	95%	95%	94%	94%	94%	94%
Less : Outflows										
Add/(Less): Amortization of Upfront fee (shown as revenue)	(2,094.2)	(2,094.2)	(2,094.2)	(2,094.2)	(2,094.2)	(2,094.2)	(2,094.2)	(2,094.2)	(2,094.2)	(2,094.2)
Add/(Less): Capital Expenditure and change in GST block	-	-	-	-	-	-	-	-	-	-
Add/(Less): Incremental Working Capital	2	2	2	2	2	2	2	2	2	2
Less: Taxation	(8,016)	(8,110)	(8,189)	(8,256)	(8,311)	(8,357)	(8,395)	(8,426)	(8,451)	(8,472)
Free Cash Flows (FCF)	24,378	24,261	24,160	24,070	23,991	23,922	23,859	23,803	23,752	23,706
Present Value Factor	0.32	0.29	0.26	0.23	0.20	0.18	0.16	0.15	0.13	0.12
Present Value of Cash Flows	7,849	6,975	6,201	5,516	4,909	4,370	3,892	3,467	3,089	2,752

Valuation as per Discounted Cash Flow Method as on September 30, 2021 (INR Cr)										
Year Ending	FY42	FY43	FY44	FY45	FY46	FY47	FY48	FY49	FY50	FY51*
Net Sales	36,363.2	36,363.2	36,363.2	36,363.2	36,363.2	36,363.2	36,363.2	36,363.2	36,363.2	18,181.6
EBITDA	34,243.5	34,216.5	34,189.0	34,161.0	34,132.3	34,103.0	34,073.1	34,042.5	34,011.2	16,990.8
EBITDA Margins	94%	94%	94%	94%	94%	94%	94%	94%	94%	93%
Less : Outflows										
Add/(Less): Amortization of Upfront fee (shown as revenue)	(2,094.2)	(2,094.2)	(2,094.2)	(2,094.2)	(2,094.2)	(2,094.2)	(2,094.2)	(2,094.2)	(2,094.2)	(1,047.1)
Add/(Less): Capital Expenditure and change in GST block	-	-	-	-	-	-	-	-	-	-
Add/(Less): Incremental Working Capital	2	2	2	2	2	2	2	3	3	1,789
Less: Taxation	(8,488)	(8,501)	(8,511)	(8,518)	(8,523)	(8,525)	(8,527)	(8,526)	(8,525)	(4,246)
Free Cash Flows (FCF)	23,663	23,623	23,586	23,551	23,518	23,486	23,455	23,425	23,395	13,486
Present Value Factor	0.10	0.09	0.08	0.07	0.07	0.06	0.05	0.05	0.04	0.04
Present Value of Cash Flows	2,453	2,187	1,949	1,738	1,549	1,382	1,232	1,098	980	519

Represent 6 months period from October 01, 2021 to March 31, 2022

*Represent period ending as on September 30, 2050

11.2 Annexure II - Details of all Permissions

- Certain other key permissions are required for carrying out the present business of the Fiber Co such as (i) RoW from various local (rural and urban), appropriate authorities, municipal corporations, public works departments, forest departments, gram panchayats, military cantonment board and railway authorities.
- Certain approvals may have expired in their normal course and the Fiber Co has either made applications for renewal or is in the process of making such renewal applications.

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11.3 Annexure III - Litigations Details

- We have been given to understand that there are no material litigations involving the Fiber Co or there being any other regulatory actions involving the Fiber Co warranting a disclosure herein.

11.4 Annexure IV - Other Disclosures as required under SEBI InvIT Regulations

Statement of Assets

- The Trust currently holds 51% of the outstanding equity share capital in the Fiber Co. Fiber Co is in the business of setting up and maintaining passive optic fiber infrastructure to be used by telecommunication service providers under long term fiber use agreements. The Fiber Infrastructure Business was demerged and transferred as a going concern from RJIL to the Fiber Co with effect from close of business hours March 31, 2019 under the Scheme. As per the un-audited limited review financial statements of Fiber Co as of September 30, 2021, the Fiber Co had gross tangible fixed assets consisting of assets related to Fiber Infrastructure Business aggregating INR 1,32,851 crore and intangible assets aggregating INR 53,033 crore.

Details of Major Repairs - Past and Proposed

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

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

- The Management has confirmed to us that there are no revenue pendency including local authority taxes associated with the InvIT Assets and compounding charges.

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

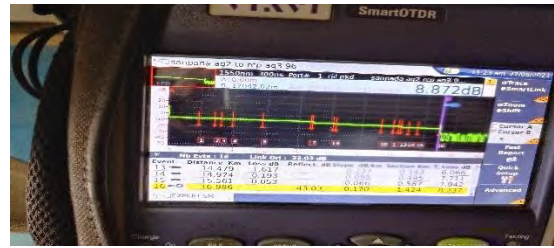
- The Management has confirmed to us that there is no vulnerability to natural or induced hazards that may not have been covered in town planning / building control.

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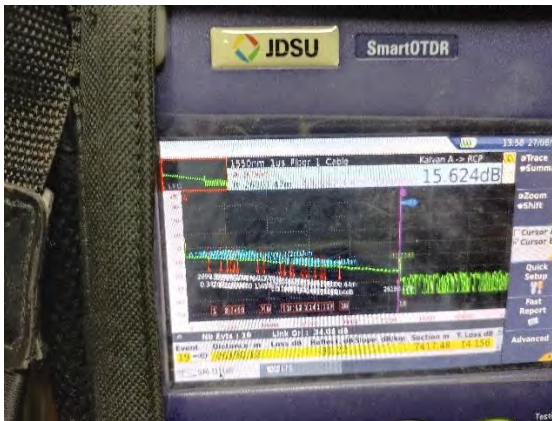
11.5 Annexure V - Site Visit Photographs



Mumbai (Kalyan) Fibre Cables



Nerul-Sanpada Span OTDR Readings



Kalyan RCP



Mumbai



Mumbai Fibre Cables



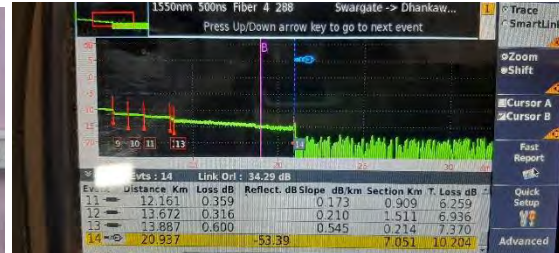
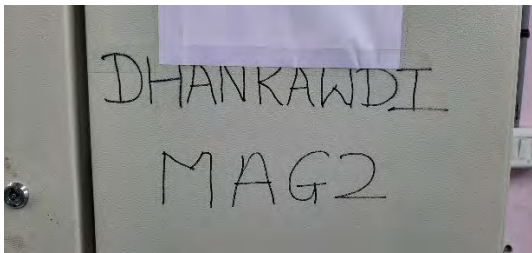
Kalyan

Delhi Spans



Manesar - Sohana Road Span OTDR Readings GRGN-RIL-0482_DLHI-RIL-6010 Span

Pune Span



Dhankawadi

Swargate to Dhankawadi Span OTDR Readings

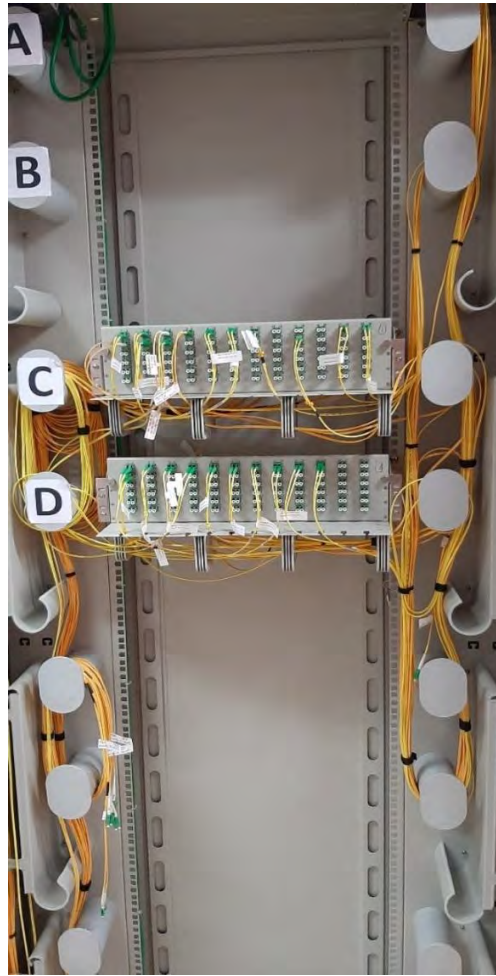


Dhankawadi

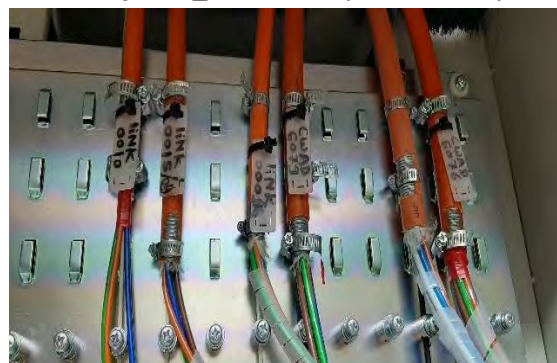
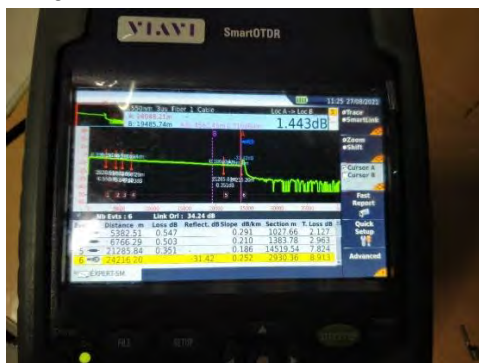
Bengaluru Span



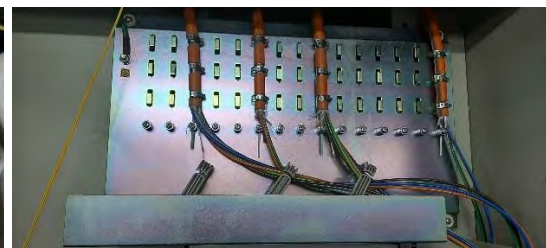
Bengaluru Fibre Cables



Bangalore_Whitefield (Fibre Cables)



Span - Bangalore_Whitefield-Hoskote



Aswath Nagar-Bellandur AG2 Span

ANNEXURE B

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Final report

Update on the fibre market in India and demand for JDFPL's fibre



Rohan Dhamija, Ashwinder Singh, Shashwat Mishra, Harsh Ranjan

10 August 2021

Disclaimer

- This report contains the results of a updated commercial due-diligence of the fibre assets of Jio Digital Fibre Private Limited (“JDFPL” or “Fibre Co”). We have used reasonable and proper care to cross-check and investigate the material supplied by Reliance Jio Infocomm Limited (“RJIL”) to an appropriate level of detail. However, this report does not constitute an audit or a legal opinion. Analysys Mason will accept no liability for damages or losses resulting from errors or omissions in materials supplied to us
- This report was commissioned by RJIL and has been prepared for use solely by the addressees of the report and such other parties as have been notified in writing to Analysys Mason, provided that such persons agree to be bound by the terms set out in this paragraph. In accepting delivery of this report you acknowledge your agreement to Analysys Mason’s Terms of Reference, Contract Terms, and Non-Disclosure Agreement. Analysys Mason has given permission for the report to be included in the Private Placement Memorandum, on condition that third parties who use this report carry out their own due diligence

Growth in demand for fixed and mobile broadband will fuel demand for leased fibre and JDFPL¹ is expected to achieve ~83% utilisation of its installed capacity by FY26

1 Fibre demand drivers	a FTTx premises passed: FBB penetration in India is expected to grow from 7.3% in FY21 to 19.8% by FY24. JDFPL is expected to pass 88 million premises by FY23 using the fibre deployed (full scope²) and thus Jio to also have 88 million premises passed by FY23. Other players are together expected to match 88 million premises passed by FY24 b BTS fiberisation: Jio is expected to have 334k BTS by FY26 while other players (Airtel, VI and BSNL) are expected to require 545k BTS in total. With an expected BTS fiberisation of 80% for Jio and 70% for others by FY26, we expect an overall demand of 267k fiberised BTS from Jio and 381k fiberised BTS from others by FY26
2 Addressable market demand for JDFPL¹	a Demand driver to access FPKM conversion: Based on a detailed analysis of JDFPL's network architecture, we expect 0.09 access FPKM per premise passed and 4.91 access FPKM per fiberised BTS. For metro and NLD², market level RKM demand from Jio and other operators is expected to be equal to JDFPL's full scope (539k on NLD and 18k RKM on Metro) and the # of FPs per RKM required by other operators is expected to be 24 on Metro and 7 on NLD networks b FPKM demand: Based on the demand drivers and the required FPKM conversion, the addressable market demand for JDFPL across Access, Metro and NLD networks is expected to be 19.1 million, 1.5 million and 11.7 million FPKM respectively by FY26
3 JDFPL fibre deployment plan	▪ RPKM: JDFPL has currently deployed 688k RKM of fibre which is expected to grow to 872k RKM by FY23 (full scope) ▪ FPKM: JDFPL currently has deployed 21.1 million FPKM with ~12.4 million on access and metro and 8.7 million on NLD. The full scope deployment of ~29.3 million FPKM is expected to be achieved by FY23 with ~19.0 million on access and metro and 10.3 million in NLD. ▪ A delay of about 2-3 quarters is expected (compared to the original plan) in terms of full scope deployment, due to Covid
4 Demand addressed by JDFPL	a JDFPL's market share: Owing to the footprint and quality of JDFPL's fibre, it is expected to gain a large share of addressable open market demand. JDFPL's market share is expected to be 65-70% in the access network driven by a lack of competition and scale of JDFPL's network and 40-50% for the Metro and the NLD network b Demand coming to JDFPL: JDFPL will cater to all of Jio's demand till FY23 (8.8 million on Access, 1.2 million on Metro and 7.0 million on NLD by FY23) and a large share of incremental demand from others (5.3 million on Access, 0.1 million on Metro and 1.8 million on NLD by FY26) owing to its superior fibre holdings. In total, capacity utilization will stand at 83% by FY24 of which 58% will be driven by Jio and 25% by others ▪ Thus, we expect that there will be a reasonable FPKM lease demand of JDFPL's fibre going forward, even though the take-up from others was impacted in FY21 due to Covid

Note: 1. Jio Digital Fibre Private Ltd; 2. Defined as deployment of 29.3 million FPKM (19.0 million in access and metro and 10.3 million in NLD) by JDFPL by FY23; 3. National Long Distance

1

Fibre demand in India will be driven by extensive FTTx deployment for connecting homes and businesses and BTS fiberisation to support mobile traffic growth

Key drivers of optical fibre demand

FTTx market – Homes and business

Fibre demand is correlated with the expansion of fibre-based fixed broadband networks (FTTx)

Demand for higher speeds and thus supply-side shift to FTTx as it is future-proof

Entry of disruptive FTTx player – Reliance Jio

Competitive pressure on other ISPs to offer FTTx with Jio's entry

Government and policy makers' focus on increasing access to high-speed broadband

Mobile market – BTS fiberisation

Going forward, fibre backhaul will be critical to support increased mobile data traffic

High-speed
4G/5G

Compatible
devices

Affordable
data tariff

Extensive
video content

Significant growth in data traffic

Shift from microwave backhaul to future-proof next generation networks with denser, more-efficient fibre infrastructure and fibre backhaul

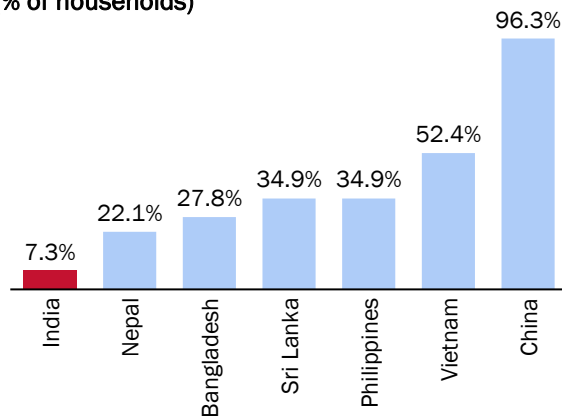
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While India currently lags in terms of FBB penetration, we expect it to increase rapidly to 20% by FY26, resulting in ~176 million non-unique FTTx premises passed

FBB penetration in India is currently low (~7.3%) and has been stagnant in the past because of supply-side constraints

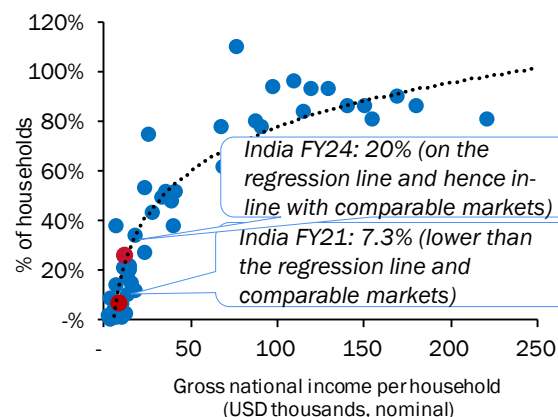
Current FBB penetration in Asian countries (% of households)



- FBB penetration in India has remained relatively stagnant at about 6-7% in the last five years, while other Asian countries have grown rapidly
- The growth has historically been hindered by supply-side constraints in the market, primarily due to operational challenges associated with deployment of fibre in the Intra-city access / last mile network

With extensive investments in FTTx network in recent times and over the next few years by Jio, the supply-side constraints are expected to be eliminated, allowing for rapid growth in FBB penetration to 20% by FY24 (61 million connections)

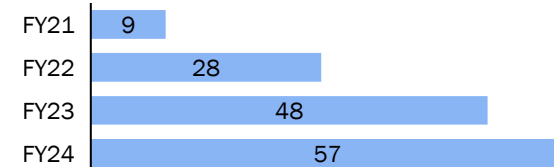
FBB penetration by country



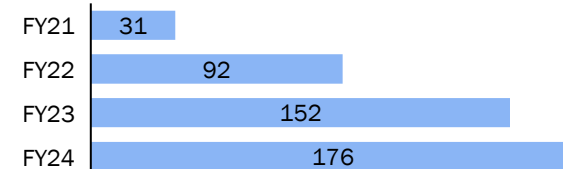
- The growth is expected to be initiated by Jio as it plans to reach ~88 million premises passed, which are expected to be matched by competitors
- The rapid deployment will ease out the supply constraint in India and bring India in line with global benchmarks (represented by the regression line)

The growth in FBB connections is expected to be driven by deployment of FTTx network (57 million connections) and over 176 million non-unique premises passed (~88 million unique premises with two ISPs serving each premise on an average)

Total FTTx connections (million)



Total non-unique premises passed (million)



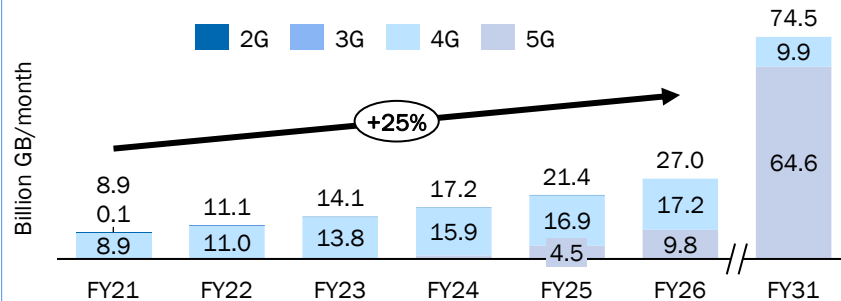
- 57 million FTTx connections translate to 176 million non-unique premises passed at an operator take-up rate of ~32%, which is in-line with global benchmarks
- Jio is expected to extend reach to ~88 million premises passed, and we expect the rest of the market to together match the same reach

1
b

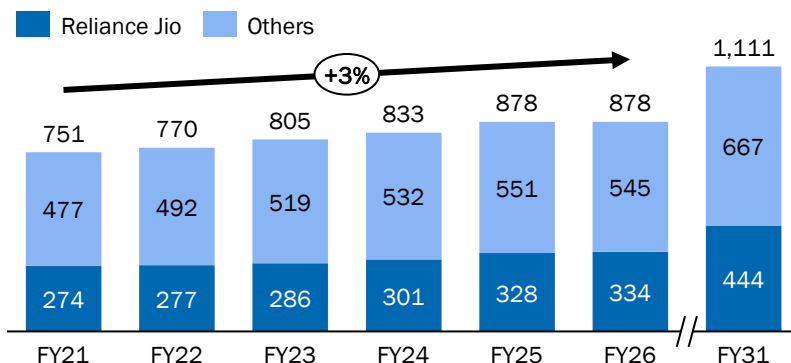
Increased MBB take-up and data usage will drive mobile traffic growth and need for fiberisation; 648k BTS are expected to be fiberised by FY26 (~74% fiberisation)

Driven by growth in number of subscribers as well as usage per subscriber, wireless data traffic is expected to grow at 25% CAGR over the next 5 years. Growth in traffic will lead to capacity-driven tenancy BTS reaching 878K by FY 26

Total mobile data traffic in India by technology

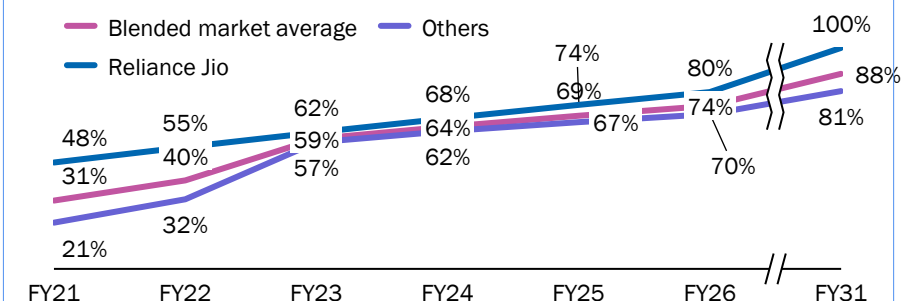


Total tenancy BTS in India ('000s)

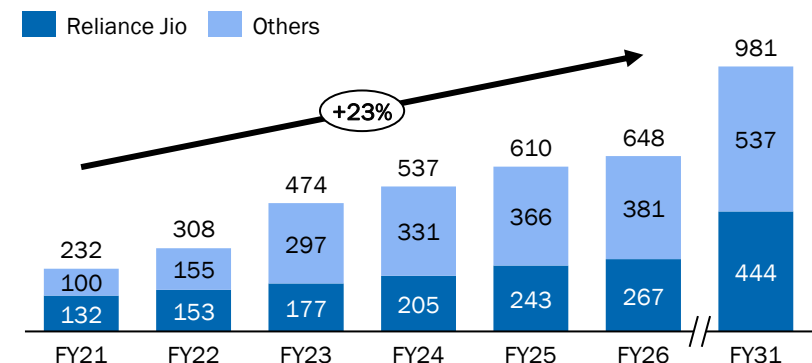


Need for increase in mobile backhaul 'fiberisation' considering the growth in data traffic will result in fiberised BTS reaching 74% of total tenancy BTS by FY26, which is inline with the global benchmarks

Fiberised tenancy BTS (as % of total tenancy BTS)



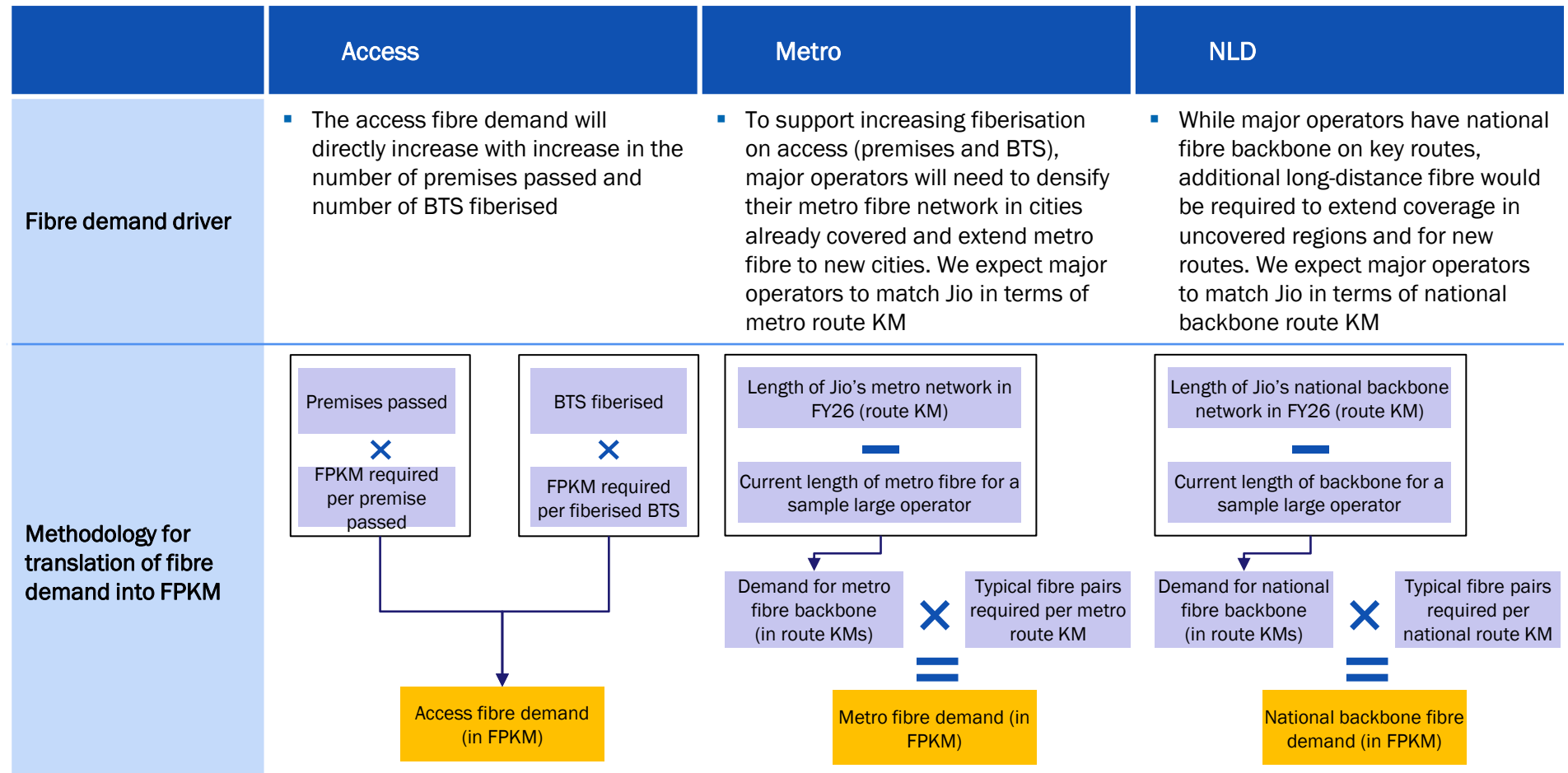
Fiberised tenancy BTS for Jio and other operators ('000s)



2

Fibre demand stemming from fixed broadband and mobile market will translate into fibre pair kilometre (FPKM)¹ demand along fibre network components

Overview of methodology for fibre demand forecast in fibre network component



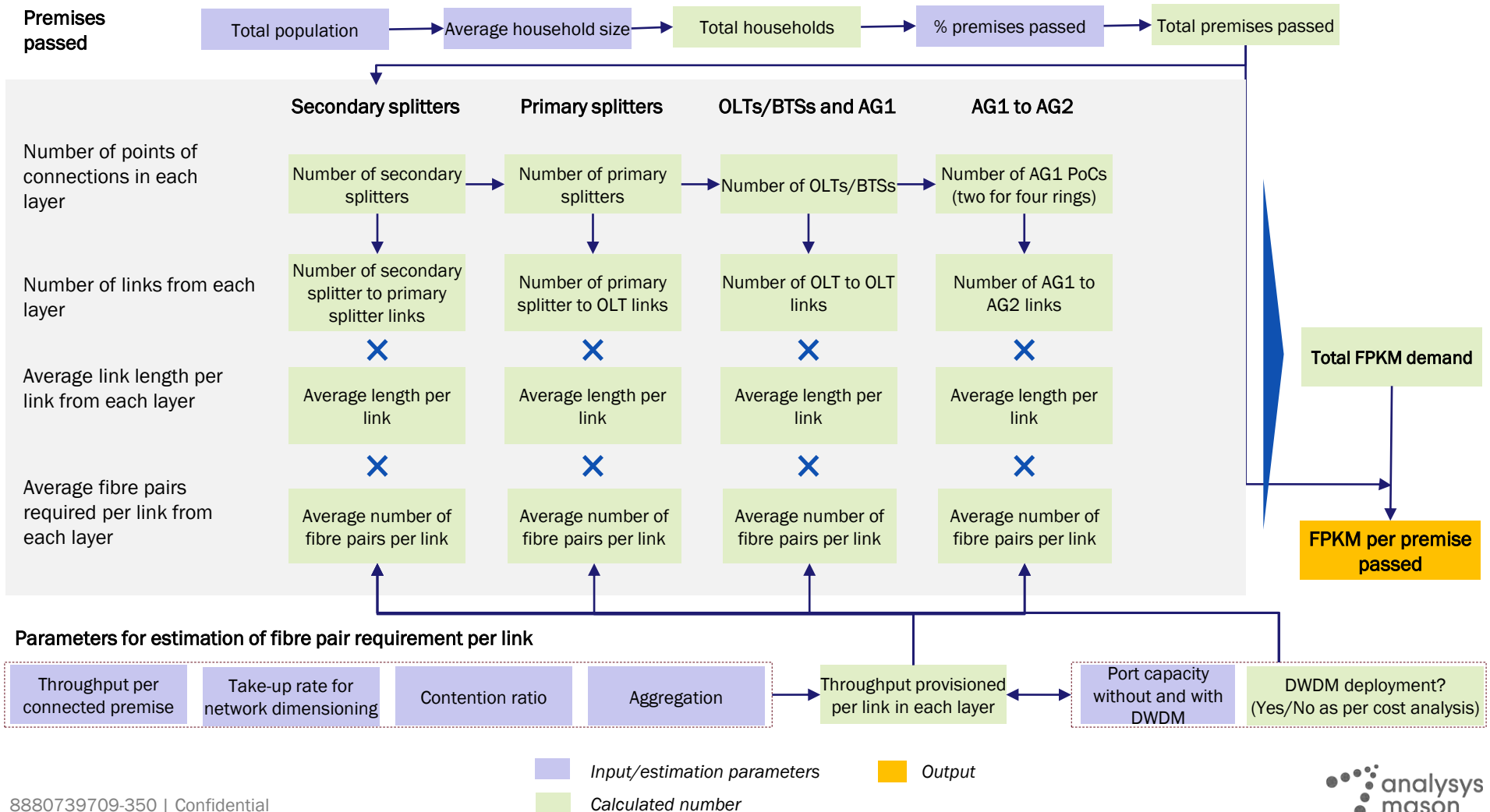
Note: 1. FPKM is calculated as route KM multiplied by average number of fibre pairs installed per route KM

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Access FPKM per premise passed has been calculated based on an estimation of total links, average link length and fibre pairs per link in each layer of the network

Access: Methodology for estimation of FPKM per premise passed for a sample city and a sample ISP



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Based on calculations for a representative Metro city and a Tier-2 city, FPKM demand per premise passed is expected to be 0.08 and 0.09 respectively

Access: FPKM demand per premise passed for a sample Metro and Tier-2 city for Jio

Metric	City-tier	Secondary splitters	Primary splitters	OLTs / AG1	AG1 to AG2	Total (Jio)
Total FPKM demand by layer	Metro city	17,389	15,215	191,944	4,452	229,000
	Tier-2 city	490	367	4,367	137	5,361
DWDM deployed?	Metro city	No	No	No	Yes	
	Tier-2 city	No	No	No	Yes	
Total premises passed in sample city	Metro city					2,782,143
	Tier-2 city					57,099
Average FPKM per premise passed	Metro city					0.08
	Tier-2 city					0.09

The FPKM requirement per premise passed comes out as higher for Tier-2 cities due to lower population density (less MDUs)

▪ The key assumptions involved in the estimate are as follows:

- network design with ~1,024 premises passed per OLT
- longer link lengths in tier-2 cities relative to Metro cities given lower population density (link lengths have been normalised based on density of PoCs)
- throughput of 500Mbps offered to the connections, with network dimensioning based on take rate of 50%
- contention ratio of 10 at the OLT
- the ports on primary and secondary splitters are assumed to have a capacity of 1Gbps while ports from onwards are assumed to have a capacity of 10Gbps. Port capacity is assumed to increase to 390Gbps with DWDM (10 lambda x 40 Gbps per lambda)

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Based on separate calculations for a representative Metro and a Tier-2 city, FPKM demand per fiberised tenancy BTS is expected to be 3.2 and 5.4 respectively

Access: FPKM demand per fiberised BTS for a sample Metro and Tier-2 city for Jio / third party tenant

Metric	City-tier	BTSs: AG1	AG1 to AG2	Total (Jio / third party tenant)
Total FPKM demand by layer	Metro city	7,382	4,452	11,834
	Tier-2 city	208	137	345
DWDM deployed?	Metro city	No	No	
	Tier-2 city	No	No	
Total fiberised BTSs in sample city	Metro city	The FPKM requirement per fiberised BTS comes out as higher for Tier-2 cities due to lower population density and fiberisation rate (larger inter-site distance)		3,701
	Tier-2 city			64
Average FPKM per fiberised BTS	Metro city			3.2
	Tier-2 city			5.4

- The estimate for representative Metro and Tier-2 cities is based on assumption of similar network design with 1450 and 1600 SIMs per BTS respectively. However, to account for relatively lower population density in Tier-2 cities, the average link lengths have been normalised (based on density of PoCs in each layer). Proportion of towers fiberised has also been assumed to be lower at 80% (compared to 95% for Metro cities)
- The throughput has been assumed to be provisioned at 300Mbps per BTS. The ports (without DWDM) are assumed to have a capacity of 10Gbps
- Throughput at AG2 will be aggregated with FTTx and has been considered as part of that analysis

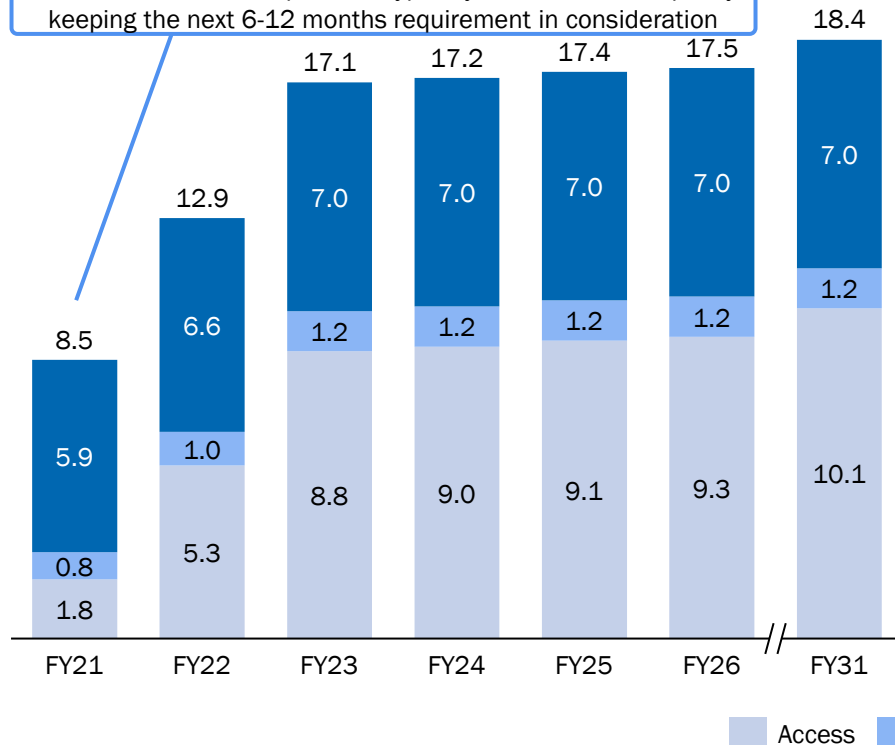
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JDFPL's addressable demand is expected to be 18.4 million FPKM from Jio & 12 million FPKM from others by FY26 with a 58%-5%-37% split across access-metro-NLD

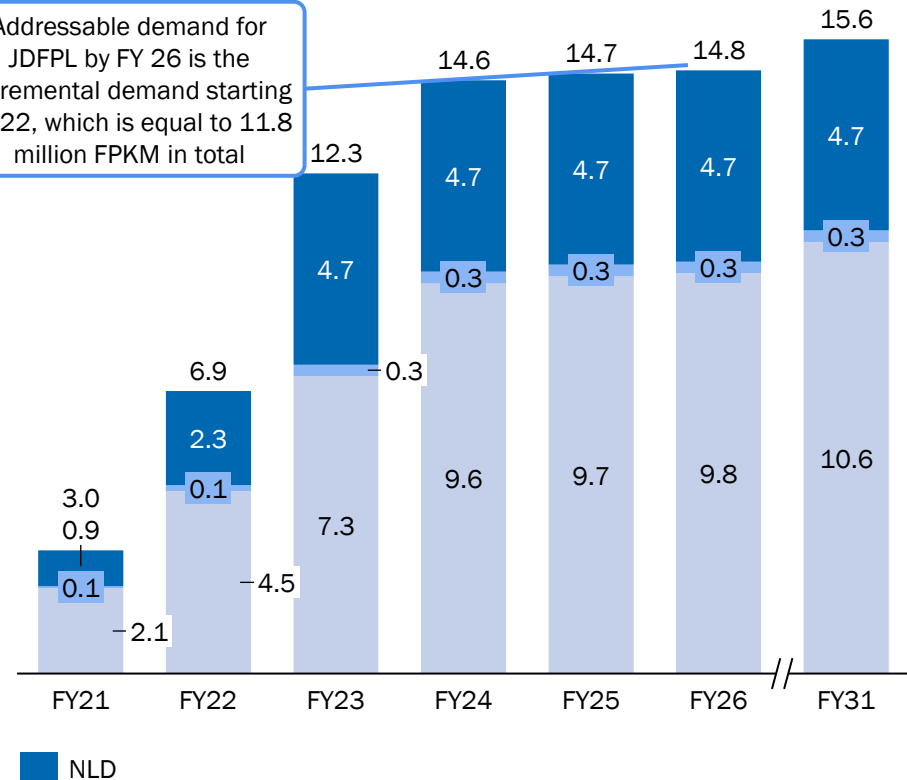
Market demand by category from Jio (FPKM million)

Current requirement of Jio is lower than existing commitment of 11.8 million because operators typically reserved fibre capacity keeping the next 6-12 months requirement in consideration



Market demand by category from others (FPKM million)

Addressable demand for JDFPL by FY 26 is the incremental demand starting FY 22, which is equal to 11.8 million FPKM in total

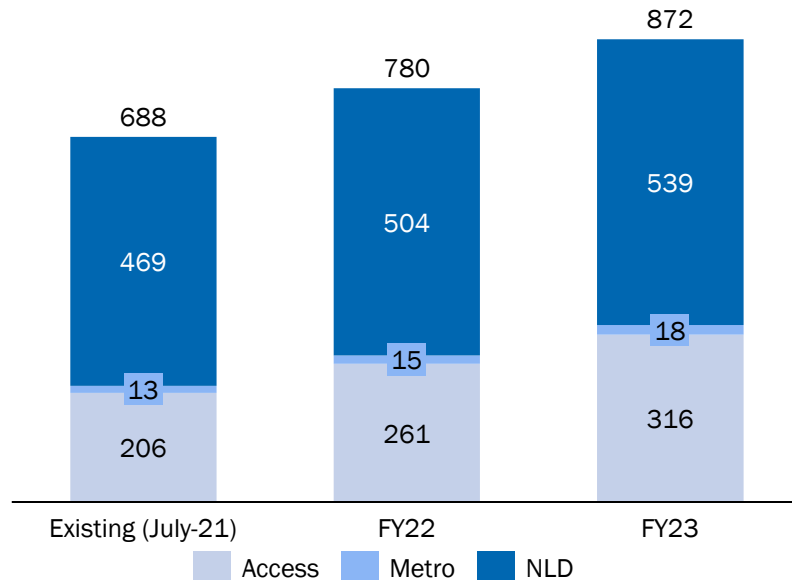


Based on the demand drivers and the required FPKM conversion, the addressable market demand for JDFPL (all of Jio's market demand and incremental market demand from others starting FY22) across Access, Metro and NLD networks is expected to be 17 million, 1.4 million and 10.8 million FPKM respectively by FY26

3

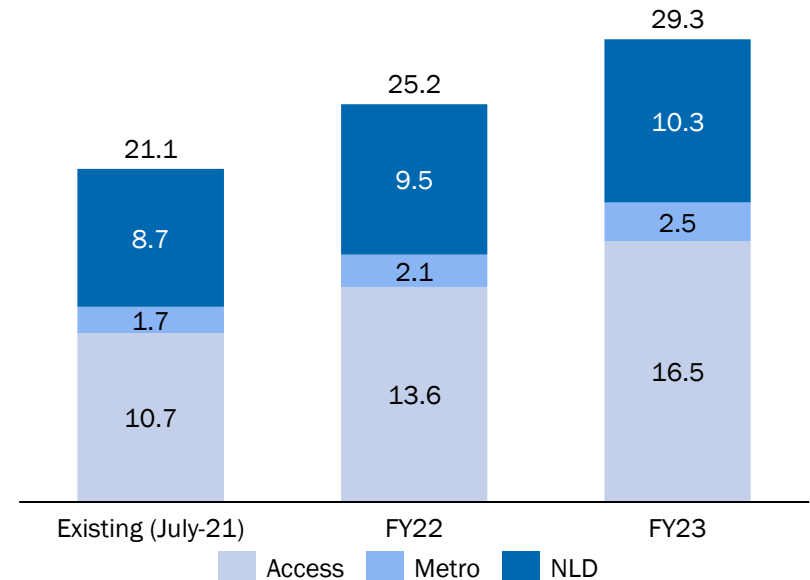
JDFPL's fibre footprint is targeted to expand from 688k RKM to 872k RKM by FY23, driving an increase in installed capacity from 21.1 million to 29.3 million FPKM

JDFPL's fibre deployment plan (RKM 000s)



- In FY21 JDFPL's network consisted of 688k RKM of fibre, with access, metro and NLD comprising 206k, 13k and 469k RKM of fibre respectively
- In spite of a Covid driven three-quarter delay, JDFPL is expected to increase its presence to 872k RKM by FY23, consisting of 316k, 18k and 539k RKM across access, metro and NLD networks respectively

JDFPL's fibre deployment plan (FPKM million)



- JDFPL's current installed capacity of 21.1 million FPKMs consists of 10.7 million, 1.7 million and 8.7 million FPKMs from access, metro and NLD respectively
- JDFPL's installed capacity will increase to a total of 29.3 million FPKM by 2023 (against pre-Covid plans of 31.5 million FPKM by 2023), with capacities on access, metro and NLD networks reaching 16.5 million, 2.5 million and 10.3 million respectively

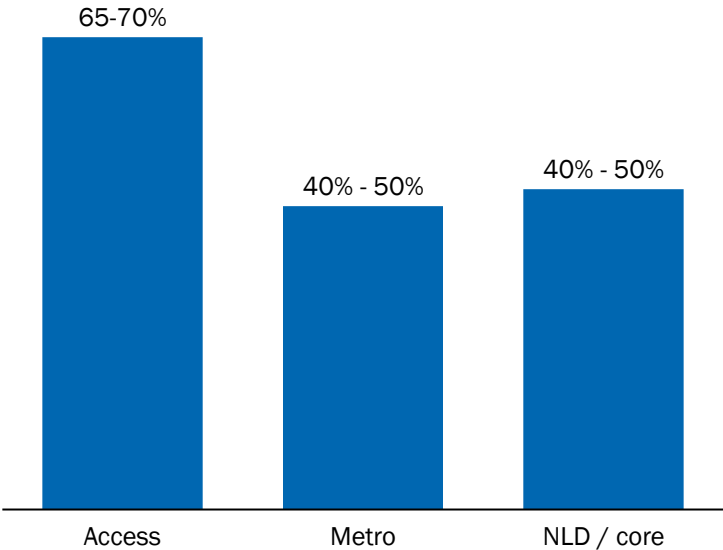
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While JDFPL will serve all of Jio’s demand till FY23, it is also expected to get a large share of open market demand from others driven by its superior fibre quality & footprint

Factors affecting JDFPL’s share of demand from the open market (except Jio)

Factors affecting market share	Access	Metro	NLD / Core
Competitive intensity / Alternate fibre providers			
Cost of self deployment			
Quality of Jio’s fibre (vis-à-vis others)			

JDFPL’s market share¹ in the open market demand (except Jio)



- JDFPL’s access is likely to attract a higher market share due to lack of alternate access fibre providers (except BSNL which claims a larger access network but the quality of its services remains in question) and higher deployment costs due to expensive RoW
- Both Metro and NLD networks of JDFPL are expected to attract ~40–50% demand, primarily driven by JDFPL’s larger metro and NLD reach and better QoS

Note: 1. Market share has been modelled for each year based on supply-side dynamics and hence varies within the mentioned range in each year

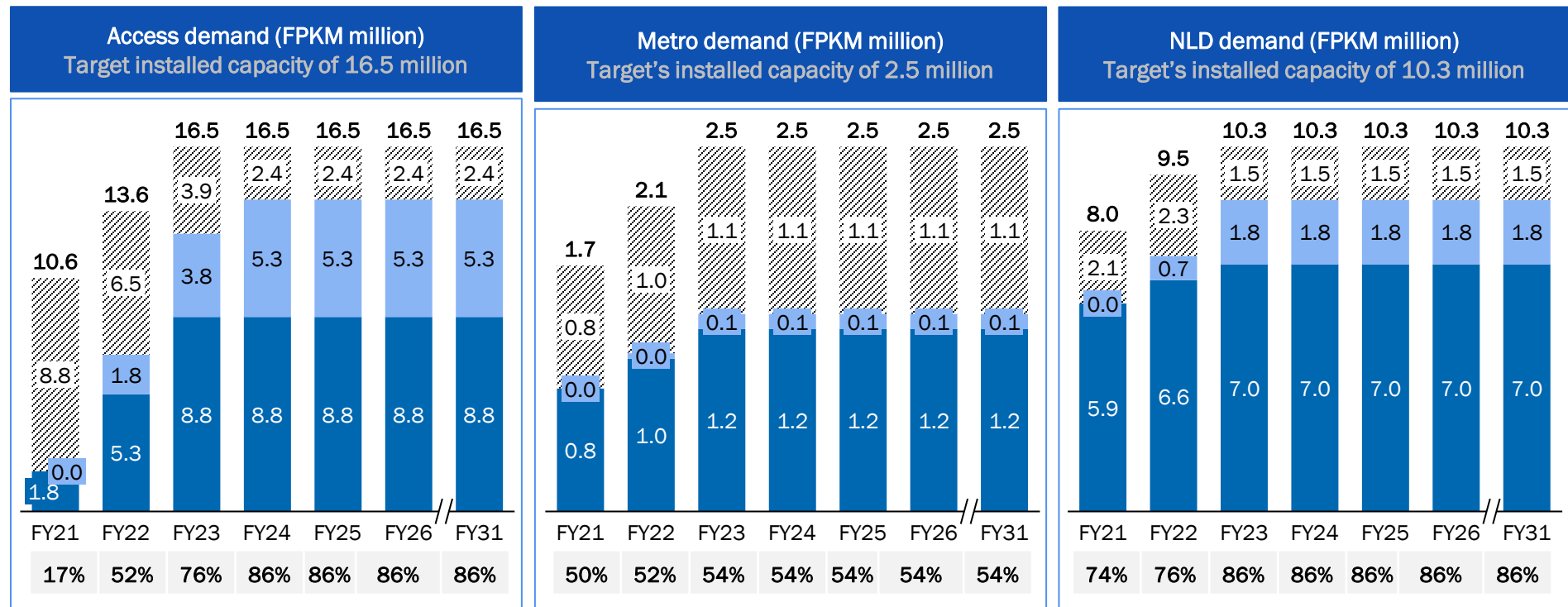


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Driven by Jio and open market demand, JDFPL is expected to achieve an overall utilization of 83% by FY26 with Jio accounting for 58% and others for 25% of demand

JDFPL's installed FPKM capacity and utilisation by Jio and Others



Jio Others Spare capacity % utilization

- Based on forecasted demand and market share, JDFPL is expected to reach 86% of its capacity on Access (14.1 million of 16.5 million capacity), 54% on Metro (1.3 million of 2.5 million capacity) and 86% on NLD (8.8 million of 10.3 million capacity) by FY26
- While COVID-driven lockdowns have led to low delivery of services for JDFPL, the trend is expected to reverse owing to significant latent demand

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