

June 28, 2024

**BSE Limited**

Phiroze Jeejeebhoy Towers,  
Dalal Street,  
Mumbai 400 001  
Security Code: **543859**  
Symbol: **DIGIFIBRE**

Dear Sirs,

**Sub: Annual Report of Digital Fibre Infrastructure Trust for the Financial Year 2023-24**

We wish to inform you that, pursuant to the provisions of Regulation 23 of the SEBI (Infrastructure Investment Trusts) Regulations, 2014, please find enclosed the annual report of Digital Fibre Infrastructure Trust (“**Trust**”) for the financial year 2023-24.

The aforesaid report is also available on the website at [www.digitalfibreinfrastructure.com](http://www.digitalfibreinfrastructure.com).

We request you to take the above on your record.

Thank you.

Yours truly,

**For Infinite India Investment Management Limited**

*(acting its capacity as investment manager of Digital Fibre Infrastructure Trust)*

**Adi Patel**

Director

**DIGITAL FIBRE INFRASTRUCTURE TRUST**

**4<sup>TH</sup> ANNUAL REPORT**

**FINANCIAL YEAR 2023-24**

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## CORPORATE INFORMATION

### Digital Fibre Infrastructure Trust (the “Trust”)

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

#### Principal Place of Business:

9<sup>th</sup> Floor, Maker Chambers IV,  
222, Nariman Point,  
Mumbai – 400 021

Tel: +91 22 3555 5000

Fax: +91 22 3555 5560

Email: [digital.fibre@zmail.ril.com](mailto:digital.fibre@zmail.ril.com)

### Auditors

M/s. Deloitte Haskins & Sells LLP,  
Chartered Accountants

Firm Registration Number: 117366W/W-100018

One International Centre,

Tower 3, 31st Floor

Senapati Bapat Marg

Elphinstone Road (West)

Mumbai – 400 013

Maharashtra, India

Tel: + 91 22 6185 4000

Fax: +91 22 6185 4501

### Valuer

Ernst & Young Merchant Banking Services  
LLP,

Registered Valuer

IBBI Registration Number IBBI/RV-  
E/05/2021/155

14<sup>th</sup> Floor, The Ruby,

29 Senapati Bapat Marg, Dadar West,

Mumbai-400028, India

Tel: +91 22 6192 0000

Fax: +91 22 6192 0000

### Security Information

Listed on BSE Limited

**Security Code:** 543859

**Symbol:** DIGIFIBRE

**ISIN:** INE0CDI23017

### Investment Manager of the Trust

Infinite India Investment Management  
Limited

CIN: U74140MH2006PLC163489

Registered Office:

7th Floor, Cnergy,

Appasaheb Marathe Marg,

Prabhadevi, Mumbai 400025

Tel: +91 22 6630 3030

Fax: +91 22 6630 3223

Email: [mcainfinite@jmfl.com](mailto:mcainfinite@jmfl.com)

### Trustee of the Trust

Axis Trustee Services Limited

The Ruby, 2nd Floor, SW, 29 Senapati Bapat  
Marg,

Dadar West, Mumbai - 400 028

Tel: + 91 22 6230 0451

Fax: +91 22 6230 0700

E-mail: [debenturetrustee@axistrustee.com](mailto:debenturetrustee@axistrustee.com)

### Registrar and Transfer Agent of the Trust

KFin Technologies Limited

(Unit: Digital Fibre Infrastructure Trust)

Selenium Tower B, Plot 31-32,

Financial District, Nankramguda,

Serilingampally,

Hyderabad, Rangareddi, Telangana - 500032

Tel: +91 40 6716 2222

Fax: +91 40 2343 1551

E-mail: [digitalfibre.invit@kfintech.com](mailto:digitalfibre.invit@kfintech.com)



## **REPORT OF THE INVESTMENT MANAGER OF DIGITAL FIBRE INFRASTRUCTURE TRUST FOR THE YEAR ENDED MARCH 31, 2024**

Digital Fibre Infrastructure Trust (the “**Trust**”/ “**DFIT**”/ “**InvIT**”) was established by Reliance Industrial Investments and Holdings Limited (the “**RIIHL**” / “**Sponsor**”) on January 31, 2019, as a contributory irrevocable trust under the provisions of the Indian Trusts Act, 1882 pursuant to an ‘Indenture of Trust’ executed between the Sponsor and Axis Trustee Services Limited as the “**Trustee**” of the Trust. Infinite India Investment Management Limited (the “**IIIML**”) is the investment manager of the Trust and Jio Infrastructure Management Services Limited is the Project Manager. The Trust was registered as an infrastructure investment trust under the Securities and Exchange Board of India (Infrastructure Investment Trusts) Regulations, 2014 (the “**SEBI InvIT Regulations**”) on March 20, 2019, having registration number IN/InvIT/18-19/0010. The Indenture of Trust was amended vide amendment to Indenture of Trust dated September 21, 2020, and again on November 4, 2020. The Indenture of Trust was also amended vide amendment to Indenture of Trust dated February 23, 2024, pursuant to the SEBI circular no. SEBI/HO/DDHS-PoD-2/P/CIR/2023/153 dated September 11, 2023.

The Trust has been established with the objective of undertaking activity as an Infrastructure Investment Trust in accordance with the SEBI InvIT Regulations. The Trust holds 51.00% of the equity share capital in Jio Digital Fibre Private Limited (the “**JDFPL**”/ “**Fibre Co.**”) which operates a pan-India network of operational optic fibre cable network of approximately 30.1 million fibre pair kilometers (the “**FPKM**”) as of March 31, 2024. JDFPL’s fibre network consists of inter-city or National Long Distance (the “**NLD**”) network, intra-city network and Fibre to the home (“**FTTH**”) network. JDFPL offers telecommunication operators, under long-term contracts, each of the individual categories of NLD and intra-city including FTTH and Enterprise Access networks of its fibre infrastructure on a whole sale basis in the form of designated number of fibre pairs.

The Trust undertook an initial offer of its units (the “**Units**”) vide placement memorandum dated September 29, 2020, and raised ₹ 14,706 crore by the issue of 147,06,00,000 Units at an issue price of ₹ 100 per Unit. The Trust further undertook right issue of its units vide letter of offer dated December 2, 2021, and raised ₹ 4,789 crore by the issue of 47,88,66,821 Units at an issue price of ₹ 100 per Unit.

The Units of the Trust are listed on the BSE Limited since March 31, 2023.

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

### **Economic Overview**

#### *Global Economy*

The global economy was surprisingly resilient through the global disinflation of 2022-23. As global inflation descended from the peak in mid-2022-23, economic activity grew steadily, defying warnings of stagflation and global recession. Growth in employment and incomes held steady, reflecting supportive demand developments including greater-than-expected government spending and household consumption and a supply-side expansion amid, notably, an unanticipated boost to labour force participation. Global growth, estimated at 3.2 percent in 2023, is projected to continue at the same pace in 2024 and 2025. Global headline inflation is expected to fall from an annual average of 6.8 percent in 2023 to 5.9 percent in 2024 and 4.5 percent in 2025. Risks to the global outlook are now broadly balanced. On the downside, new price spikes stemming from geopolitical tensions, including those from the war in Ukraine and the conflict in Gaza and Israel, could, along with persistent core inflation where labour markets

are still tight, raise interest rate expectations and reduce asset prices. (Source: World Economic Outlook, April 2024)

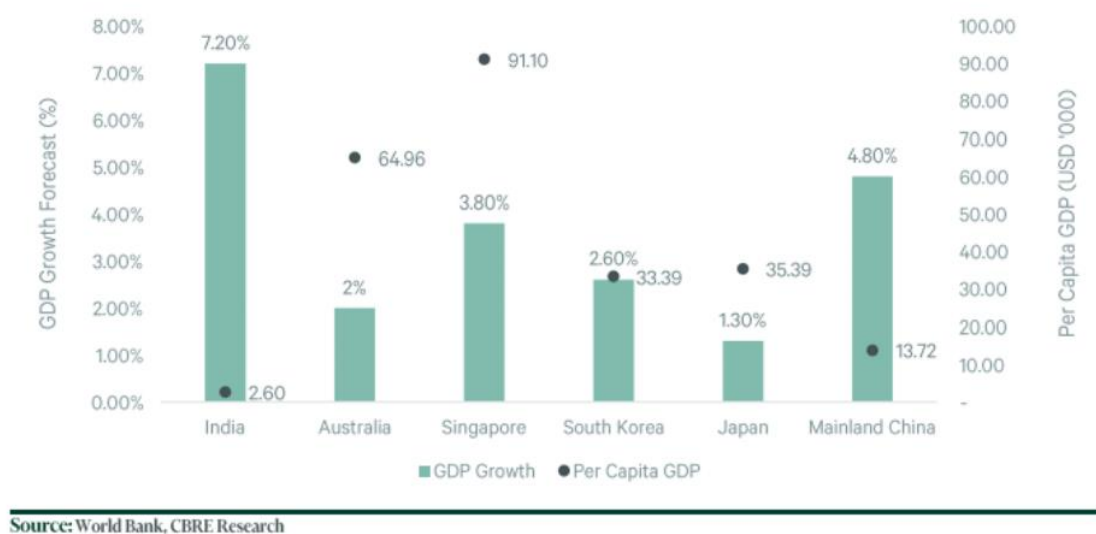
### Indian Economy

India has risen as one of the most rapidly developing major economies globally, poised to become one of the leading three economic forces. The country's impressive economic transformation can be attributed to various factors, including a burgeoning young population, a growing middle class, a well-educated English-speaking workforce, and extensive government initiatives. These elements have significantly shaped India's economic landscape.

India has a strong consumption market which protects the economy from global market fluctuations and thus sustains growth. India's share of consumption as a percentage of GDP was over 61% (as of 2022) and has been growing at a 6.9% CAGR between 2013-2022.

Following the impact of the COVID-19 pandemic, India's real GDP growth rate showed signs of recovery, with an estimated rate of approximately 7.2% in 2022-23. However, certain global factors, such as rising international commodity prices, fluctuations in the global financial market, and bottlenecks in global supply chains, have contributed to some loss of momentum in the economic outlook.

The following graph compares India's GDP growth forecasts along with GDP per Capita growth forecasts with other Asia-Pacific Economies



Several economic indicators suggest a steady and positive economic outlook for the foreseeable future. Both the Purchasing Managers' Index for manufacturing and services have positively remained in the expansion zone. Notably, the manufacturing sector achieved a high during this period, which resulted in Indian exports experiencing an annual rise of around 6% to reach USD 447 billion in FY 2022-23.

Furthermore, the lending market has seen significant growth in the commercial real estate segment, with bank credit deployment expanding by 8.5% year-on-year in 2023. These indicators collectively indicate promising prospects for stable economic growth in India.

## Telecom sector

India is currently the world's second-largest telecommunications market by subscribers and strong customer demand has led to a rapid growth in this sector. As of February 29, 2024, India had a total reported subscriber base (including wireless and wireline subscribers) of 119.8 crore (TRAI).

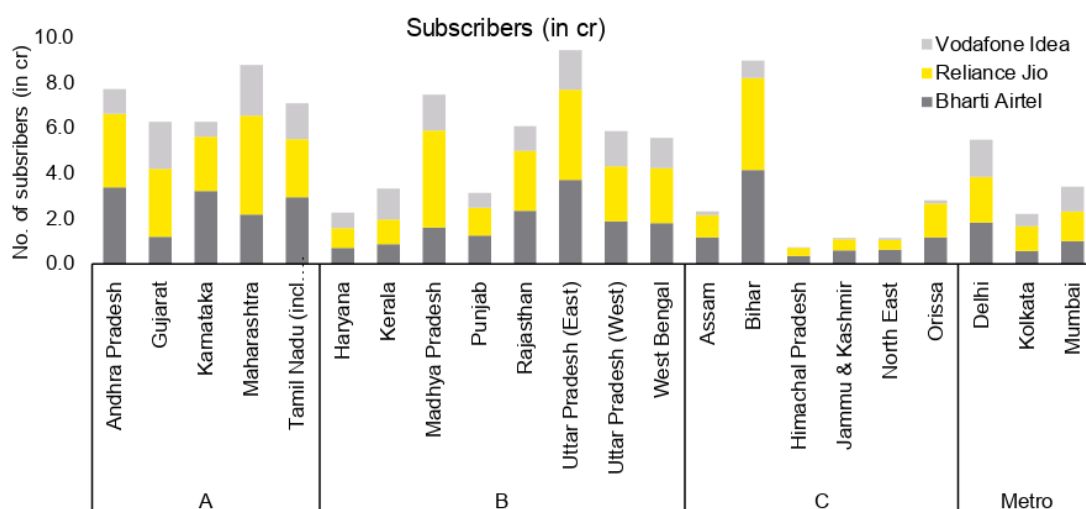
No of users in Cr	Wireless	Wireline	Total
Total telephone subscribers	116.5	3.3	119.8
- Urban	63.6	3.1	66.6
- Rural	52.9	0.3	53.1
Broadband subscribers	87.7	3.9	91.7

In India, spectrum auctions are held for 22 telecom circles. The licensed service area of the various cellular service providers as of March 31, 2024, is provided below:

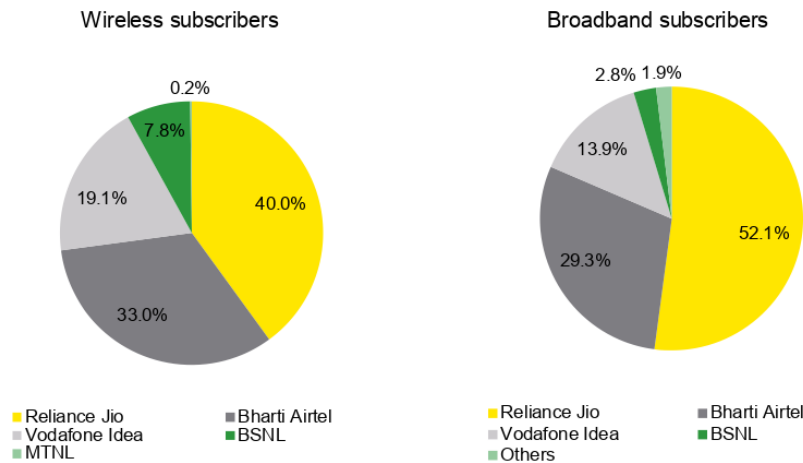
Service Provider	Licensed Service Area
Bharat Sanchar Nigam Limited	All India (except Delhi & Mumbai)
Bharti Airtel Limited	All India
Mahanagar Telephone Nigam Limited	Delhi & Mumbai
Reliance Jio Infocomm Limited	All India
Reliance Communications Limited	All India (except Assam & NE)
Vodafone Idea Limited	All India

The industry spent ₹ 1,50,000 crore during the 5G auction in 2022, with Reliance Jio, Bharti Airtel and Vodafone accounting for ₹ 80,080 crore, ₹ 43,040 crore and Rs.18,800 crore respectively. Further telecom operators have spent nearly ₹ 3,00,000 crore since 2014 to acquire spectrum across various bands.

The circle wise subscriber data of the access service area providers as on February 29, 2024, is as below:



As of February 2024, the following is the market share for wireless and broadband subscribers:



## Asset Overview

### Operational Performance

During the financial year ended March 31, 2024, JDFPL established additional fibre network to take the total FPKM capacity to 30.1 million FPKM and the route kilometer (“**RKM**”) to 10,11,451 RKM. Reliance Jio Infocomm Limited (“**RJIL**”) is the anchor customer and continues to substantially contribute all of the revenues of JDFPL.

### Financial Performance

Brief details of financial performance of DFIT on consolidated basis for the year ended March 31, 2024, is provided below:

(₹ in crore)

Particulars	For year ended March 31, 2024	For year ended March 31, 2023
Revenue from operations	16,729	15,496
Other income	466	135
<b>Total income</b>	<b>17,195</b>	<b>15,631</b>
Profit / (loss) before taxes	(1,800)	(2,095)
Loss for the year	(808)	(1,089)
Total comprehensive loss for the year	(886)	(1,089)
Attributable to Unitholders	584	373
Attributable to non-controlling shareholders	(1,470)	(1,462)

Revenue from operations increased by 8.0 % during the financial year ended March 31, 2024. The increase was on account of increase in fibre off-take by RJIL to ~ 18.45 million FPKM. Other income increased by 245.1 % due to profits from mutual fund investments and interest earned on liquid fund investments by JDFPL.

Network operating expenses increased by 10.7% due to increase in the scope of the overall project. Finance costs increased by 8.2% due to increased borrowings at JDFPL together with general increase in borrowings rates during the year. Depreciation increased by 4.7% which was primarily due to additional capex in laying and establishing fibre assets during the year. Capex incurred during the year was ₹ 14,556 crore. Of the above, capex of ₹ 12,890 crore was incurred in the month of March 2024 and therefore the impact of this capex in terms of both

revenue, operating costs and depreciation would be witnessed in the fiscal year ended March 31, 2025.

On account of the above, the loss before taxes reduced from ₹ 2,095 crore in Fiscal 2023 to ₹ 1,800 crore in Fiscal 2024. Post considering the impact of deferred taxes and other comprehensive income, the total comprehensive loss for the Fiscal 2024 reduced to ₹ 886 crore from ₹ 1,089 crore in Fiscal 2023.

#### Health, Safety and Environment (the “HSE”)

We believe that we are in compliance, in all material respects, with applicable health, safety and environmental regulations and other requirements in our operations. Our HSE program involves a combination of (a) training including (i) online HSEF training at the time on on-boarding of SP resources (ii) defensive driving classroom training (iii) electrical safety classroom training and (iv) fibre safety classroom training; (b) PPE issuance (such as safety helmets, safety shoes, goggles, full body harness and reflective jackets) at the stage of on-boarding; (c) HSE audit; and (d) R&R program. The HSE compliance is regularly monitored.

#### Future Business Outlook

We continue to remain confident on the future business outlook of JDFPL. We believe that the breadth of our fibre assets and our pan-India coverage position us well to capture growing demand for fibre from likes of both mobile and broadband service providers. We intend to actively market our fibre assets to new 3<sup>rd</sup> party customers to generate additional sources of revenue and cash flows over time.

#### **Details of Trust’s holding in JDFPL**

The Trust holds 51.0% of the outstanding equity share capital of JDFPL at a carrying cost of ₹ 263 crore. The Trust has also extended loans aggregating ₹ 52,620 crore to JDFPL as under:

- (a) Trust Loan 1: Trust has extended to JDFPL ₹ 19,489 crore from the proceeds of the initial offer of Units and the rights offer of Units pursuant to ‘Staggered Interest Loan’ agreement entered into with JDFPL.
- (b) Trust Loan 2: Trust had extended ₹ 32,851 crore from the proceeds of its borrowings to JDFPL pursuant to ‘Fixed Interest Loan’ agreement entered into with JDFPL.
- (c) Trust Loan 3: Trust had extended ₹ 280 crore from the proceeds of its borrowings from pursuant to ‘Trust Loan 3’ agreement entered into with JDFPL.

#### **FINANCIAL INFORMATION AND OPERATING EXPENSES OF THE TRUST**

Summary of Audited Standalone and Consolidated Financial Information of the Trust for the financial year ended March 31, 2024, is as follows:

(₹ in crore)

Particulars	Financial Year ended March 31, 2024		Financial Year ended March 31, 2023	
	Standalone	Consolidated	Standalone	Consolidated
<b>Total Income</b>	6,106	17,195	5,885	15,631
<b>Total Expenditure</b>	3,983	18,995	3,983	17,726
<b>Profit / (Loss) before tax</b>	<b>2,123</b>	<b>(1,800)</b>	<b>1,902</b>	<b>(2,095)</b>
<b>Less: Provision for tax</b>				
<b>Current tax</b>	-	-	-	-
<b>Deferred tax</b>	-	(992)	-	(1,006)
<b>Profit/(Loss) for the period</b>	<b>2,123</b>	<b>(808)</b>	<b>1,902</b>	<b>(1,089)</b>
<b>Other comprehensive income</b>	-	78	-	-

<b>Total comprehensive income/(loss) for the period</b>	<b>2,123</b>	<b>(886)</b>	<b>1,902</b>	<b>(1,089)</b>
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Key operating expenses of the Trust for the financial year ended March 31, 2024, are as follows:

Particulars	(₹ in crore)	
	Financial Year ended March 31, 2024	Financial Year ended March 31, 2023
<b>Interest</b>	3,978	3,978
Investment Management fees	2	2
<b>Project Management fees</b>	2	2
Trustee fee	0	0
Audit fee	0	0
Other expenses	1	1

Audited Standalone and Consolidated Financial Information of the Trust for the financial year ended March 31, 2024, along with the Report of Auditors thereon forms part of this Annual Report.

#### **DETAILS OF UNITS ISSUED BY THE TRUST**

The Trust undertook an initial offer of its units vide placement memorandum dated September 29, 2020, and raised ₹ 14,706 crore by the issue of 147,06,00,000 Units at an issue price of ₹ 100 per Unit.

The Trust further undertook right issue of units vide letter of offer dated December 2, 2021, and allotted 47,88,66,821 Units at an issue price of ₹ 100 each to the existing Unitholders and raised ₹ 4788.67 crore. Pursuant to the same, the number of units have increased from 147,06,00,000 Units to 194,94,66,821 Units.

The units of the Trust were privately listed on BSE Limited with effect from March 31, 2023.

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

#### Credit Rating

During the year under review, the Trust had obtained a credit rating from CARE Ratings Limited (“CARE”), who had assigned “CARE AAA/Stable” ratings vide its letter dated April 28, 2023. Further, CARE has reaffirmed the ratings of the Trust at “CARE AAA/Stable” on April 1, 2024.

JDFPL has a rating of CARE AAA/Stable for long term bank facilities aggregating to ₹ 39,920 crore and for its non-convertible debentures aggregating to ₹ 6,000 crore. vide letter dated April 1, 2024. Additionally, JDFPL has received a rating of CRISIL AAA/Stable for long term bank loan facilities aggregating to ₹ 75,342 crore, non-convertible debentures aggregating to ₹ 6,000 crore vide letter dated June 30, 2023 and also has rating of CRISIL A1+ for commercial papers aggregating to ₹ 5000 cr.

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

As per SEBI InvIT Regulations and amendments thereon, an annual valuation of the assets of the Trust are conducted by an independent valuer at the end of the financial year ending as on March 31, 2024. For this purpose, the Trust and Investment Manager appointed Ernst & Young Merchant Banking Services LLP (“the **Valuer**”) to carry out fair valuation of the InvIT Assets in accordance with the SEBI InvIT Regulations as on March 31, 2024 (the “**Valuation Date**”).

The Valuer have estimated the Enterprise Value of the InvIT Asset using Discounted Cash Flows (“**DCF**”) method under the Income Approach. For the purpose of this valuation exercise, they were provided with the financial projections of JDFPL by the management of the Trust as on the valuation date. The projections were based on the best judgement of the management on the future cash flows.

Based on the methodology and assumptions discussed above, the Enterprise Value (“**EV**”) of JDFPL is arrived at ₹ 2,23,750 crore as on the Valuation Date.

### VALUATION OF ASSETS AND NET ASSET VALUE (“**NAV**”)

The EV of JDFPL has been determined by the Valuer at ₹ 2,23,750 crore as on the Valuation Date i.e. March 31, 2024. Further the value of equity shares of JDFPL and the value of the Staggered Interest Loan extended by the Trust to JDFPL has been determined at ₹ 515 crore and ₹ 19,615 crore respectively.

Please note the NAV of Units as on March 31, 2024, and March 31, 2023, on standalone basis:

(₹ in crore)

Particulars	Book value as on 31/3/2024	Fair value as on 31/3/2024	Book value as on 31/3/2023	Fair value as on 31/3/2023
A. <b>Equity shares held by Trust in JDFPL</b>	263	263	263	263
B. Staggered Interest Loan to JDFPL	19,489	19,615	19,489	19,489
C. Other loans given to JDFPL	33,131	33,131	33,131	33,131
D. Other assets	40	40	43	43
<b>E. Total Assets</b>	<b>52,923</b>	<b>53,049</b>	<b>52,925</b>	<b>52,925</b>
F. Liabilities	33,440	33,440	33,666	33,666
<b>G. Net Assets (E-F)</b>	<b>19,483</b>	<b>19,609</b>	<b>19,259</b>	<b>19,259</b>
H. Number of units in crore	194.95	194.95	194.95	194.95
<b>I. NAV per unit (G/H)</b>	<b>99.94</b>	<b>100.59</b>	<b>98.79</b>	<b>98.79</b>

Please note the NAV of Units as on March 31, 2024, and March 31, 2023, on consolidated basis:

(₹ in crore)

Particulars	Book value as on 31/3/2024	Fair value as on 31/3/2024	Book value as on 31/3/2023	Fair value as on 31/3/2023
A. Assets	2,12,498	2,26,108*	2,07,208	2,10,350*
B. Liabilities	1,62,131	1,27,896#	1,54,056	1,12,580#
<b>C. Net Assets (A-B)</b>	<b>50,367</b>	<b>98,212</b>	<b>53,152</b>	<b>97,770</b>
D. Minority interest and OCPS	30,884^	78,601@	33,892^	78,511@
E. Net assets attributable to unitholders (C-D)	19,483	19,611	19,260	19,258
F. Number of units in crore	194.95	194.95	194.95	194.95
<b>G. NAV per unit (E/F)</b>	<b>99.94</b>	<b>100.59</b>	<b>98.79</b>	<b>98.79</b>



\* Refers to the enterprise value of JDFPL adjusted for cash and cash equivalents and investments as per the consolidated balance sheet (₹ 2,359 crore as on March 31, 2024, and ₹ 1,930 crore as on March 31, 2023) and other assets and liabilities of Trust on standalone basis that are not eliminated pursuant to consolidation (negative ₹ 1 crore as on March 31, 2024, and negative ₹ 226 crore as on March 31, 2023)

# Refers to debt and debt like items including capital creditors on consolidated basis

^ Refers to Minority interest and carrying value of OCPS (redeemable, optionally convertible and participating preference shares) as adjusted for losses excluding losses of Trust on standalone basis

@ Refers to fair value of JDFPL attributable to minority interest and OCPS determined from the valuation report issued by the Valuer for March 31, 2024, and BDO Valuation Advisory LLP, the valuer for March 31, 2023

Pursuant to the letter dated March 26, 2024, received from SEBI and subsequent submissions thereof, the Investment Manager is submitting the details of the NAV determined on standalone and consolidated basis as of March 31, 2022, and March 31, 2021, with March 31, 2021, being the first fiscal year reporting post the initial offer of units by the Trust on September 29, 2020.

Accordingly, please note the NAV of Units as on March 31, 2022, and March 31, 2021, on standalone basis:

(₹ in crore)

Particulars	Book value as on 31/3/2022	Fair value as on 31/3/2022	Book value as on 31/3/2021	Fair value as on 31/3/2021
A. Equity shares held by Trust in JDFPL	263	263	263	263
B. Staggered Interest Loan to JDFPL	19,489	19,489	14,706	14,706
C. Other loans given to JDFPL	33,131	33,131	25,000	25,000
D. Other assets	46	46	32	32
<b>E. Total Assets</b>	<b>52,929</b>	<b>52,929</b>	<b>40,001</b>	<b>40,001</b>
F. Liabilities	33,672	33,672	25,531	25,531
<b>G. Net Assets (E-F)</b>	<b>19,257</b>	<b>19,257</b>	<b>14,470</b>	<b>14,470</b>
H. Number of units in crore	194.95	194.95	147.06	147.06
<b>I. NAV per unit (G/H)</b>	<b>98.78</b>	<b>98.78</b>	<b>98.39</b>	<b>98.39</b>

Please note the NAV of Units as on March 31, 2022, and March 31, 2021 on consolidated basis:

(₹ in crore)

Particulars	Book value as on 31/3/2022	Fair value as on 31/3/2022	Book value as on 31/3/2021	Fair value as on 31/3/2021
A. Assets	2,00,648	2,05,394*	1,84,772	1,86,151*
B. Liabilities	1,44,509	1,07,070#	1,29,268	89,869#
<b>C. Net Assets (A-B)</b>	<b>56,139</b>	<b>98,324</b>	<b>55,504</b>	<b>96,282</b>
D. Minority interest and OCPS	36,882^	79,066@	41,035^	81,812@
E. Net assets attributable to unitholders (C-D)	19,257	19,257	14,469	14,470
F. Number of units in crore	194.95	194.95	147.06	147.06
<b>G. NAV per unit (E/F)</b>	<b>98.78</b>	<b>98.78</b>	<b>98.39</b>	<b>98.39</b>

\* Refers to the enterprise value of JDFPL adjusted for cash and cash equivalents and investments as per the consolidated balance sheet (₹ 2,696 crore as on March 31, 2022, and ₹ 170 crore as on March 31, 2021) and other assets and liabilities of Trust on standalone basis that are not eliminated pursuant to consolidation (negative ₹ 231 crore as on March 31, 2022, and negative ₹ 225 crore as on March 31, 2021)

# Refers to debt and debt like items including capital creditors on consolidated basis



<sup>^</sup> Refers to Minority interest and carrying value of OCPS (redeemable, optionally convertible and participating preference shares) as adjusted for losses excluding losses of Trust on standalone basis

<sup>@</sup> Refers to fair value of JDFPL attributable to minority interest and OCPS determined from the valuation report issued by the valuer for March 31, 2022, for March 31, 2021

## INVESTMENT MANAGER (“IM”) OF THE TRUST

Infinite India Investment Management Limited was appointed as the IM of the Trust pursuant to the provisions of SEBI InvIT Regulations and the Investment Management Agreement dated January 31, 2019, executed between Infinite India Investment Management Limited and Axis Trustee Services Limited, in the capacity of Trustee to the Trust (the “Trustee”). The said Investment Management Agreement was amended on September 21, 2020, and again on November 4, 2020 (the “Amended and Restated Investment Management Agreement”). The same was further amended on February 23, 2024, pursuant to the SEBI circular no. SEBI/HO/DDHS-PoD-2/P/CIR/2023/153 dated September 11, 2023.

### A. Details of Infinite India Investment Management Limited (Investment Manager) as on March 31, 2024

The Investment Manager is a wholly owned subsidiary of JM Financial Limited. The Investment Manager has over 10 years of experience in fund management, being the investment manager of JM Financial Property Fund, a real estate focused venture capital fund registered with the SEBI under the SEBI VCF Regulations.

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

Further, in accordance with the eligibility criteria specified under the SEBI InvIT Regulations, the Investment Manager had a consolidated net worth of not less than ₹ 10 crore as on March 31, 2024.

Board of Directors of the Investment Manager as on March 31, 2024 are mentioned below:

Sr. No.	Name of Director	Designation	DIN	Date of Appointment
1.	Ms. Dipti Neelakantan	Non-executive Director	00505452	October 19, 2007
2.	Mr. Adi Patel	Non-executive Director	02307863	April 26, 2023
3.	Mr. Sridhar Vaidyanadhan	Non-executive Director	03303448	April 1, 2023
4.	Mr. Rajendra Hingwala	Independent Director	00160602	February 20, 2019
5.	Mr. Shailesh Vaidya	Independent Director	00002273	February 20, 2019
6.	Ms. Riddhi Bhimani	Independent Director	10072936	April 1, 2023

Brief Profile of Directors of Investment Manager is provided below:

**1. Ms. Dipti Neelakantan - Non-Executive Director (DIN: 00505452)**

Ms. Dipti Neelakantan retired in mid- 2019 as Group Chief Operating Officer and part of the Firm Management at JM Financial Group. She has nearly four decades of professional experience in the financial and capital markets. Ms. Neelakantan joined the JM Financial group in the year 1981 as a trainee and grew in various disciplines and position.

Her bouquet of experience consists of various capacities, locations and disciplines spanning across corporate governance, risk management, financial structuring, end to end delivery of capital market transactions, mergers and acquisition advisory, non-banking financial activities, active engagement for regulatory approvals, syndication, compliance, stock broking, fund management, sales and distribution of financial products.

Having been a director of various companies in JM Financial group for several years, she has a deep understanding of Board procedures, responsibilities and governance angles as well as corporate risk management.

During her career, she has been actively engaged with various policy makers including SEBI and RBI for development of regulatory framework and continuous reforms in financial and capital markets.

She has been a member of various committees of SEBI. She is also a member of FICCI's Capital Market Committee and CII's National Committee on Financial Markets.

Ms. Neelakantan is a fellow member of the Institute of Company Secretaries of India and a graduate in Commerce from Sydenham College, Mumbai

**2. Mr. Adi Patel - Non-Executive Director (DIN: 03303448)**

Mr. Adi Patel joined the Merchant Banking Division in November, 1993 and is currently the Managing Director of the holding company viz., JM Financial Limited and holds a Bachelor's degree in Commerce and is also a qualified Chartered Accountant.

He has executed some landmark M&A / restructuring transactions for some of the leading business houses in India.

Over the last 30 years, he has developed strong relationships with leading Indian and global clients across various Industry segments and has advised them on numerous strategic M&A / restructuring transactions

**3. Mr. Sridhar Vaidyanadhan – Non-Executive Director (DIN: 03303448)**

Mr. Sridhar Vaidyanadhan is a Non-Executive Director of Jio Digital Fibre Private Limited, the 'SPV' of Digital Fibre Infrastructure Trust having been appointed by the Investment Manager. He is a project management professional, with a degree in Mechanical Engineering and has a post-graduate degree in Industrial Engineering & Operations Research. He has extensive experience in of the area of project management across several

industries including petrochemicals, exploration & production and telecommunication industry.

#### **4. Mr. Rajendra Dwarkadas Hingwala – Independent Director (DIN: 00160602)**

During his 38 years of service as Director / Partner with PricewaterhouseCoopers Private Limited (PwC), Mr. Rajendra Hingwala's area of work included advising on various provisions of Double Taxation Avoidance Agreements, direct and indirect tax implications of acquiring undertakings / companies, structuring of business transactions, compliance of tax laws including litigation support and structuring of investment by foreign entities in India through various investment routes

#### **5. Mr. Shailesh Shankarlal Vaidya – Independent Director (DIN: 00002273)**

Mr. Shailesh Vaidya is a practicing Advocate and Solicitor. He is a partner in M/s. Kanga and Company, a reputed firm of Advocates & Solicitors, which is more than 131 years old law firm in Mumbai. He has completed his law graduation from Government Law College, Mumbai in the year 1981 and became a Solicitor in the year 1983. He is a partner of M/s. Kanga and Company, Solicitors, since the year 1985.

He specializes in Property and Corporate Law matters. His name and firm reference features in "Guide to the World's Leading Real Estate Lawyers", 7th Edition, published by Legal Media Group, United Kingdom. His firm has been awarded India Business Law Journal Award for best legal practice in "Construction and Real Estate" from 2008 to 2020. His firm is also ranked by LEGAL 500 and Chambers Asia Pacific as one of the top Firms in Real Estate. Asia Law, 2020 mentions him as a leading lawyer in Real Estate. India Business Law Journal has recently ranked him as one of India's Top 100 lawyers in the 'A' List published in November 2021 issue.

Mr. Vaidya is a past President of the prestigious Indian Merchant's Chamber (now known as IMC Chamber of Commerce and Industry). He has been past President of Rotary (centennial year) of the Rotary Club of Bombay Queen City and also associated as Trustee / advisor with several educational / social organizations.

#### **6. Ms. Riddhi Bhimani – Independent Director (DIN: 10072936)**

Ms. Riddhi Bhimani is a postgraduate in marketing and has over fifteen years of diversified work experience in the areas of sales, marketing and operations in the FMCG and Retail Industry. She inter alia possesses skills in leadership role, corporate governance, risk management and strategic planning.

She has driven various key projects in Risk Consulting, Corporate Governance and Enterprise Risk Management during her tenure with Ernst and Young (India) for several multinational as well as domestic companies.

She has a wide experience in policy documentation, financial / non-financial controls and process re-engineering.

## **Committees of the Board of Directors of the Investment Manager**

In Compliance with the mandatory requirements of SEBI InvIT Regulations, IM has constituted following Committees consisting of below members:

### A) InvIT Committee:

1. Ms. Dipti Neelakantan - Chairperson
2. Mr. Shailesh Vaidya
3. Mr. Rajendra Hingwala

### B) Audit Committee

1. Mr. Rajendra Hingwala - Chairman
2. Ms. Dipti Neelakantan
3. Ms. Riddhi Bhimani

### C) Nomination and Remuneration Committee

1. Mr. Shailesh Vaidya - Chairman
2. Mr. Rajendra Hingwala
3. Ms. Riddhi Bhimani

### D) Stakeholders' Relationship Committee

1. Mr. Shailesh Vaidya - Chairman
2. Ms. Dipti Neelakantan
3. Mr. Sridhar Vaidyanadhan

### E) Risk Management Committee

1. Mr. Sridhar Vaidyanadhan - Chairman
2. Ms. Riddhi Bhimani
3. Ms. Janisha Shah

The terms of reference of the abovementioned Committees are mentioned on the website of the Trust viz., [www.digitalfibreinfrastructure.com](http://www.digitalfibreinfrastructure.com)

### Details of the holding of the Investment Manager and its Directors in the Trust

During the year under review neither the Investment Manager nor any of its directors held any units of the Trust.

### Net Worth of Investment Manager

Net Worth of the Investment Manager as per its latest Annual Audited Standalone Financial Statements for the financial year ended March 31, 2024, is in line with the requirement specified under regulation 4(2)(e) of the SEBI InvIT Regulations.

### Functions, Duties and Responsibilities of the Investment Manager

The functions, duties and responsibilities of the Investment Manager of the Trust, were in accordance with the SEBI InvIT Regulations. Half of the Directors on the Board of the Investment Manager are Independent Directors having extensive and relevant experience.

## B. Codes/Policies

In line with the requirements of amended SEBI InvIT Regulations and in order to adhere to the good governance practices for the Trust, the Investment Manager has adopted various policies and codes in relation to the Trust, which are explained as under:

### **1. Distribution policy**

The Distribution Policy provides a structure for distribution of the net distributable cash flows of the Project SPV to the Trust and the Trust to the Unitholders. Pursuant to the SEBI circular dated December 6, 2023, providing for a revised framework for computation of net distributable cash flow (NDCF) by InvITs, the IM has also amended its distribution policy to align it with the requirements of the SEBI circular effective April 1, 2024.

### **2. Policy on appointment of Auditor and Valuer**

This Policy on appointment of Auditor and Valuer provides a framework for ensuring compliance with applicable laws with respect to appointment of auditor and Valuer to be followed by the Trust.

### **3. Borrowing policy**

The Borrowing policy has been adopted to outline the process for borrowing monies in relation to the Trust, to ensure that all funds borrowed in relation to the Trust are in compliance with the SEBI InvIT Regulations.

### **4. Policy on Related Party Transactions**

The Policy has been adopted to regulate the transactions of the Trust with its Related Parties based on the laws and regulations applicable to the Trust and best practices.

### **5. Policy for Determining Materiality of Information for Periodic Disclosures**

The policy outlines the process and procedures for determining materiality of information in relation to periodic disclosures required to be made to trustee and the unitholders in relation to the Trust.

### **6. Nomination and Remuneration Policy**

The policy outlines the process and procedures for selection and appointment of the Board of Directors and reflects the philosophy and principles relating to the remuneration of the Board, key managerial personnel, Senior Management Personnel and other employees of the Investment Manager and the Trust.

## **7. Policy for Evaluation of the Performance of the Board of Directors of the Investment Manager**

The policy has been adopted to outline the process for formal evaluation made by the Board of its own performance (self-appraisals) and that of its committees, chairman and independent directors of Investment Manager.

## **8. Policy for Familiarization Programmes for Independent Directors of the Investment Manager**

The policy has been adopted to outline the procedures to familiarise the independent directors with their roles, rights, responsibilities in relation to the Investment Manager and the Trust.

## **9. Policy on Unpublished Price Sensitive Information and Dealing in Securities by the parties to the Trust**

The policy outline process and procedures for dissemination of information and disclosures in relation to the Trust on the website of the Trust, to the stock exchanges and to all stakeholders at large. The purpose of the Policy is also to ensure that the Trust and Investment Manager complies with applicable law, including the Securities and Exchange Board of India (Infrastructure Investment Trusts) Regulations, 2014, as amended or supplemented, including any guidelines, circulars, notifications and clarifications framed or issued thereunder, or such other Indian laws, regulations, rules or guidelines prohibiting insider trading and governing disclosure of material, unpublished price sensitive information.

## **10. Policy to Promote Diversity on the Board of Directors of the Investment Manager**

The policy has been devised to recognise the benefits of having diverse board ensuring equality and appropriate mix in the Board of Investment Manager.

## **11. Risk Management Policy**

The policy has been established to ensure sustainable business growth with stability and to promote a pro-active approach in reporting, evaluating and resolving risks associated with the business of the Trust.

## **12. Policy on Succession Planning**

The policy has been devised for orderly succession for the Board and Senior Management Personnel of Investment Manager and to ensure smooth functioning of Trust Business by continued effective performance through leadership and management continuity.

## **13. Whistle Blower and Vigil Mechanism Policy**

The policy has been established to report genuine concerns and provide adequate safeguards against the victimisation of Directors and/or employees of Investment Manager or any other parties to the Trust.

## 14. Code for Prevention of Insider Trading

The Code has been devised to comply with the regulatory requirements of the SEBI (Prohibition of Insider Trading) Regulations, 2015 and/or such other laws, regulations, rules or guidelines. The Code aims to ensure fair disclosure of unpublished price sensitive information and to regulate, monitor and report trading by the Designated Persons of the Trust.

### SPONSOR OF THE TRUST

Reliance Industrial Investments and Holdings Limited (the “**Sponsor**” / “**RIIHL**”) is the Sponsor of the Trust. The Sponsor was incorporated in India under the Companies Act, 1956. The Sponsor was originally incorporated on October 1, 1986, as Trishna Investments and Leasings Private Limited. The Sponsor was considered as a ‘deemed’ public company under Section 43A of the Companies Act, 1956 with effect from August 20, 1988, and accordingly, the word ‘private’ was deleted. Subsequently, the name of the Sponsor was changed from Trishna Investments and Leasings Limited to Reliance Industrial Investments and Holdings Limited and a fresh certificate of incorporation was issued on August 6, 1993. The Regional Director (Western Region), Ministry of Corporate Affairs, Mumbai has, by its order dated December 28, 2018, confirmed the alteration of the memorandum of association of the Sponsor for shifting the registered office from Maharashtra to Gujarat. Currently, the corporate identity number of the Sponsor is U65910GJ1986PLC106745.

The Sponsor’s registered office is situated at Office - 101, Saffron, Near Centre Point, Panchwati 5 Rasta, Ambawadi, Ahmedabad Gujarat 380 006.

There has been no change in the Sponsor during the financial year ended March 31, 2024 and as on the date of this Report.

Board of Directors of the Sponsor as on March 31, 2024 are mentioned below:

<b>Sr. No.</b>	<b>Name of Director</b>	<b>DIN</b>
1.	Mr. Sethuraman Kandasamy	00007787
2.	Mr. Bimal Manu Tanna	06767157
3.	Mr. Mohana Venkatachalam	08333092

*During the year under review, Shri Hital Rasiklal Meswani, Shri Vinod Mansukhlal Ambani, Shri Mahendra Nath Bajpai and Ms. Savithri Parekh ceased to be Directors of the Company w.e.f. August 26, 2023. The directors of the Sponsor were appointed with effect from August 25, 2023.*

### TRUSTEE OF THE TRUST

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

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

The Trustee is also involved in providing services as (i) a facility agent for complex structured transactions with advice on suitability of the transaction on operational aspects; (ii) an escrow agent; (iii) a trustee to alternative investment funds; (iv) custodian of documents as a safe-keeper; (v) a trustee to real estate investment funds etc.

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

The Trustee is not an Associate of the Sponsor, or the Investment Manager. Further, neither the Trustee nor any of the promoters or directors of the Trustee (i) are debarred from accessing the securities market by SEBI; (ii) is a promoters, directors or persons in control of any other company or a sponsor, investment manager or trustee of any other infrastructure investment trust or an infrastructure investment trust which is debarred from accessing the capital market under any order or direction made by SEBI; or (iii) are persons who are categorized as wilful defaulters by any bank or financial institution, as defined under the Companies Act, 2013, or consortium thereof, in accordance with the guidelines on wilful defaulters issued by the RBI.

Board of Directors of the Trustee as on March 31, 2024:

Details of the Board of Directors of the Trustee as on March 31, 2024 are mentioned below:

<b>Sr. No.</b>	<b>Name of Director</b>	<b>DIN</b>
1.	Ms. Deepa Rath	09163254
2.	Mr. Prashant Ramrao Joshi	08503064
3.	Mr. Sumit Bali	02896088

*During the year under review, Mr. Rajesh Kumar Dahiya and Mr. Ganesh Sankaran resigned from the Board of Directors of the company with effect from January 15, 2024. Mr. Prashant Ramrao Joshi and Mr. Sumit Bali were appointed as directors on the board of the Trustee with effect from January 16, 2024.*

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

There is no specific update / information pertaining to specific sector or sub-sector that may be relevant for an investor to invest in units of the InvIT.

**DETAILS OF CHANGES DURING THE YEAR**

**A. Change in clauses in the trust deed, investment management agreement or any other agreement entered into pertaining to the activities of the Trust**

There is no change in clauses in the trust deed, investment management agreement or any other agreement entered into pertaining to the activities of the Trust as on March 31, 2024



other than the amendment required to be made to the Indenture of Trust and the Investment Management Agreement pursuant to the SEBI Circular no. SEBI/HO/DDHS-PoD-2/P/CIR/2023/153 dated September 11, 2023 providing for nomination rights to eligible unitholders on the board of an investment manager.

**B. Any regulatory change that has impacted or may impact cash flows of the underlying project**

There are no regulatory changes that has impacted or may impact the cash flows of the underlying project as on the date of the report.

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

During the year JDFPL incurred total capex of ₹ 14,456 crore.

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

Nil

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

There are no material litigations and regulatory actions pending against the Trust as on March 31, 2024, which may have significant bearing on the activities or revenues or cash flows of the Trust.

**F. Other material changes during the year**

Nil

**PROJECT-WISE REVENUE OF THE TRUST**

The Trust was formed on January 31, 2019, and was registered as an infrastructure investment trust under SEBI InvIT Regulations on March 20, 2019.

During the previous year under review, the Trust had only one asset i.e. JDFPL. Please see details of the standalone and consolidated revenue of the Trust for the preceding 5 years.

**Details of standalone revenue of the Trust**

(₹ in crore)

Particulars	FY 2023-24	FY 2022-23	FY 2021-22	FY 2020-21	FY 2019-20
Revenue from operations	5,883	5,883	5,011	1,544	Nil

## Details of consolidated revenue of the Trust

(₹ in crore)

Particulars	FY 2023-24	FY 2022-23	FY 2021-22	FY 2020-21	FY 2019-20
Revenue from operations	16,729	15,496	11,713	7,640	6,126

## UPDATE ON THE DEVELOPMENT OF UNDER-CONSTRUCTION PROJECTS

Not applicable.

## DETAILS OF OUTSTANDING BORROWINGS AND DEFERRED PAYMENTS OF THE TRUST INCLUDING ANY CREDIT RATING(S), DEBT MATURITY PROFILE, GEARING RATIOS OF THE INVIT AS AT THE END OF THE YEAR

Details of borrowings or repayment of borrowings on standalone and consolidated basis are as follows:

(₹ in crore)

Transaction	Financial Year ended March 31, 2024		Financial Year ended March 31, 2023	
	Standalone	Consolidated	Standalone	Consolidated
Opening borrowing	33,411	1,12,214	33,411	1,06,619
Additions during the period	Nil	20,569	Nil	19,267
Repayments during the period	Nil	(19,503)	Nil	(13,698)
Non-cash being finance costs including amortization		(49)		33
Closing borrowings	33,411	1,13,231	33,411	1,12,214

As on March 31, 2024, the Trust had borrowings of ₹ 33,411 crore. These borrowings have a maturity period of more than 10 years.

The consolidated borrowings and deferred payments net of cash and cash equivalents of the Trust as a % of the value of InvIT Assets was within the limits specified for the same under the SEBI InvIT Regulations.

Debt maturity profile is disclosed in the financial statements which form a part of this annual report.

Financial Covenants:

The following 2 covenants are to be tested on annual basis from March, 2024 onwards till final repayment for the secured borrowings at JDFPL level:

Sr. No.	Ratios	Parameter
1.	Fixed Asset Cover Ratio (FACR)	Not less than 1.25x
2.	Debt Service Coverage Ratio (DSCR)	Not less than 1.10x

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

The Units of the Trust were listed on the BSE Limited with effect from March 31, 2023, and there has been no trading in the units of the Trust since then.

#### Distributions made by the Trust

Pursuant to the provisions of SEBI InvIT Regulations and in line with the Distribution Policy, the Investment Manager has made timely distributions to the unitholders.

The details of distributions declared and made during the year ended March 31, 2021, till March 31, 2024 is as below:

Date of declaration	Return on Capital (₹ per unit)	Date of payment	Yield % (Not Annualized)
December 23, 2020	2.4183	December 28, 2020	2.42%
March 22, 2021	2.4228	March 30, 2021	2.42%
June 24, 2021	2.4407	June 28, 2021	2.44%
September 23, 2021	2.4454	September 28, 2021	2.45%
December 23, 2021	1.9420	December 28, 2021	2.44%
March 24, 2022	2.4124	March 28, 2022	2.41%
June 24, 2022	2.4566	June 28, 2022	2.46%
September 24, 2022	2.4429	September 28, 2022	2.44%
December 22, 2022	2.4428	December 28, 2022	2.44%
March 24, 2023	2.4017	March 28, 2023	2.40%
June 20, 2023	2.4536	June 27, 2023	2.45%
September 22, 2023	2.4416	September 27, 2023	2.44%
December 19, 2023	2.4431	December 27, 2023	2.44%
March 18, 2024	2.4029	March 27, 2024	2.40%

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

There were no related party transactions entered into by the Trust that exceeded 5% of the value of the InvIT Assets during the year ended March 31, 2024.

For further details, please refer Related Party disclosures in the Audited Financial Statements.

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

As on March 31, 2024, the Trust has only one SPV i.e. JDFPL. The Trust has lent an aggregate amount of ₹ 52,620 crore to JDFPL as of March 31, 2024.

## **BRIEF DETAILS OF MATERIAL AND PRICE SENSITIVE INFORMATION**

All material and price sensitive information in relation to the Trust for the period under review was made to BSE Limited in accordance with the provisions of the SEBI InvIT Regulations and other applicable laws.

The Trust has devised and maintained a Structured Digital Database (SDD) in compliance with Regulation 3(5) and 3(6) of SEBI (Prohibition of Insider Trading) Regulations, 2015.

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

There are no material litigation or regulatory actions, 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 and that have any impact on the structure or activities of the Trust.

## **RISK FACTORS**

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

### 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.
- The business growth strategy for Fibre Co involves targeting new customers and diversifying Fibre Co’s customer base and instituting and maintaining efficient capital structures to maximize distributions to Unitholders. Fibre Co has expanded its total fibre network to 30.1 million FPKM, which we believe would provide an attractive opportunity to tap into the growing demand for fibre infrastructure by both RJIL as well as other third party customers.

The success in implementing this business strategy may be adversely affected by factors within and outside our control, including the following:

- the inability to attract additional customers to Fibre Co;
- RJIL’s inability to meet its fibre utilization commitments under the Shareholders’ and Option Agreement;

- general economic conditions in India, including economic disruptions caused by the actual or threatened outbreak of any severe communicable disease, particularly COVID-19 (as defined below);
- changes in anticipated demand for the Fibre Assets for any reason, including changes in laws or regulations;
- the inability to continually improve or adapt to rapid technology changes;
- adverse changes to the Trust's or Fibre Co's cost structure;
- the inability to attract qualified employees;
- the inability to manage foreign exchange fluctuations;
- operational, financial and legal challenges (including compliance with foreign laws); and
- negative press and reputational risks that adversely affect our brand.

We cannot assure that this growth strategy will be successfully implemented and failure to do so could have an adverse effect on our business, financial condition and results of operations, which in turn could restrict the ability to re-invest in our Fibre Assets and grow Fibre Co's business.

- We are subject to risks associated with outbreaks of diseases or similar public health threats, such as the 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, Reliance Jio Infratel Private Limited 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.

While Fibre Co may continue to operate the fibre network under the existing ROW Approvals, there can be no assurance that they will be able to continue to do so. Further, the relevant authority may levy penalties on the transferee for not having obtained or maintained permits, which may be applicable until such times as the transfers of these permits are completed. We cannot assure that any difficulties that Fibre Co has in obtaining, maintaining or renewing the required ROW Approvals will not materially and adversely affect our business, prospects, results of operations, cash flows and financial condition.

- The Trust's substantial indebtedness could adversely affect our business, prospects, financial condition, results of operations and cash flows. As of March 31, 2024, on a consolidated basis, we had ₹ 1,13,231 in term loan borrowings (comprising secured loans from banks, secured NCDs, unsecured loans from others, external commercial borrowings and redeemable preference shares including current maturity of long-term debt but excluding amortization of secured NCDs, MTM losses and interest accrued but not due and capital creditors). If we do not generate sufficient cash from operations, we may not be able to make principal and interest payments on our external debt and may not be able to make distributions to the Unitholders.

Our substantial indebtedness could also limit our ability to obtain additional financing (including for hedging purposes), limit our flexibility in planning for, or reacting to, changes in Fibre Co's business, the industry in which it operates and the general economy

and potentially increase our future cost of borrowing. There can also be no assurance that we will be able to engage in hedging transactions or enter into new financing arrangements on commercially reasonable terms.

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

- A decrease in demand for optic fibre infrastructure in India could materially and adversely affect new customer acquisitions at Fibre Co. As Fibre Co generates revenues by providing optic fibre network infrastructure for telecommunications operators, its business is dependent on the financial conditions of telecommunications operators in India and economic conditions affecting them. If Fibre Co's current customer or other major telecommunications operators in India are unable to or less willing to incur additional expenditures, demand for optic fibre network infrastructure in India may not grow or grow at a slower pace than currently anticipated, there may not be sufficient demand for Fibre Co's surplus optic fibre network, which could in turn have a material adverse effect on our results of operations. In particular, if the financial condition of wireless telecommunications service providers deteriorates (for example, due to declining tariffs or media convergence) or if telecommunications providers are adversely affected by general economic conditions, the ability and willingness of telecommunications service providers to maintain or increase capital expenditures may decrease, and our business, financial condition, results of operations or prospects may in turn be adversely affected.

There are other factors also that could adversely affect demand for optic fibre infrastructure in India.

- 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.
- Any failure by Fibre Co to comply with applicable service parameters could damage its reputation or result in claims against Fibre Co. Successful assertions of one or more claims against Fibre Co could have a significant adverse effect on our reputation, our relationship with our customers and therefore, our business and prospects.
- Exposure to information technology and cyber security risks and disruptions in disaster recovery systems or business continuity planning could affect our normal business operations.

- Our insurance policies may not provide adequate protection against various risks associated with Fibre Co's operations. Further, we are subject to various risks in the operation of the Fibre Assets, including on account of accidents. Fibre Co's principal types of insurance coverage include a cellular network policy that covers, among other things, material damages due to mechanical and electronic breakdown / failure, third party liability including cross liability, marine risks, storage, erection and installation risks, burglary and theft. Despite efforts to take insurance policies which are in line with typical business requirements, such insurance coverage might not be adequate to cover all risks or losses that may arise or we might not be able to procure adequate insurance coverage at commercially reasonable rates in the future.
- We depend on third parties to undertake activities in relation to the construction, operation and maintenance of Fibre Co's optic fibre network. Any delay, default or unsatisfactory performance by these third parties could materially and adversely affect the ability to effectively operate or maintain the Fibre Assets.
- Any asset impairment could adversely affect our financial condition and results of operations.
- Fibre Co, the Sponsor, the Project Manager, the Investment Manager, the Trustee and their respective Associates are involved in certain legal and other proceedings, which may not be decided in their favour.
- Failure to comply with applicable safety, health and environmental laws and regulations or adverse changes in such applicable laws and regulations may materially and adversely affect Fibre Co's business and our results of operations and financial condition.
- 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.

#### Risks Related to our Organization and the Structure of the Trust

The Trust and Fibre Co are subject to restrictive covenants under their financing agreements that could limit our business operations or use of cash or other assets.

#### Risks Related to the Trust's Relationships with the Investment Manager

The Trust is dependent on the Investment Manager to (i) manage and administer the Trust and the Trust Assets, (ii) make investment and divestment decisions, (iii) comply with ongoing reporting and management obligations and (iv) maintain the eligibility conditions specified under Regulation 4 of the SEBI InvIT Regulations on an ongoing basis. There can be no assurance that the Investment Manager will successfully fulfil its duties.

#### Risks Related to India

- The Trust and in particular Fibre Co's business depends on economic growth in India and financial stability in Indian markets, and any slowdown in the Indian economy or in Indian financial markets could have a material, adverse effect on Fibre Co's business and our results of operations and financial condition.

- Fibre Co's business and our results of operations and financial condition is linked to the stability of policies and the political situation in India.
- Our ability to raise additional debt capital may be constrained by Indian law
- Any downgrading of India's sovereign debt rating by a domestic or international rating agency could materially and adversely affect our ability to obtain financing and, in turn, our results of operations and financial condition.
- Terrorist attacks, civil unrest and other acts of violence or war involving India and other countries could adversely affect the financial markets and could have an adverse effect on Fibre Co's business and our results of operations and financial condition.
- India is vulnerable to natural disasters that could severely disrupt the normal operation of Fibre Co.
- It may not be possible for the Unitholders to enforce foreign judgments.
- We may be affected by competition law in India and any adverse application or interpretation of the Competition Act could materially and adversely affect our business.
- Changing laws, rules and regulations and legal uncertainties may materially and adversely affect Fibre Co's business and our results of operations and financial condition.
- Significant differences could exist between Ind AS and other accounting principles, such as Indian GAAP and IFRS, which may affect investors' assessments of the Trust's financial condition.

#### Risks Related to Ownership of the Units

- The regulatory framework governing infrastructure investment trusts in India is relatively new and the interpretation and enforcement thereof involve uncertainties, which may have a material, adverse effect on the ability of certain categories of investors to invest in the Units, our business, financial condition and results of operations and our ability to make distributions to the Unitholders.
- We may not be able to make distributions to the Unitholders or the level of distributions may fall.
- The Trust may be dissolved, and the proceeds from the dissolution thereof may be less than the amount invested by the Unitholders.
- Information and the other rights of the Unitholders under Indian law may differ from such rights available to equity shareholders of an Indian company or under the laws of other jurisdictions.
- Any additional debt financing or issuance of additional Units may have a material, adverse effect on the Trust's distributions, and your ability to participate in future rights offerings may be limited.



- Any future issuance of Units or convertible securities or other equity-linked securities by us may dilute investors' holdings of Units.
- Our rights and the rights of the Unitholders to recover claims against the Investment Manager, the Sponsor or the Trustee are limited.

#### Risks Related to Tax

Entities operating in India are subject to a variety of Government and State Government tax regimes and surcharges and changes in legislation or the rules relating to such tax regimes and surcharges could materially and adversely affect Fibre Co's business and our results of operations and financial condition.

#### **SECRETARIAL COMPLIANCE REPORT FOR THE FINANCIAL YEAR ENDED MARCH 31, 2024**

A copy of the secretarial compliance report for the financial year ended March 31, 2024 is annexed to this Report marked as **Annexure A**.

#### **COMPLIANCE REPORTS ON GOVERNANCE**

The quarterly compliance reports on governance for the financial year 2023-24 is annexed to this Report marked as **Annexure B**.

#### **INFORMATION OF THE CONTACT PERSON OF THE TRUST**

Vineet Singh  
Address: 7<sup>th</sup> Floor, Cnergy,  
Appasaheb Marathe Marg,  
Prabhadevi, Mumbai 400025  
Tel: +91 22 6630 3030  
Email: vineet.singh@jmfl.com

Date: June 28, 2024

# **ANNEXURE A**

# *MMJB & Associates LLP*

## Company Secretaries

803-804, 8<sup>th</sup> Floor, Ecstasy, Citi of Joy, JSD Road, Mulund - West, Mumbai – 400080, (T) 022-21678100  
LLPIN: AAR-9997

### **Secretarial Compliance Report of Digital Fibre Infrastructure Trust** For the year ended March 31, 2024

To,  
**Digital Fibre Infrastructure Trust**  
(Acting through its Investment Manager –  
*Infinite India Investment Management Limited*)  
9<sup>th</sup> Floor, Maker Chambers IV, 222,  
Nariman Point, Mumbai – 400021

We have conducted the review of the compliance of the applicable statutory provisions and the adherence to good corporate practices by **Digital Fibre Infrastructure Trust** (hereinafter referred as 'the InvIT'), Acting through its Investment Manager – Infinite India Investment Management Limited) (hereinafter referred as 'the Investment Manager-I') having its principle place of business at 9<sup>th</sup> Floor, Maker Chambers IV, 222, Nariman Point, Mumbai – 400021. Secretarial Review was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Investment Managers books, papers, minutes books and other records maintained by the Investment Managers and also the information provided by the Investment Managers, its officers, agents and authorized representatives during the conduct of Secretarial Review, we hereby report that the InvIT has, during the review period covering the financial year ended on March 31, 2024, complied with the statutory provisions listed hereunder in the manner and subject to the reporting made hereinafter:

We, MMJB & Associates LLP, Practicing Company Secretaries, have examined:

- a) all the documents and records made available to us and explanation provided by the Investment Manager,
- b) the filings/submissions made by the Investment Manager to the Stock Exchanges,
- c) website of the InvIT,
- d) any other document/filing, as may be relevant, which has been relied upon to make this certification, for the period covering from April 01, 2023 to March 31, 2024 ('Review Period') in respect of compliance with the provisions of:

- i. the Securities and Exchange Board of India Act, 1992 ('SEBI Act') and the Regulations, circulars, guidelines issued thereunder; and
- ii. the Securities Contracts (Regulation) Act, 1956 ('SCRA'), rules made thereunder and the Regulations, circulars, guidelines issued thereunder by the Securities and Exchange Board of India ('SEBI');

The specific Regulations, whose provisions and the circulars/guidelines issued thereunder, have been examined, include:-

- (a) Securities and Exchange Board of India (Infrastructure Investment Trusts) Regulations, 2014; ('InvIT Regulations')
- (b) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations') **(To the extent applicable to the InvIT)**;
- (c) Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021; **(Not Applicable to the InvIT during the Review Period)**
- (d) Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015. ('PIT Regulations')

and circulars/guidelines or issued thereunder;

Based on above examination, we hereby report that, during the Review Period:

- (a) The Investment Manager of the InvIT has complied with the provisions of the above Regulations and circulars/guidelines issued thereunder; except as mentioned hereunder:-

Sr. No	Compliance Requirement (Regulations/circulars/guidelines including specific clause)	Deviations	Observations/Remarks of the Practicing Company Secretary
1.	Regulation 26G (5) of the InvIT Regulations read with Regulation 19(1)(b) of the Listing Regulations	The Nomination and remuneration Committee ("NRC") was not duly constituted during the period April 01, 2023 to June 29, 2023.	The Committee was formed with two independent directors and one director being non-executive director which was not in compliance with the InvIT Regulations.  However, during the said period, only one meeting of NRC was conducted i.e. on April 21, 2023 which was not attended by the non-executive director.

The Investment Manager of the InvIT is acting as an Investment Manager for two InvIT's and has not maintained separate Structured Digital Database ('SDD') for each of the InvIT.

(b) The investment manager of the InvIT has maintained proper records under the provisions of the above Regulations and circulars/ guidelines issued thereunder insofar as it appears from our examination of those records.

(c) The following are the details of actions taken against the InvIT, parties to the InvIT, its promoters, directors either by SEBI or by Stock Exchanges (including under the Standard Operating Procedures issued by SEBI through various circulars) under the aforesaid Acts/ Regulations and circulars/ guidelines issued thereunder:

**Actions taken against the InvIT, its promoters and directors**

Sr. No.	Action taken by	Details of violation	Details of action taken E.g. fines, warning letter, debarment, etc.	Observations/ remarks of the Practicing Company Secretary, if any.
1.	SEBI has conducted Thematic Inspection of the InvIT	The InvIT has not given the disclosure of Consolidated NAV (Per Unit) and has provided incorrect disclosure of consolidated NAV in the statements of the net assets in the annual report for FY 2022-23.  Further, the InvIT has been advised to disclose the break-up of fair value of investments and other assets so that the investor can understand the computation of fair value of standalone assets.	Administrative Warning received from SEBI	The Investment Manager have undertaken to make full disclosures pertaining to computation of consolidated and standalone NAV of the Trust along with the necessary notes and break up fair value of investments and other assets pertaining to the year ended March 31, 2023 in the Annual report of the trust to be issued for the year March 31, 2024.

**Action taken against the Parties to InvIT, its promoters and directors (basis the details provided by the Parties to the InvIT):**

Sr. No.	Action taken by	Details of violation	Details of action taken E.g. fines, warning letter, debarment, etc.	Observations/ remarks of the Practicing Company Secretary, if any.
1.	SEBI	Action in relation to one of the InvIT client of the Axis Trustee Services Limited. ('ATSL').	Administrative warning issued vide letter dated June 09, 2023.	This action is not in relation to the InvIT to which this report pertains.

2.	SEBI	Action in relation to thematic inspection on debenture trustees.	Administrative warning and Advisory issued vide letter dated August 08, 2023 and September 12, 2023, respectively.	This action is not in relation to the InvIT to which this report pertains.
3.	SEBI	Action in relation to thematic inspection by debenture trustee with respect to creation of charge on the security for the listed debt securities as required under SEBI circular SEBI/HO/MIRSD/CR ADT/CIR/P/2020/218 dated November 03, 2020.	Administrative warning issued vide letter dated October 23, 2023.	This action is not in relation to the InvIT to which this report pertains.
4.	SEBI	Action in relation to Inspection of Custodian activities of Axis Bank Limited Custodial Services.	Administrative warning issued vide letter dated August 28, 2023.	This action is not in relation to the InvIT to which this report pertains.

(d) The investment manager of the InvIT has taken following actions to comply with the observations made in previous reports:

Sr. No	Observations of the Practicing Company Secretary in the previous reports	Observations made in the secretarial compliance report for the year ended...	Actions taken by the Investment Manager, if any	Comments of the Practicing Company Secretary on the actions taken by the InvIT
Not Applicable				

Date: May 30, 2024  
Place: Mumbai

**For MMJB & Associates LLP  
Company Secretaries**

**DEEPTI AMEY KULKARNI** Digitally signed by DEEPTI AMEY KULKARNI  
Date: 2024.05.30 20:35:42 +05'30'

**Deepti Kulkarni  
Designated Partner**

ACS: 34733

CP: 22502

PR 2826/2022

UDIN: A034733F000493345

# **ANNEXURE B**

## CORPORATE GOVERNANCE REPORT

1. **Name of InvIT:** Digital Fibre Infrastructure Trust
2. **Name of the Investment manager:** Infinite India Investment Management Limited
3. **Quarter ended:** June 30, 2023

Title (Mr. / Ms.)	Name of the Director	PAN & DIN	Category (Chairperson/ Non-Independent / Independent / Nominee) &	Initial Date of appointment	Date of re-appointment	Date of cessation	Tenure of director (in months)	No. of directorships in all Managers / Investment Managers of REIT/InvIT and listed entities, including this Investment Manager @	No of Independent directorships in all Managers / Investment Managers of REIT / InvIT and listed entities, including this Investment Manager @	Number of memberships in Audit/Stakeholder Committee(s) in all Managers /Investment Managers of REIT/InvIT and listed entities, including this Investment Manager <i>(Refer Regulation 26G of InvIT Regulations)</i>	Number of posts of Chairperson in Audit/ Stakeholder Committee(s) in all Managers/Investment Managers of REIT/InvIT and listed entities, including this Investment Manager \$ <i>(Refer Regulation 26G of InvIT Regulations)</i>
Mr.	Vishal N Kampani	00009079	Non - Independent –Chairman	08-02-2006	19-07-2022	25-04-2023	-	5	-	3	-
Ms.	Dipti Neelakantan	00505452	Non - Independent –Chairperson	19-10-2007	-	-	-	2	-	3	1
Mr.	Shailesh S Vaidya	00002273	Independent Director	20-02-2019	-	-	52.08	3	3	3	2
Mr.	Rajendra Hingwala	00160602	Independent Director	20-02-2019	-	-	52.08	3	3	4	3
Mr.	Vaidyanadhan Sridhar	03303448	Non - Independent Director	01-04-2023	-	-	-	1	-	1	-
Ms.	Riddhi Bhimani	10072936	Independent Director	01-04-2023	-	-	3.00	2	2	3	-
Mr.	Adi Rusi Patel	02307863	Non - Independent Director	26-04-2023	-	-	-	3	-	1	-

\$ Inclusive of memberships of the Committees.

@ For the purpose of calculating No. of Directorships / Independent Directorships, both equity as well as debt listed entities have been considered.

Whether Regular Chairperson appointed –No

Whether Chairperson is related to MD or CEO – No;



## CORPORATE GOVERNANCE REPORT

II. Composition of Committees					
Name of the Committee	Whether Regular Chairperson appointed?	Name of Committee Members	Category (Chairperson/ Non-independent /independent/Nominee)	Date of Appointment	Date of Cessation
1. Audit Committee	Yes	1. Mr. Rajendra Hingwala 2. Ms. Dipti Neelakantan 3. Ms. Riddhi Bhimani	Chairperson -Independent Non - Independent Independent	01-04-2023 01-04-2023 01-04-2023	- - -
2. Nomination & Remuneration Committee	Yes	1. Mr. Shailesh Vaidya 2. Mr. Rajendra Hingwala 3. Mr. Vishal Kampani 4. Mr. Adi Patel 5. Ms. Riddhi Bhimani	Chairperson -Independent Independent Non - Independent Non - Independent Independent	01-04-2023 01-04-2023 01-04-2023 26-04-2023 30-06-2023	- - 25-04-2023 30-06-2023 -
3. Risk Management Committee	Yes	1. Mr. Sridhar Vaidyanadhan 2. Ms. Riddhi Bhimani 3. Ms. Janisha Shah – Compliance Officer	Chairperson-Non -Independent Independent --	01-04-2023 01-04-2023 01-04-2023	- - -
4. Stakeholders' Relationship Committee	Yes	1. Mr. Shailesh Vaidya 2. Mr. Sridhar Vaidyanadhan 3. Ms. Dipti Neelakantan	Chairperson -Independent Non-Independent Non-Independent	01-04-2023 01-04-2023 01-04-2023	- - -
5. InvIT Committee	Yes	1. Ms. Dipti Neelakantan 2. Mr. Shailesh Vaidya 3. Mr. Rajendra Hingwala	Chairperson- Non-Independent Independent Independent	21-07-2020 21-07-2020 21-07-2020	- - -

III. Meeting of Board of Directors					
Date(s) of Meeting (if any) in the previous quarter	Date(s) of Meeting (if any) in the relevant quarter	Whether requirement of Quorum met	Number of Directors present	Number of independent directors present*	Maximum gap between any two consecutive meetings (in number of days)
January 23, 2023	-	Yes	3	2	-
March 6, 2023	-	Yes	2	1	41 days between January 23, 2023 and March 6, 2023
March 28, 2023	-	Yes	3	2	21 days between March 6, 2023 and March 28, 2023
March 31, 2023	-	Yes	3	2	02 days between March 28, 2023 and March 31, 2023
-	April 25, 2023	Yes	5	3	24 days between March 31, 2023 and April 25, 2023
-	May 24, 2023	Yes	6	3	28 days between April 25, 2023 and May 24, 2023

\*to be filled in only for the current quarter meetings

IV. Meeting of Committees					
Date(s) of meeting of the committee in the relevant quarter	Whether requirement of Quorum met (details)*	Number of Directors present*	Number of independent directors present*	Date(s) of meeting of the committee in the previous quarter	Maximum gap between any two consecutive meetings in number of days **
<b>Audit Committee#</b>					
April 25, 2023	Yes	3	2	-	-
May 24, 2023	Yes	3	2	-	28 days between April 25, 2023 and May 24, 2023
<b>Stakeholders' Relationship Committee#</b>					
-	-	-	-	-	-

## CORPORATE GOVERNANCE REPORT

<b>Nomination and Remuneration Committee#</b>					
April 21, 2023	Yes	2	2	-	-
<b>Risk Management Committee#</b>					
-	-	-	-	-	-
<b>InvIT Committee</b>					
June 20, 2023	Yes	3	2	March 24, 2023	87 days between March 24, 2023 and June 20, 2023

\*to be filled in only for the current quarter meetings

\*\*This information has to be mandatorily given for audit committee and risk management committee. For rest of the committees, giving this information is optional.

# The date of meetings of the Committee for the previous quarter have not been mentioned as the Committees were constituted with effect from April 1, 2023.

<p><b>V. Affirmations</b></p> <ol style="list-style-type: none"> <li>1. <i>The composition of Board of Directors is in terms of SEBI (Infrastructure Investment Trusts) Regulations, 2014</i></li> <li>2. <i>The composition of the following committees is in terms of SEBI (Infrastructure Investment Trusts) Regulations, 2014</i> <ol style="list-style-type: none"> <li>a. <i>Audit Committee</i></li> <li>b. <i>Nomination &amp; Remuneration Committee</i></li> <li>c. <i>Risk Management Committee</i></li> <li>d. <i>Stakeholders' Relationship Committee</i></li> </ol> </li> <li>3. <i>The committee members have been made aware of their powers, role and responsibilities as specified in SEBI (Infrastructure Investment Trusts) Regulations, 2014</i></li> <li>4. <i>The meetings of the board of directors and the above committees have been conducted in the manner as specified in SEBI (Infrastructure Investment Trusts) Regulations, 2014</i></li> <li>5. <i>This report and the report submitted in the previous quarter have been placed before the Board of Directors. Any comments/observations/advice of Board of Directors may be mentioned here:</i>  <b>Not Applicable as there was no report required to be submitted in the previous quarter.</b></li> </ol>
<p>For Digital Fibre Infrastructure Trust</p> <p><b>JANISHA</b> Digitally signed by JANISHA JAY SHAH</p> <p><b>JAY SHAH</b> Date: 2023.07.21 16:38:30 +05'30'</p> <p><b>Janisha Shah</b> Compliance Officer</p>

## CORPORATE GOVERNANCE REPORT

1. **Name of InvIT:** Digital Fibre Infrastructure Trust
2. **Name of the Investment manager:** Infinite India Investment Management Limited
3. **Quarter ended:** September 30, 2023

Title (Mr. / Ms)	Name of the Director	PAN & DIN	Category (Chairperson/ Non-Independent / Independent / Nominee) &	Initial Date of appointment	Date of re-appointment	Date of cessation	Tenure of director (in months)	No. of directorships in all Managers / Investment Managers of REIT/InvIT and listed entities, including this Investment Manager @	No of Independent directorships in all Managers / Investment Managers of REIT / InvIT and listed entities, including this Investment Manager @	Number of memberships in Audit/Stakeholder Committee(s) in all Managers /Investment Managers of REIT/InvIT and listed entities, including this Investment Manager  (Refer Regulation 26G of InvIT Regulations)	Number of posts of Chairperson in Audit/ Stakeholder Committee(s) in all Managers/Investment Managers of REIT/InvIT and listed entities, including this Investment Manager \$  (Refer Regulation 26G of InvIT Regulations)
Ms.	Dipti Neelakantan	00505452	Non - Independent Director	19-10-2007	28-07-2023	-	-	2	-	3	1
Mr.	Shailesh S Vaidya	00002273	Independent Director	20-02-2019	-	-	55.08	3	3	2	2
Mr.	Rajendra Hingwala	00160602	Independent Director	20-02-2019	-	-	55.08	4	4	5	3
Mr.	Vaidyanadhan Sridhar	03303448	Non - Independent Director	01-04-2023	-	-	-	1	-	1	-
Ms.	Riddhi Bhimani	10072936	Independent Director	01-04-2023	-	-	6.00	2	2	3	-
Mr.	Adi Rusi Patel	02307863	Non - Independent –Chairperson	26-04-2023	-	-	-	4	-	1	-

\$ Inclusive of memberships of the Committees.

@ For the purpose of calculating No. of Directorships / Independent Directorships, both equity as well as debt listed entities have been considered.

Whether Regular Chairperson appointed –No

Whether Chairperson is related to MD or CEO – No;

## CORPORATE GOVERNANCE REPORT

### II. Composition of Committees

Name of the Committee	Whether Regular Chairperson appointed?	Name of Committee Members	Category (Chairperson/ Non- independent /independent/Nominee)	Date of Appointment	Date of Cessation
1. Audit Committee	Yes	1. Mr. Rajendra Hingwala 2. Ms. Dipti Neelakantan 3. Ms. Riddhi Bhimani	Chairperson -Independent Non - Independent Independent	01-04-2023 01-04-2023 01-04-2023	- - -
2. Nomination & Remuneration Committee	Yes	1. Mr. Shailesh Vaidya 2. Mr. Rajendra Hingwala 3. Ms. Riddhi Bhimani	Chairperson -Independent Independent Independent	01-04-2023 01-04-2023 30-06-2023	- - -
3. Risk Management Committee	Yes	1. Mr. Sridhar Vaidyanadhan 2. Ms. Riddhi Bhimani 3. Ms. Janisha Shah – Compliance Officer	Chairperson-Non -Independent Independent --	01-04-2023 01-04-2023 01-04-2023	- - -
4. Stakeholders' Relationship Committee	Yes	1. Mr. Shailesh Vaidya 2. Mr. Sridhar Vaidyanadhan 3. Ms. Dipti Neelakantan	Chairperson -Independent Non-Independent Non-Independent	01-04-2023 01-04-2023 01-04-2023	- - -
5. InvIT Committee	Yes	1. Ms. Dipti Neelakantan 2. Mr. Shailesh Vaidya 3. Mr. Rajendra Hingwala	Chairperson- Non-Independent Independent Independent	21-07-2020 21-07-2020 21-07-2020	- - -

### III. Meeting of Board of Directors

Date(s) of Meeting (if any) in the previous quarter	Date(s) of Meeting (if any) in the relevant quarter	Whether requirement of Quorum met	Number of Directors present	Number of independent directors present*	Maximum gap between any two consecutive meetings (in number of days)
April 25, 2023	-	-	-	-	-
May 24, 2023	-	-	-	-	28 days between April 25, 2023 and May 24, 2023
-	July 28, 2023	Yes	6	3	64 days between May 24, 2023 and July 28, 2023
-	August 17, 2023	Yes	6	3	19 days between July 28, 2023 and August 17, 2023

\*to be filled in only for the current quarter meetings

### IV. Meeting of Committees

Date(s) of meeting of the committee in the relevant quarter	Whether requirement of Quorum met (details)*	Number of Directors present*	Number of independent directors present*	Date(s) of meeting of the committee in the previous quarter	Maximum gap between any two consecutive meetings in number of days **
<b>Audit Committee</b>					
-	-	-	-	April 25, 2023	-
-	-	-	-	May 24, 2023	28 days between April 25, 2023 and May 24, 2023
July 28, 2023	Yes	3	2	-	64 days between May 24, 2023 and July 28, 2023
<b>Stakeholders' Relationship Committee</b>					
-	-	-	-	-	-
<b>Nomination and Remuneration Committee</b>					
-	-	-	-	April 21, 2023	-
<b>Risk Management Committee</b>					
September 29, 2023	Yes	2	1	-	-
<b>InvIT Committee</b>					
-	-	-	-	June 20, 2023	-
September 22, 2023	Yes	3	2	-	93 days between June 20, 2023 and September 22, 2023

\*to be filled in only for the current quarter meetings

\*\*This information has to be mandatorily given for audit committee and risk management committee. For rest of the committees, giving this information is optional.

## CORPORATE GOVERNANCE REPORT

### V. Affirmations

1. *The composition of Board of Directors is in terms of SEBI (Infrastructure Investment Trusts) Regulations, 2014*
2. *The composition of the following committees is in terms of SEBI (Infrastructure Investment Trusts) Regulations, 2014*
  - a. *Audit Committee*
  - b. *Nomination & Remuneration Committee*
  - c. *Risk Management Committee*
  - d. *Stakeholders' Relationship Committee*
3. *The committee members have been made aware of their powers, role and responsibilities as specified in SEBI (Infrastructure Investment Trusts) Regulations, 2014*
4. *The meetings of the board of directors and the above committees have been conducted in the manner as specified in SEBI (Infrastructure Investment Trusts) Regulations, 2014*
5. *This report and the report submitted in the previous quarter have been placed before the Board of Directors. Any comments/observations/advice of Board of Directors may be mentioned here: **The Board of Directors at its meeting held on July 28, 2023 had noted the contents of the corporate governance report for the quarter ended June 30, 2023. The corporate governance report for the quarter ended September 30, 2023 will be placed before the Board of Directors at its next meeting scheduled to be held on October 23, 2023.***

For Digital Fibre Infrastructure Trust

JANISHA JAY  
SHAH

Digitally signed by JANISHA  
JAY SHAH  
Date: 2023.10.20 19:22:48  
+05'30'

Janisha Shah  
Compliance Officer

## CORPORATE GOVERNANCE REPORT

1. **Name of InvIT:** Digital Fibre Infrastructure Trust
2. **Name of the Investment manager:** Infinite India Investment Management Limited
3. **Quarter ended:** December 31, 2023

Title (Mr. / Ms.)	Name of the Director	PAN & DIN	Category (Chairperson/ Non-Independent / Independent / Nominee) &	Initial Date of appointment	Date of re-appointment	Date of cessation	Tenure of director (in months)	No. of directorships in all Managers / Investment Managers of REIT/InvIT and listed entities, including this Investment Manager @	No of Independent directorships in all Managers / Investment Managers of REIT / InvIT and listed entities, including this Investment Manager @	Number of memberships in Audit/Stakeholder Committee(s) in all Managers /Investment Managers of REIT/InvIT and listed entities, including this Investment Manager <i>(Refer Regulation 26G of InvIT Regulations)</i>	Number of posts of Chairperson in Audit/ Stakeholder Committee(s) in all Managers/Investment Managers of REIT/InvIT and listed entities, including this Investment Manager \$ <i>(Refer Regulation 26G of InvIT Regulations)</i>
Ms.	Dipti Neelakantan	00505452	Non - Independent Director	19-10-2007	28-07-2023	-	-	2	-	3	1
Mr.	Shailesh S. Vaidya	00002273	Independent Director	20-02-2019	-	-	55.08	3	3	2	2
Mr.	Rajendra Hingwala	00160602	Independent Director	20-02-2019	-	-	55.08	4	4	5	3
Mr.	Vaidyanadhan Sridhar	03303448	Non - Independent Director	01-04-2023	-	-	-	1	-	1	-
Ms.	Riddhi Bhimani	10072936	Independent Director	01-04-2023	-	-	9.00	2	2	3	-
Mr.	Adi Rusi Patel	02307863	Non - Independent –Chairperson	26-04-2023	-	-	-	4	-	1	-

\$ Inclusive of memberships of the Committees.

@ For the purpose of calculating No. of Directorships / Independent Directorships, both equity as well as debt listed entities have been considered.

Whether Regular Chairperson appointed –No

Whether Chairperson is related to MD or CEO – No;

## CORPORATE GOVERNANCE REPORT

### II. Composition of Committees

Name of the Committee	Whether Regular Chairperson appointed?	Name of Committee Members	Category (Chairperson/ Non-independent /independent/Nominee)	Date of Appointment	Date of Cessation
1. Audit Committee	Yes	1. Mr. Rajendra Hingwala 2. Ms. Dipti Neelakantan 3. Ms. Riddhi Bhimani	Chairperson -Independent Non - Independent Independent	01-04-2023 01-04-2023 01-04-2023	- - -
2. Nomination & Remuneration Committee	Yes	1. Mr. Shailesh Vaidya 2. Mr. Rajendra Hingwala 3. Ms. Riddhi Bhimani	Chairperson -Independent Independent Independent	01-04-2023 01-04-2023 30-06-2023	- - -
3. Risk Management Committee	Yes	1. Mr. Sridhar Vaidyanadhan 2. Ms. Riddhi Bhimani 3. Ms. Janisha Shah – Compliance Officer	Chairperson-Non -Independent Independent --	01-04-2023 01-04-2023 01-04-2023	- - -
4. Stakeholders' Relationship Committee	Yes	1. Mr. Shailesh Vaidya 2. Mr. Sridhar Vaidyanadhan 3. Ms. Dipti Neelakantan	Chairperson -Independent Non-Independent Non-Independent	01-04-2023 01-04-2023 01-04-2023	- - -
5. InvIT Committee	Yes	1. Ms. Dipti Neelakantan 2. Mr. Shailesh Vaidya 3. Mr. Rajendra Hingwala	Chairperson- Non-Independent Independent Independent	21-07-2020 21-07-2020 21-07-2020	- - -

### III. Meeting of Board of Directors

Date(s) of Meeting (if any) in the previous quarter	Date(s) of Meeting (if any) in the relevant quarter	Whether requirement of Quorum met	Number of Directors present	Number of independent directors present*	Maximum gap between any two consecutive meetings (in number of days)
July 28, 2023	-	-	-	-	-
August 17, 2023	-	-	-	-	19 days between August 17, 2023 and July 28, 2023
-	October 11, 2023	Yes	6	3	54 days between October 11, 2023 and August 17, 2023
-	October 23, 2023	Yes	5	3	11 days between October 23, 2023 and October 11, 2023
-	November 6, 2023	Yes	4	3	13 days between November 6, 2023 and October 23, 2023

\*to be filled in only for the current quarter meetings

### IV. Meeting of Committees

Date(s) of meeting of the committee in the relevant quarter	Whether requirement of Quorum met (details)*	Number of Directors present*	Number of independent directors present*	Date(s) of meeting of the committee in the previous quarter	Maximum gap between any two consecutive meetings in number of days **
<b>Audit Committee</b>					
-	-	-	-	-	-
November 6, 2023	Yes	3	2	July 28, 2023	100 days between November 6, 2023 and July 28, 2023
<b>Stakeholders' Relationship Committee</b>					
-	-	-	-	-	-
<b>Nomination and Remuneration Committee</b>					
-	-	-	-	April 21, 2023	-
<b>Risk Management Committee</b>					
September 29, 2023	Yes	2	1	-	-
<b>InvIT Committee</b>					
December 19, 2023	Yes	3	2	September 22, 2023	87 days between December 19, 2023 and September 22, 2023

\*to be filled in only for the current quarter meetings

\*\*This information has to be mandatorily given for audit committee and risk management committee. For rest of the committees, giving this information is optional.


## CORPORATE GOVERNANCE REPORT

### V. Affirmations

1. *The composition of Board of Directors is in terms of SEBI (Infrastructure Investment Trusts) Regulations, 2014*
2. *The composition of the following committees is in terms of SEBI (Infrastructure Investment Trusts) Regulations, 2014*
  - a. *Audit Committee*
  - b. *Nomination & Remuneration Committee*
  - c. *Risk Management Committee*
  - d. *Stakeholders' Relationship Committee*
3. *The committee members have been made aware of their powers, role and responsibilities as specified in SEBI (Infrastructure Investment Trusts) Regulations, 2014*
4. *The meetings of the board of directors and the above committees have been conducted in the manner as specified in SEBI (Infrastructure Investment Trusts) Regulations, 2014*
5. *This report and the report submitted in the previous quarter have been placed before the Board of Directors. Any comments/observations/advice of Board of Directors may be mentioned here: **The Board of Directors at its meeting held on October 23, 2023 had noted the contents of the corporate governance report for the quarter ended September 30, 2023. The corporate governance report for the quarter ended December 31, 2023 will be placed before the Board of Directors at its next meeting scheduled to be held on January 25, 2024.***

For Digital Fibre Infrastructure Trust

JANISHA  
SHAH

 Digitally signed by  
JANISHA SHAH  
Date: 2024.01.19 20:11:38  
+05'30'

**Janisha Shah**  
Compliance Officer



## CORPORATE GOVERNANCE REPORT

1. **Name of InvIT:** Digital Fibre Infrastructure Trust
2. **Name of the Investment manager:** Infinite India Investment Management Limited
3. **Quarter ended:** March 31, 2024

Title (Mr. / Ms)	Name of the Director	PAN & DIN	Category (Chairperson/ Non-Independent / Independent / Nominee) &	Initial Date of appointment	Date of re-appointment	Date of cessation	Tenure of director (in months)	No. of directorships in all Managers / Investment Managers of REIT/InvIT and listed entities, including this Investment Manager @	No of Independent directorships in all Managers/Investment Managers of REIT / InvIT and listed entities, including this Investment Manager @	Number of memberships in Audit/Stakeholder Committee(s) in all Managers /Investment Managers of REIT/InvIT and listed entities, including this Investment Manager <i>(Refer Regulation 26G of InvIT Regulations)</i>	Number of posts of Chairperson in Audit/ Stakeholder Committee(s) in all Managers/Investment Managers of REIT/InvIT and listed entities, including this Investment Manager S <i>(Refer Regulation 26G of InvIT Regulations)</i>
Ms.	Dipti Neelakantan	00505452	Non - Independent Director	19-10-2007	28-07-2023	-	-	2	-	3	1
Mr.	Shailesh S. Vaidya	00002273	Independent Director	20-02-2019	20-02-2024	-	58.08	3	3	2	2
Mr.	Rajendra Hingwala	00160602	Independent Director	20-02-2019	20-02-2024	-	58.08	3	3	4	3
Mr.	Vaidyanadhan Sridhar	03303448	Non - Independent Director	01-04-2023	-	-	-	1	-	1	-
Ms.	Riddhi Bhimani	10072936	Independent Director	01-04-2023	-	-	12.00	2	2	4	-
Mr.	Adi Rusi Patel	02307863	Non - Independent Director	26-04-2023	-	-	-	4	-	2	-

S Inclusive of memberships of the Committees.

@ For the purpose of calculating No. of Directorships / Independent Directorships, both equity as well as high value debt listed entities have been considered.

Whether Regular Chairperson appointed – No

Whether Chairperson is related to MD or CEO – No;

## CORPORATE GOVERNANCE REPORT

### II. Composition of Committees

Name of the Committee	Whether Regular Chairperson appointed?	Name of Committee Members	Category (Chairperson/ Non-independent /Independent/Nominee)	Date of Appointment	Date of Cessation
1. Audit Committee	Yes	1. Mr. Rajendra Hingwala 2. Ms. Dipti Neelakantan 3. Ms. Riddhi Bhimani	Chairperson -Independent Non - Independent Independent	01-04-2023 01-04-2023 01-04-2023	- - -
2. Nomination & Remuneration Committee	Yes	1. Mr. Shailesh Vaidya 2. Mr. Rajendra Hingwala 3. Ms. Riddhi Bhimani	Chairperson -Independent Independent Independent	01-04-2023 01-04-2023 30-06-2023	- - -
3. Risk Management Committee	Yes	1. Mr. Sridhar Vaidyanadhan 2. Ms. Riddhi Bhimani 3. Ms. Janisha Shah – Compliance Officer	Chairperson-Non -Independent Independent -	01-04-2023 01-04-2023 01-04-2023	- - -
4. Stakeholders' Relationship Committee	Yes	1. Mr. Shailesh Vaidya 2. Mr. Sridhar Vaidyanadhan 3. Ms. Dipti Neelakantan	Chairperson -Independent Non-Independent Non-Independent	01-04-2023 01-04-2023 01-04-2023	- - -
5. InvIT Committee	Yes	1. Ms. Dipti Neelakantan 2. Mr. Shailesh Vaidya 3. Mr. Rajendra Hingwala	Chairperson- Non-Independent Independent Independent	21-07-2020 21-07-2020 21-07-2020	- - -

### III. Meeting of Board of Directors

Date(s) of Meeting (if any) in the previous quarter	Date(s) of Meeting (if any) in the relevant quarter	Whether requirement of Quorum met	Number of Directors present	Number of independent directors present*	Maximum gap between any two consecutive meetings (in number of days)
October 11, 2023	-	-	-	-	54 days between October 11, 2023 and August 17, 2023
October 23, 2023	-	-	-	-	11 days between October 23, 2023 and October 11, 2023
November 6, 2023	-	-	-	-	13 days between November 6, 2023 and October 23, 2023
-	January 25, 2024	Yes	5	3	79 days between January 25, 2024 and November 6, 2023

\*to be filled in only for the current quarter meetings

### IV. Meeting of Committees

Date(s) of meeting of the committee in the relevant quarter	Whether requirement of Quorum met (details)*	Number of Directors present*	Number of independent directors present*	Date(s) of meeting of the committee in the previous quarter	Maximum gap between any two consecutive meetings in number of days **
<b>Audit Committee</b>					
January 25, 2024	Yes	3	2	November 6, 2023	79 days between January 25, 2024 and November 6, 2023
<b>Stakeholders' Relationship Committee</b>					
March 26, 2024	Yes	2	1	-	-
<b>Nomination and Remuneration Committee</b>					
January 22, 2024	Yes	3	3	-	-
<b>Risk Management Committee</b>					
March 27, 2024	Yes	2	1	-	-
<b>InvIT Committee</b>					
March 18, 2024	Yes	2	1	December 19, 2023	89 days between March 18, 2024 and December 19, 2023

\*to be filled in only for the current quarter meetings

\*\*This information has to be mandatorily given for audit committee and risk management committee. For rest of the committees, giving this information is optional.

**V. Affirmations**

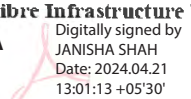
1. *The composition of Board of Directors is in terms of SEBI (Infrastructure Investment Trusts) Regulations, 2014*
2. *The composition of the following committees is in terms of SEBI (Infrastructure Investment Trusts) Regulations, 2014*
  - a. *Audit Committee*
  - b. *Nomination & Remuneration Committee*
  - c. *Risk Management Committee*
  - d. *Stakeholders' Relationship Committee*
3. *The committee members have been made aware of their powers, role and responsibilities as specified in SEBI (Infrastructure Investment Trusts) Regulations, 2014*
4. *The meetings of the board of directors and the above committees have been conducted in the manner as specified in SEBI (Infrastructure Investment Trusts) Regulations, 2014*
5. *This report and the report submitted in the previous quarter have been placed before the Board of Directors. Any comments/observations/advice of Board of Directors may be mentioned here: **The Board of Directors at its meeting held on January 25, 2024 had noted the contents of the corporate governance report for the quarter ended December 31, 2023. The corporate governance report for the quarter ended March 31, 2024 will be placed before the Board of Directors at its next meeting scheduled to be held in May 2024.***

**For Digital Fibre Infrastructure Trust****JANISHA  
SHAH****Janisha Shah**  
Compliance OfficerDigitally signed by JANISHA  
SHAH  
Date: 2024.04.21 13:00:45  
+05'30'

**Format to be submitted by investment manager for the financial year**

<b>I. Disclosure on website of InvIT in terms of SEBI Circular No. CIR/IMD/DF/127/2016 dated November 29, 2016</b>		
<b>Item</b>	<b>Compliance status (Yes/No/NA) refer note below</b>	<b>If Yes provide link to website. If No / NA provide reasons</b>
a) Details of business	Yes	<a href="https://digitalfibreinfrastructure.com">https://digitalfibreinfrastructure.com</a>
b) Financial information including complete copy of the Annual Report including Balance Sheet, Profit and Loss Account. etc.	Yes	<a href="https://digitalfibreinfrastructure.com">https://digitalfibreinfrastructure.com</a>
c) Contact information of the designated officials of the company who are responsible for assisting and handling investor grievances	Yes	<a href="https://digitalfibreinfrastructure.com">https://digitalfibreinfrastructure.com</a>
d) Email ID for grievance redressal and other relevant details	Yes	<a href="https://digitalfibreinfrastructure.com">https://digitalfibreinfrastructure.com</a>
e) Information, report, notices, call letters, circulars, proceedings, etc. concerning units	Yes	<a href="https://digitalfibreinfrastructure.com">https://digitalfibreinfrastructure.com</a>
f) All information and reports including compliance reports filed by InvIT with respect to units	Yes	<a href="https://digitalfibreinfrastructure.com">https://digitalfibreinfrastructure.com</a>
g) All intimations and announcements made by InvIT to the stock exchanges	Yes	<a href="https://digitalfibreinfrastructure.com">https://digitalfibreinfrastructure.com</a>
h) All complaints including SCORES complaints received by the InvIT	Yes	<a href="https://digitalfibreinfrastructure.com">https://digitalfibreinfrastructure.com</a>
i) Any other information which may be relevant for the investors	Yes	<a href="https://digitalfibreinfrastructure.com">https://digitalfibreinfrastructure.com</a>
<i>It is certified that these contents on the website of the InvIT are correct.</i>		

<b>II Annual Affirmations</b>		
<b>Particulars</b>	<b>Regulation Number</b>	<b>Compliance status (Yes/No/N.A)</b> refer note below
<i>Independent director(s) have been appointed in terms of specified criteria of 'independence' and / or 'eligibility'</i>	2(1)(saa)	Yes
<i>Board composition</i>	4(2)(e)(v), 26G, 26H(1)	Yes
<i>Meeting of board of directors</i>	26G	Yes
<i>Quorum of board meeting</i>	26H(2)	Yes
<i>Review of Compliance Reports</i>	26H(3)	Yes
<i>Plans for orderly succession for Appointments</i>	26G	Yes
<i>Code of Conduct</i>	26G	Yes
<i>Minimum Information</i>	26H(4)	Yes
<i>Compliance Certificate</i>	26H(5)	N.A. The same will be taken up at the Board meeting wherein annual financial statements will be considered in compliance with Schedule VI Part B of the SEBI InvIT Regulations.
<i>Risk Assessment &amp; Management</i>	26G	Yes
<i>Performance Evaluation of Independent Directors</i>	26G	N.A. The aforesaid affirmations have been provided for the FY 2023-24. During the FY 2023-24, the Investment Manager was not required to conduct performance evaluation of Independent Directors.
<i>Recommendation of Board</i>	26H(6)	Yes
<i>Composition of Audit Committee</i>	26G	Yes
<i>Meeting of Audit Committee</i>	26G	Yes
<i>Composition of Nomination &amp; Remuneration Committee</i>	26G	Yes
<i>Quorum of Nomination and Remuneration Committee meeting</i>	26G	Yes
<i>Meeting of Nomination &amp; Remuneration Committee</i>	26G	Yes
<i>Composition of Stakeholder Relationship Committee</i>	26G	Yes

Meeting of Stakeholder Relationship Committee	26G	Yes
Composition and role of Risk Management Committee	26G	Yes
Meeting of Risk Management Committee	26G	Yes
Vigil Mechanism	26I	Yes
Approval for related party Transactions	19(3), 22(4)(a)	N.A.
Disclosure of related party transactions	19(2)	Yes
Annual Secretarial Compliance Report	26J	N.A. For FY 2023-24, the same shall be filed with the designated stock exchange within the prescribed timeline i.e., within 60 days from the end of the financial year.
Alternate Director to Independent Director	26G	N.A.
Maximum Tenure of Independent Director	26G	Yes
Meeting of independent directors	26G	Yes
Familiarization of independent directors	26G	Yes
Declaration from Independent Director	26G	Yes
Directors and Officers insurance	26G	Yes
Memberships in Committees	26G	Yes
Affirmation with compliance to code of conduct from members of Board of Directors and Senior management Personnel	26G	Yes
Policy with respect to Obligations of directors and senior management	26G	Yes
<b>Note</b>		
<ol style="list-style-type: none"> <li>In the column "Compliance Status", compliance or non-compliance may be indicated by Yes/No/N.A. For example, if the Board has been composed in accordance with the requirements of InvIT Regulations, "Yes" may be indicated. Similarly, in case the InvIT has no related party transactions, the words "N.A." may be indicated.</li> <li>If status is "No" details of non-compliance may be given here.</li> <li>If the investment manager would like to provide any other information the same may be indicated here.</li> </ol>		
<b>For Digital Fibre Infrastructure Trust</b> <b>JANISHA</b>  <b>SHAH</b> Digitally signed by JANISHA SHAH Date: 2024.04.21 13:01:13 +05'30' <b>Janisha Shah</b> Compliance Officer		

## CORPORATE GOVERNANCE REPORT

1. **Name of the InvIT:** Digital Fibre Infrastructure Trust
2. **Name of the Investment Manager:** Infinite India Investment Management Limited
3. **Year ended:** March 31, 2024

Affirmations		
<i>Broad heading</i>	<i>Regulation Number</i>	<i>Compliance status (Yes / No / NA)</i>
<i>Copy of annual report of the InvIT including balance sheet, profit and loss account, governance report, secretarial compliance report displayed on Website</i>	<i>26J, 26K and the Master Circular</i>	<i>Yes</i>
<i>Presence of Chairperson of Audit Committee at the Annual Meeting of Unitholders</i>	<i>26G</i>	<i>Yes, for the AGM held on July 25, 2023.</i>  <i>Noted for compliance for the 4<sup>th</sup> AGM proposed to be held in July 2024.</i>
<i>Presence of Chairperson of the nomination and remuneration committee at the Annual Meeting of Unitholders</i>	<i>26G</i>	<i>Yes, for the AGM held on July 25, 2023.</i>  <i>Noted for compliance for the 4<sup>th</sup> AGM proposed to be held in July 2024.</i>
<i>Presence of Chairperson of the Stakeholder Relationship committee at the Annual Meeting of Unitholders</i>	<i>26G</i>	<i>Yes, for the AGM held on July 25, 2023.</i>  <i>Noted for compliance for the 4<sup>th</sup> AGM proposed to be held in July 2024.</i>
<i>Whether “Governance Report” and “Secretarial Compliance Report” disclosed in Annual Report of the InvIT</i>	<i>26J and 26K</i>	<i>NA<sup>1</sup></i>

*Note 1: The first “Governance Report” was required to be submitted for the quarter ended June 30, 2023, and the first “Secretarial Compliance Report” was required to be submitted for the year ended March 31, 2024. The reports have been duly included by way of reference in the Annual Report for the year ended March 31, 2024.*

**For Digital Fibre Infrastructure Trust**

Adi Rusi  
Patel

Digitally signed  
by Adi Rusi Patel  
Date: 2024.06.26  
19:38:59 +05'30'

**Adi Patel**  
Director







**Ernst & Young Merchant Banking Services LLP**  
Registered Valuer  
Registration No. IBBI/RV-E/05/2021/155  
14th Floor, The Ruby,  
29 Senapati Bapat Marg,  
Dadar West,  
Mumbai - 400 028, India

Tel: +91 22 61920000  
Fax: +91 22 61920000  
ey.com

13 May 2024

To,

**Infinite India Investment Management Limited**  
**Attention: Ms. Janisha Shah**  
7th Floor, Cnergy,  
Appasaheb Marathe Marg,  
Prabhadevi, Mumbai - 400 025,  
Maharashtra, India.

**Digital Fibre Infrastructure Trust**  
**Attention: Ms. Janisha Shah**  
Acting through its Investment Manager - Infinite  
India Investment Management Limited  
9th Floor, Maker Chamber IV,  
222 Nariman Point,  
Mumbai - 400 021,  
Maharashtra, India.

**Re: Enterprise and equity valuation of Jio Digital Fibre Private Limited and valuation of Staggered Loan given by Digital Fibre Infrastructure Trust to Jio Digital Fibre Private Limited as required by SEBI (Infrastructure Investment Trusts) Regulations, 2014, as amended.**

Dear Sir / Madam,

In accordance with instructions of Digital Fibre Infrastructure Trust ("DFIT" or the "Trust") and Infinite India Investment Management Limited ("IIIML" or "Investment Manager") acting in the capacity of investment manager of DFIT (hereinafter IIIML and DFIT are collectively referred to as "you" or "Clients"), Ernst and Young Merchant Banking Services LLP ("we" or "EY" or "Valuer") have performed the work set out in our engagement letter dated 26 July 2023 and addendum to our engagement letter dated 07 May 2024 ("Engagement Agreement"). We are pleased to present the following Report ("Report") in connection with the enterprise and equity valuation of Jio Digital Fibre Private Limited (the "Fibre Co" or "JDFPL" or "Company") and valuation of loan of INR 19,489 or given by DFIT to JDFPL ("Trust Loan 1" or the "Staggered Loan") as at 31 March 2024 ("Valuation Date").

The enterprise and equity valuation of JDFPL and Staggered Loan are hereinafter collectively referred to as the Valuation Subjects.

We understand that Reliance Industrial Investments and Holdings Limited ("Sponsors" or "RIIHL") is the sponsor of the Trust, Infinite India Investment Management Limited is the investment manager and Axis Trustee Services Limited (the "Trustee") is the Trustee to Trust. The Trust is registered with Securities and Exchange Board of India ("SEBI") as an infrastructure investment trust under the Securities and Exchange Board of India (Infrastructure Investment Trusts) Regulations, 2014 and amendments thereto including any circulars and guidelines issued thereunder ("SEBI InvIT Regulations").

It may be noted that for carrying out the valuation, we have relied upon information provided by the management of the Clients and JDFPL (the "Management"). We have been given to understand that the information provided is correct and accurate and that the Management was duly authorized to provide us the same.

#### **Purpose of our Report and restrictions on its use**

In this regard, valuation of Valuation Subjects is required for disclosure to unit holders and regulatory filings under Chapter V Regulation 21(4) and Regulation 21(5) of the SEBI InvIT Regulations ("Purpose"). This Report was prepared solely for the above Purpose and should not be used or relied upon for any

other purpose ("Purpose").

The Report was prepared solely for the above Purpose and should not be used or relied upon for any other purpose including for filing with any statutory/regulatory authority other than as specifically mentioned above. The Report and its contents may not be quoted, referred to or shown to any other parties except as provided in the Engagement Agreement.

We accept no responsibility or liability to any person other than to the Clients, or to such party to whom we have agreed in writing to accept a duty of care in respect of the Report, and accordingly if such other persons choose to rely upon any of the contents of the Report, they do so at their own risk.

#### **Nature and scope of the services**

The nature and scope of the services, including the basis and limitations, are detailed in the Engagement Agreement. The contents of our Report have been reviewed by the Clients, who have confirmed to us the factual accuracy of the Report.

Whilst each part of our Report may address different aspects of the work we have agreed to perform, the entire Report should be read for a full understanding of our findings and advice.

Our work commenced on 19 January 2024 and was completed on 12 May 2024. Our Report does not take account of events or circumstances arising after Valuation Date and we have no responsibility to update the Report for such events or circumstances. If you have any questions or require additional information, please do feel free to contact us.

**Yours faithfully,**



**Parag Mehta**

**Partner**

Membership No. IBBI/RV/05/2019/11608

**Ernst & Young Merchant Banking Services LLP**

Registration No. IBBI/RV-E/05/2021/155

Date: 13 May 2024

Report No. EYMBS/RV/2024-25/019

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## I. Executive Summary

### Background and Structure

#### Digital Fibre Infrastructure Trust - Trust

- ▶ Digital Fibre Infrastructure Trust ("DFIT" or the "Trust") was settled vide trust deed dated 31 January 2019 with Reliance Industrial Investments and Holdings Limited ("Sponsor" or "RIIHL") as the settlor as well as the sponsor and Axis Trustee Services Limited as the Trustee ("ATSL" or the "Trustee"). The Trust was subsequently registered as an infrastructure investment trust under the SEBI InvIT Regulations vide registration dated 20 March 2019 bearing the InvIT Registration number IN/InvIT/18-19/0010.
- ▶ Infinite India Investment Management Limited ("IIIML" or "Investment Manager") was appointed as the investment manager vide Investment Management Agreement dated 31 January 2019 between ATSL and IIIML.
- ▶ The main objective of the Trust is to carry on the activity of an Infrastructure Investment trust, as permissible under the Securities and Exchange Board of India (Infrastructure Investment Trusts) Regulations, 2014 and amendments thereto including any circulars and guidelines issued thereunder ("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.
- ▶ In September 2020, the Trust made an Initial offer of 1,47,06,00,000 ordinary units through a private placement at a price of INR 100 each per ordinary unit, aggregating to INR 14,706 cr (the "Offer"). Further, the Trust undertook right issue of its units in December 2021 and allotted 47,88,66,821 ordinary units at an issue price of INR 100 each to the existing unitholders and raised INR 4,789 cr ("Rights Issue").
- ▶ The proceeds from the Offer and Rights Issue amounting to INR 19,489 cr were extended as Trust Loan 1 ("Trust Loan 1" or the "Staggered Loan") to Jio Digital Fibre Private Limited (the "Fibre Co" or "JDFPL" or "Company").
- ▶ The Trust borrowed INR 33,131 cr under the InvIT Loan Agreement ("InvIT Loan Agreement"), out of which INR 32,851 cr was extended as Trust Loan 2 ("Trust Loan 2") and INR 280 cr was extended as Trust Loan 3 ("Trust Loan 3") to JDFPL. Trust Loan 2 and Trust Loan 3 are hereinafter collectively referred to as "Fixed Rate Loans".
- ▶ The Trust got its ordinary units listed on BSE Limited (BSE) on 31 March 2023.
- ▶ Unitholding pattern of the Trust as at the Valuation Date is as follows:

Name of the Unit Holder	No. of Units held (in cr)	% Held
RIIHL	29	15.0%
SPTL	27	14.1%
JUPPL	39	19.9%
Platinum Compass B 2018 RSC Limited ("PCL"), an Abu Dhabi Investment Authority ("ADIA") entity	50	25.5%
Public Investment Fund ("PIF")	50	25.5%
Halmavathy Properties Private Limited	0.01	0.01%
Spectrum Informative Services Private Limited	0.01	0.01%
System Management Services Private Limited	0.01	0.01%
<b>Total Units</b>	<b>195</b>	<b>100.0%</b>

#### **Jio Digital Fibre Private Limited - JDFPL**

- ▶ Jio Digital Fibre Private Limited is a private limited company incorporated in India on 17 December 2018. JDFPL, pursuant to a Scheme of Arrangement, acquired the optical fibre cable undertaking of Reliance Jio Infocomm Limited ("RJIL" or "Anchor Tenant") w.e.f the close of business hours on 31 March 2019. The principal activities of JDFPL are setting up, operating and managing optic fibre cable network ("Fibre Infrastructure Business").
- ▶ Shareholding pattern of JDFPL as at Valuation Date is as follows:

Name of the Shareholder	No. of Shares held (in cr)	% Held
The Trust	263	51.0%
RIL	250	48.5%
Other Minority Shareholders ("Certain Minority shareholders")	2.8	0.5%
<b>Total Shares</b>	<b>515</b>	<b>100.0%</b>

- ▶ Further, Reliance Industries Limited ("RIL") and Certain Minority Shareholders hold 100.0% of the 0.01% participating and optionally convertible preference shares ("OCPS") of face value of INR 78,140 cr of JDFPL and RIL further holds 100.0% of the 0.01% redeemable preference shares ("RPS") of INR 1.25 cr of JDFPL.

#### **Axis Trustee Services Limited - Trustee**

- ▶ Axis Trustee Services Limited is a public limited company, incorporated on 16 May 2008, in Mumbai under the Companies Act, 1956. The Trustee is a trusteeship company, which has been registered with SEBI on January 31, 2014, and has been promoted by and is a wholly owned subsidiary of Axis Bank for providing corporate and other trusteeship services.

#### **Infinite India Investment Management Limited - Investment Manager**

- ▶ Infinite India Investment Management Limited a public limited company, incorporated on 02 August 2006, in Mumbai under the Companies Act, 1956, is the Investment Manager of the Trust. The Investment Manager is a wholly owned subsidiary of JM Financial Limited ("JMFL").

#### **Reliance Industrial Investments and Holdings Limited - Sponsor**

- ▶ Reliance Industrial Investments and Holdings Limited, a public limited company, is a wholly owned subsidiary of Jio Financial Services Limited ("JFSL") and is the Sponsor of the Trust.

#### **Jio Infrastructure Management Services Limited - Project Manager**

- ▶ Jio Infrastructure Management Services Limited ("JIMSL" or "Project Manager"), a wholly owned subsidiary of Reliance Strategic Business Ventures Limited which is a wholly owned subsidiary of RIL, is the Project Manager and has entered into a Project Implementation and Management Agreement with JDFPL and the Trustee in accordance with the SEBI InvIT Regulations.

#### **Reliance Industries Limited - Contractor / Operator**

- ▶ Reliance Projects & Property Management Services Limited ("RPPMSL"), had 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. Pursuant to Scheme of Demerger, the telecom EPC business of RPPMSL was demerged to RIL. Hence, RIL is 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.

**Identity of the Valuer, disclosure of Valuer's interest or conflict and declaration**

**Identity of the Valuer**

<b>Name of entity registered</b>	Ernst & Young Merchant Banking Services LLP
<b>Registration Number</b>	IBBI/RV-E/05/2021/155
<b>Registration valid from</b>	01 November 2021

- ▶ EY has been appointed as an independent valuer to undertake valuation of Valuation Subjects as on 31 March 2024, in accordance with Regulation 21(4) and Regulation 21(5) of the SEBI InvIT Regulations.
- ▶ EY is a Registered Valuer for securities or financial assets under Section 247 of the Companies Act, 2013 bearing registration number IBBI/RV-E/05/2021/155.

**Disclosure of Valuer's Interest or Conflict**

- ▶ EY, Parag Mehta and the team working on the valuation, do not have any present or planned future financial interest in the Trust, JDFPL or the Investment Manager nor there is any conflict of interest in carrying out the valuation.
- ▶ The information provided by the Management have been appropriately reviewed in carrying out the valuation. Sufficient time and information was provided to us to carry out the valuation.

**Declaration**

- ▶ We hereby confirm on behalf of EY that EY is competent to undertake this valuation in terms of SEBI InvIT Regulations.
- ▶ We further confirm that EY is independent in terms of the SEBI InvIT Regulations and that this report has been prepared on a fair and unbiased basis in compliance with Regulation 13 (1) and Regulation 21 of the SEBI InvIT Regulations.
- ▶ We have at least two partners/ directors having experience of 5 years each in the valuation of infrastructure assets.

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### **Valuation Summary**

- ▶ Income approach have been considered for arriving at value of the Valuation Subjects. Under Income Approach, Discounted Cash Flow (DCF) method has been considered basis the Management's business plan.
- ▶ The enterprise value of JDFPL as per Net Asset Value (NAV) method as at Valuation Date is INR 1,75,902 cr. Asset values are generally not a true indicator of the future distributable cash flow and has been provided for information purpose only.
- ▶ The valuation is based on audited financial statements of the Company for financial year (FY) 2024. A detailed discussion on the appropriateness of use of valuation methods has been given in Section: Valuation Analysis.
- ▶ This Report should be read in its entirety but especially in conjunction with the 'Statement of limiting conditions'.
- ▶ This Report covers all the disclosures required as per the SEBI InvIT Regulations and the valuation of the Company is impartial, true and fair and in compliance with the SEBI InvIT Regulations.

### **Valuation Results / Conclusion**

- ▶ The enterprise valuation of JDFPL as at the Valuation Date is estimated to be INR 2,23,750 cr.
- ▶ The equity value of JDFPL as at the Valuation Date is estimated to be INR 515 cr.
- ▶ The value of Staggered Loan as at the Valuation Date is estimated to be INR 19,615 cr.

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## **II. Sources of Information / Major factors that were taken into account during the valuation**

The following sources of information have been utilized in conducting the valuation exercise:

- ▶ The following information, as provided by the Management, have inter-alia been used in the valuation:
  - Audited financials (balance sheet and profit and loss account along with schedules and notes to accounts including auditors' report) of JDFPL from FY21 to FY24.
  - Financial projections of JDFPL from 01 April 2024 to 30 September 2050 including underlying assumptions (It includes forecasts of profit and loss statements, balance sheet, cash flow statements and respective underlying assumptions).
  - Agreements entered into by JDFPL and the Trust as mentioned in Appendix 1.
  - Details of contingent liabilities/assets of JDFPL and probability of their devolving into an actual liability or asset in the foreseeable future.
  - Background information regarding JDFPL provided through emails or during discussions.
- ▶ Besides the above listing, there may be other information provided by the Management which may not have been perused by EY in any detail, if not considered relevant for the defined scope.
- ▶ **Industry and economy information:** EY has relied on publicly available information, proprietary databases subscribed to by EY or its member firms, and discussions with the Management for analysing the industry and the competitors.
- ▶ In addition to the above, EY has also obtained such other information and explanations from the Management as were considered relevant for the purpose of the valuation.

It may be mentioned that the Clients have been provided an opportunity to review factual information in draft Report and confirm with management of JDFPL as part of standard practice to make sure that factual inaccuracies/omissions/etc. are avoided in final Report.

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### III. Statement of Limiting Conditions

- ▶ Provision of valuation opinions and consideration of the issues described herein are areas of our regular valuation practice. The services do not represent accounting, assurance, accounting / tax due diligence, consulting or tax related services that may otherwise be provided by us or our affiliates.
- ▶ The user to which this valuation is addressed should read the basis upon which the valuation has been done and be aware of the potential for later variations in value due to factors that are unforeseen at the valuation date. Due to possible changes in market forces and circumstances, this Report can only be regarded as relevant as at the Valuation Date.
- ▶ This Report has been prepared for the purposes stated herein and should not be relied upon for any other purpose. Our Clients are the only authorized user of this report and is restricted for the purpose indicated in the Engagement Agreement. This restriction does not preclude the Clients from providing a copy of the report to third-party advisors whose review would be consistent with the intended use. We do not take any responsibility for the unauthorized use of this Report.
- ▶ While our work has involved an analysis of financial information and accounting records, our engagement does not include an audit in accordance with generally accepted auditing standards of the Clients or JDFPL's existing business records. Accordingly, we express no audit opinion or any other form of assurance on this information.
- ▶ The valuation has been performed on the audited financial statements provided by Management for FY24.
- ▶ In no event shall we be liable for any loss, damages, cost or expenses arising in any way from fraudulent acts, misrepresentations or wilful default on part of the clients or companies, their directors, employees or agents.
- ▶ The Clients and its Management/representatives warranted to us that the information they supplied was complete, accurate and true and correct to the best of their knowledge. We have relied upon the representations of the clients, their Management and other third parties, if any, concerning the financial data, operational data and other information, except as specifically stated to the contrary in the report. We shall not be liable for any loss, damages, cost or expenses arising from fraudulent acts, misrepresentations, or wilful default on part of the companies, their directors, employee or agents.
- ▶ EY is not aware of any contingency, commitment or material issue which could materially affect the Company's economic environment and future performance and therefore, the fair value of the Company.
- ▶ We do not provide assurance on the achievability of the results forecast by the management/owners as events and circumstances do not occur as expected; differences between actual and expected results may be material. We express no opinion as to how closely the actual results will correspond to those projected/forecast as the achievement of the forecast results is dependent on actions, plans and assumptions of management.
- ▶ The Report assumes that the company/business/asset complies fully with relevant laws and regulations applicable in its area of operations and usage unless otherwise stated, and that the companies/business/assets will be managed in a competent and responsible manner. Further, as specifically stated to the contrary, this report has given no consideration to matters of a legal nature, including issues of legal title and compliance with local laws, and litigations and other contingent liabilities that are not recorded/reflected in the balance sheet/fixed assets register provided to us.

- ▶ The valuation analysis and result are governed by concept of materiality.
- ▶ It has been assumed that the required and relevant policies and practices have been adopted by Company and would be continued in the future.
- ▶ The fee for the Report is not contingent upon the results reported.
- ▶ The figures in the tables in this Report may not sum or cross cast, due to rounding differences.
- ▶ We owe responsibility to only to the Clients that have appointed us under the terms of the Engagement Agreement. We will not be liable for any losses, claims, damages or liabilities arising out of the actions taken, omissions or advice given by any other person.
- ▶ The actual transacted value achieved may be higher or lower than our estimate of value (or value range of value) depending upon the circumstances of the transaction (for example the competitive bidding environment), the nature of the business (for example the purchaser's perception of potential synergies). The knowledge, negotiating ability and motivation of the buyers and sellers will also affect the transaction value achieved.
- ▶ We have also relied on data from external sources to conclude the valuation. These sources are believed to be reliable and therefore, we assume no liability for the truth or accuracy of any data, opinions or estimates furnished by others that have been used in this analysis. Where we have relied on data, opinions or estimates from external sources, reasonable care has been taken to ensure that such data has been correctly extracted from those sources and /or reproduced in its proper form and context.

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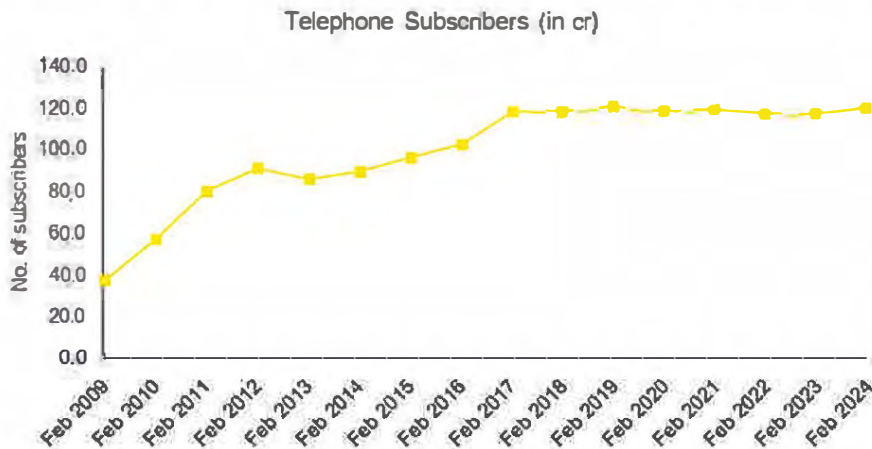
#### IV. Industry Overview

##### 1. Telecom Sector in India

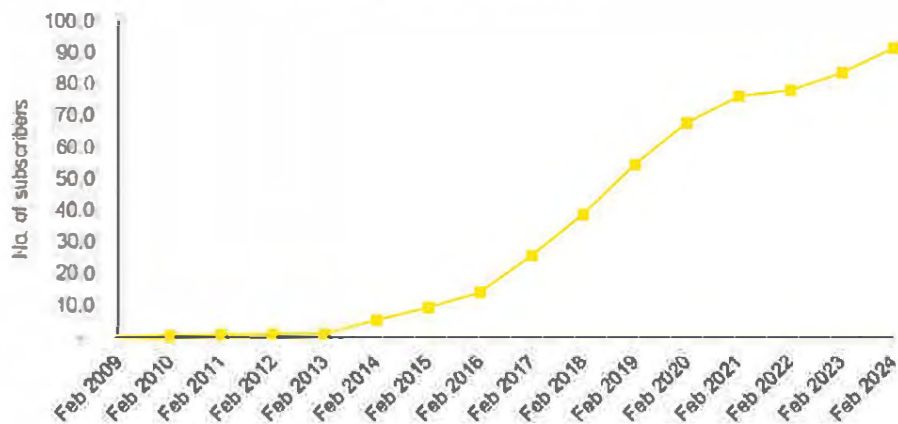
- ▶ Telecommunication has been playing a pivotal role in country's economic growth. It is the backbone of many industries, including e-commerce, media and entertainment, finance, information and technology (IT), healthcare, transportation, and logistics. The sector facilitates seamless movement of data worldwide through wired or wireless channels and significantly influences economic progress. The telecom market is constantly evolving with integration of cutting-edge technologies over the years. This has widened the coverage of telecom services globally and made them an indispensable part of the daily lives of consumers. Telecom proved to be an essential service, especially during the Covid-19 pandemic, by enabling people to remain connected amid worldwide lockdowns.
- ▶ The telecom industry mainly comprises wireless services, or mobile services, and wireline services, or fixed-line services. In India, wireless services accounted for 97.4% of total telecom customers and wireline services for the remaining 2.6% as of the first half of fiscal 2024.
- ▶ India is currently the world's second-largest telecommunications market by subscribers and strong customer demand has led to a rapid growth in this sector. As of 29 February 2024, India had a total reported subscriber base (including wireless and wireline subscribers) of 119.8 cr, according to TRAI.

No of users: In cr	Wireless	Wireline	Total
<b>Total Telephone Subscribers</b>	<b>116.5</b>	<b>3.3</b>	<b>119.8</b>
-Urban	63.6	3.1	66.6
-Rural	52.9	0.3	53.1
<b>Broadband Subscribers</b>	<b>87.7</b>	<b>3.9</b>	<b>91.7</b>

- ▶ The chart below illustrates the annual subscriber base from February 2009 to February 2024:



Broadband Subscribers (In cr)

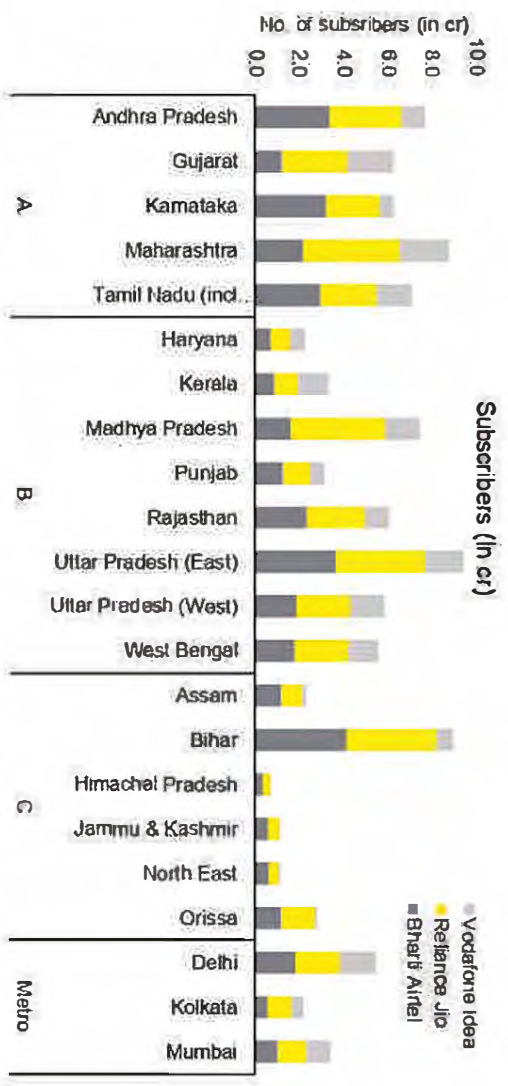


- ▶ As per Crisil MI&A report dated January 2024, Telecom sector is characterised by high entry barriers. A regulated environment, high capital requirements and dominance of existing players in a consolidated market deter new players from entering the telecom industry.
- ▶ In India, spectrum auctions are held for 22 telecom circles - i.e. three metro circles - Delhi, Mumbai, and Kolkata and 19 other circles. 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. A telecom company needs to acquire spectrum in each circle to provide comprehensive coverage to its consumers. Operators also need to acquire a unified license with authorisations for access services in each circle before they participate in auctions. The licensed service areas of the various cellular service providers as of 31 March 2024 are provided below:

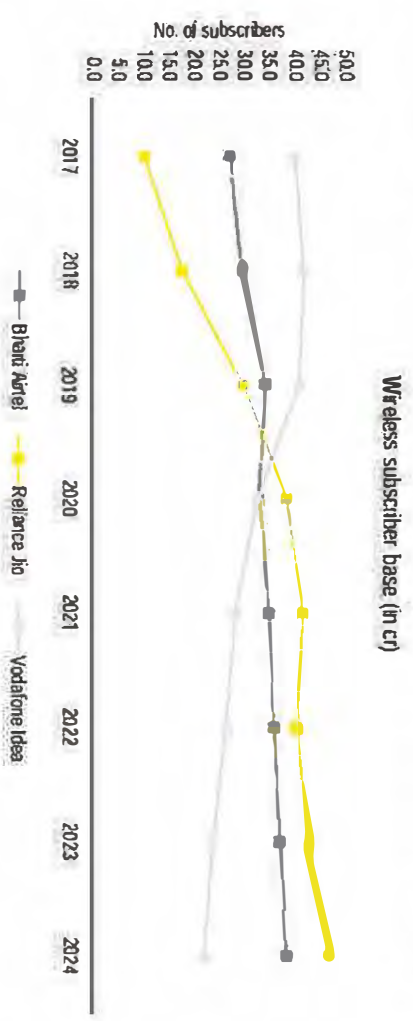
Service Provider	Licensed Service Area
Bharat Sanchar Nigam Limited ("BSNL")	All India (except Delhi & Mumbai)
Bharti Airtel Limited ("Bharti Airtel")	All India
Mahanagar Telephone Nigam Limited ("MTNL")	Delhi & Mumbai
Reliance Jio Infocom Limited ("Reliance Jio")	All India
Reliance Communications Limited ("RCom")	All India (except Assam & NE)
Vodafone Idea Limited ("Vodafone Idea")	All India

- ▶ The industry spent INR 1,50,000 cr during the 5G auction in 2022, with Reliance Jio, Bharti Airtel and Vodafone Idea accounting for INR 80,080 cr, INR 43,040 cr and INR 18,800 cr, respectively. Further, Indian telecom operators have spent nearly INR 3,00,000 cr since 2014 to acquire spectrum across various bands.

▶ The circle wise subscriber's data of the access service area providers as of 29 February 2024 is as below:

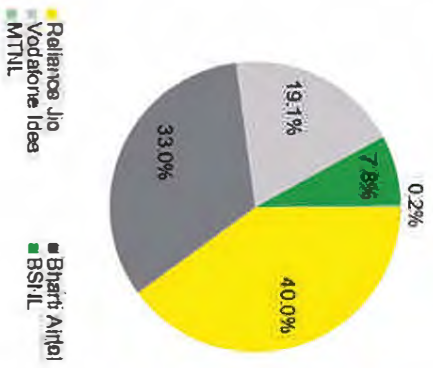


▶ The wireless subscriber base for the key access service providers from 2017 to 2024 is as below:

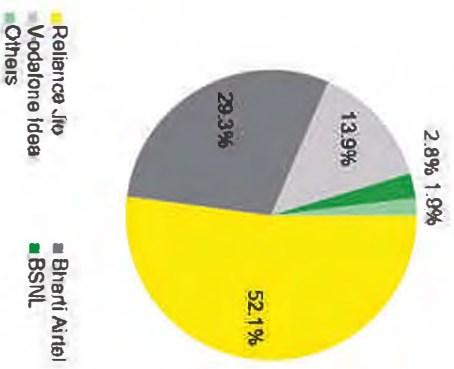


▶ As of February 2024, following is the market share for wireless and broadband subscribers:

Wireless subscribers

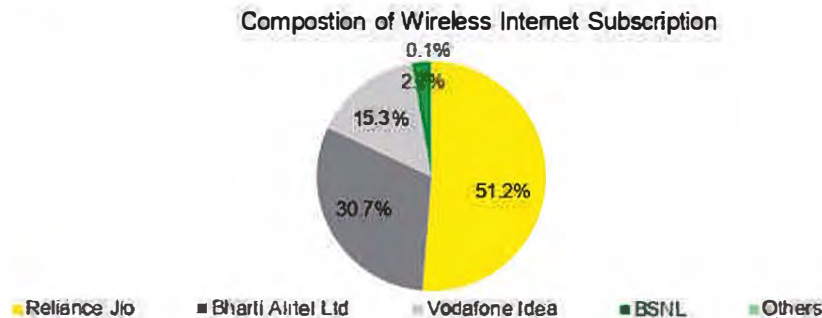


Broadband subscribers



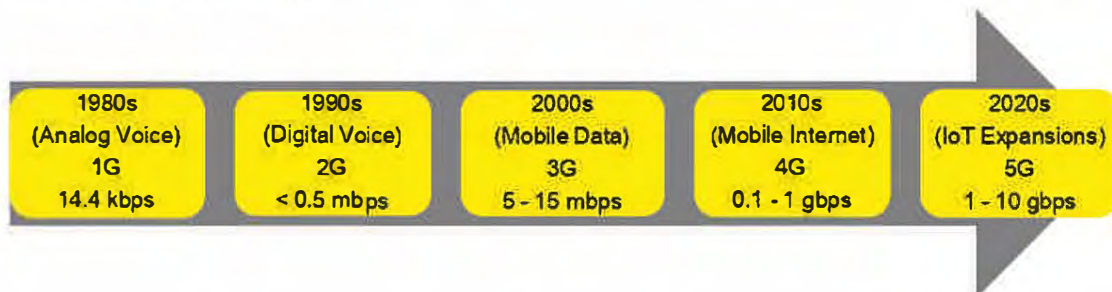


- ▶ The total volume of wireless data usage in India grew 4.0% QoQ from 47,629 PetaByte (“PB”) in quarter ended September 2023 to 49,543 PB in the quarter ended December 2023. The contribution of 2G, 3G, 4G and 5G data usage to the total volume of wireless data usage was at 0.1%, 0.7%, 86.7% and 12.6%, respectively.
- ▶ Average wireless data usage per wireless data subscriber was 19.5 GB per month in December 2023.
- ▶ In wireless internet segment, Reliance Jio holds 51.2% market share with 45.9 cr subscribers followed by Bharti Airtel Ltd with 30.7% and 27.6 cr wireless internet subscribers at the QE December 2023. The below chart shows the composition of Wireless Internet Subscription for Quarter ended December 2023-



#### ▶ **Optic Fibre in India**

- ▶ Over the past few decades, cellular capabilities have advanced from analog voice, at 14.4 kbps, to the promise of Internet of Things (“IoT”) connectivity at multiple gbps. The below chart demonstrates the wireless access evolution –



- ▶ There has been a paradigm shift in communication due to the epidemic, with more people working remotely, taking online classes, and streaming content from digital platforms. 5G has a huge influence in almost every sector of the economy, realizing the promise of a totally connected society. The 5G has a great potential such as 5G smart buildings, towns, and communities; virtual medicine and robotic surgery; autonomous cars etc.
- ▶ Fibre is an “extremely critical” backhaul component of 5G networks. 5G networks need to be linked through fibre optics since higher frequencies cannot pass through obstacles like walls, trees, or windows. More fibre optic cables connecting nano-masts are required for 5G to function at its full potential. Compared to fibre, 5G’s speed is much superior. Fibre is the best option for 5G because of its scalability, security, and capacity to manage the enormous quantity of backhaul data that will be created. Hence, the optic fibre industry is a critical part of the overall telecommunication industry of India.

- ▶ The Ministry of Road Transport & Highways (“MRTH”) announced in April 2023, that National Highways Authority of India (“NHAI”) will develop ~10,000 km of Optic Fibre Cable infrastructure across India by fiscal year 2024-25. NHAI’s fully owned National Highways Logistics Management Ltd (“NHLML”) will execute the project. MRTH has designated ~1,367 km of the Delhi-Mumbai expressway and ~512 km of the Hyderabad-Bangalore Corridor as the pilot routes for the project.
- ▶ As of June 2023, India had an optic fibre cable network spanning 37,26,577 km. (source: <https://www.lightreading.com/wireless/india-to-start-geotagging-telecom-infrastructure>)
- ▶ In April 2023, the Government of India (“GOI”) merged BSNL and BBNL cumulating a total of 12,60,000 km of optic fibre network for the merged company.  
(source: <https://www.fiercenet.com/wireless/india-merges-2-government-entities-boostfibercountry#:~:text=The%20revival%20package%20involves%20funds,4G%20services%2C%20among%20other%20initiatives.>)
- ▶ As of December 2023, Vodafone-Idea has an optic fibre network coverage of over 2,90,000 km and Bharti Airtel has an optic fibre network coverage of 4,30,412 km. (source: Red Herring Prospectus of Vodafone Idea Limited dated 11 April 2024 and Investor Presentation of Bharti Airtel Limited)
  
- ▶ Sources for “Section: Industry overview”:
  - i. <https://traf.gov.in/>
  - ii. <https://dot.gov.in/>
  - iii. [Fibre Deployment: Key to the Success of 5G in India | STL Tech](#)
  - iv. [Promising road ahead for OFC | Communications Today](#)
  - v. CRISIL MI&A
  - vi. Red Herring Prospectus of Vodafone Idea Limited dated 11 April 2024
  - vii. Investor Presentation of Bharti Airtel Limited

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## V. Procedures Adopted

We have carried out the valuation of Valuation Subjects, in accordance with valuation standards as specified in SEBI InvIT Regulations and Companies (Registered Valuers and Valuation) Rules, 2017, to the extent applicable.

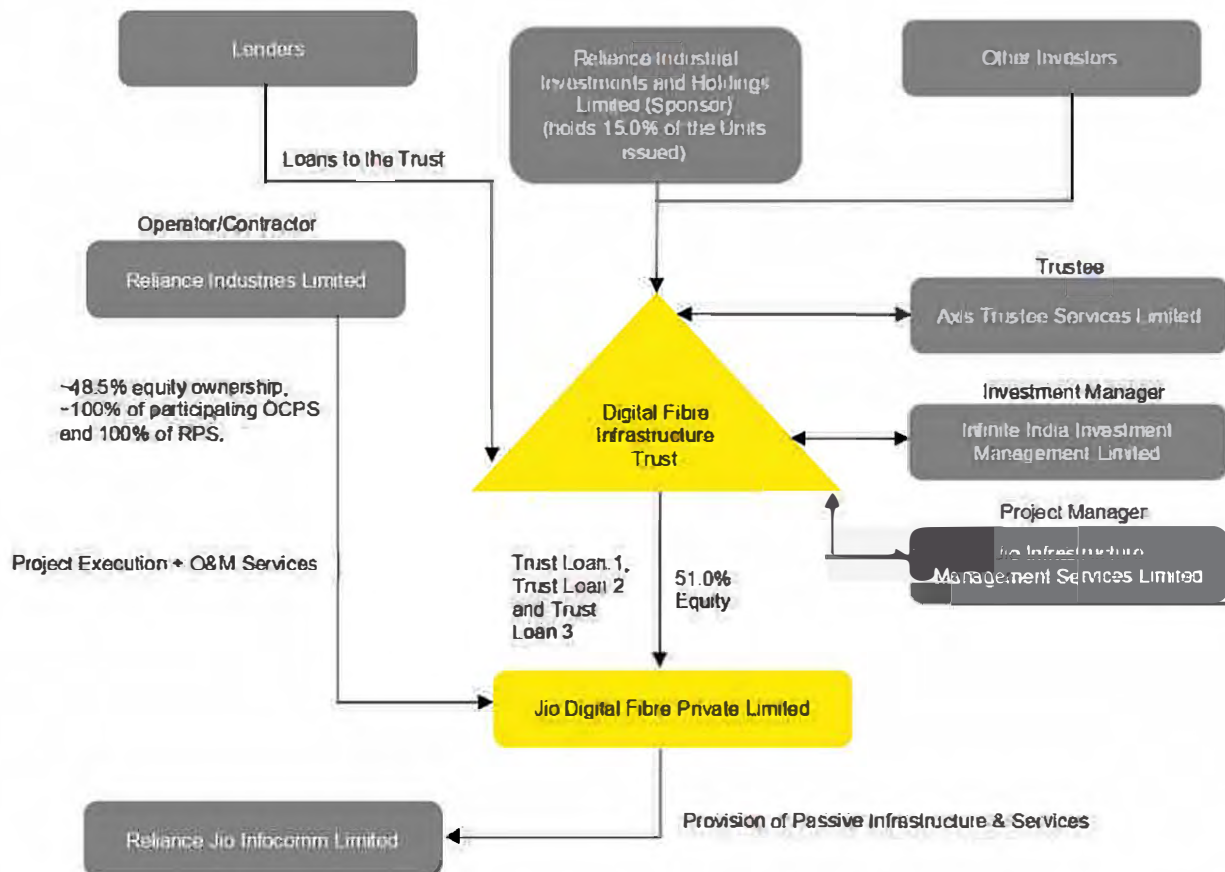
In connection with this analysis, we have adopted the following procedures to carry out the valuation analysis:

- Requested and received financial and qualitative information and clarifications regarding past financial performance of JDFPL;
- Discussed with the Management to: Understand the business and fundamental factors that that affect its earning-generating capability and historical and expected financial performance; Understand the key terms of Agreements;
- Analysis of the key economic and industry factors which may affect the valuation of JDFPL; Analysis of the information available in public domain/ subscribed databases in respect of the comparable companies/ comparable transactions, as considered relevant by us;
- Conducted site visits to assess the operating condition of JDFPL as per the requirements of SEBI (InvIT Regulations) 2014 (as amended);
- Selection of valuation approach and valuation methodology/(ies), in accordance with SEBI (InvIT Regulations) and Companies (Registered Valuers and Valuation) Rules, 2017, as considered appropriate and relevant by us; and
- Arriving at valuation of Valuation Subjects as on the Valuation Date.

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## VI. Background of JDFPL



- ▶ JDFPL is a private limited company incorporated in India on 17 December 2018. JDFPL, pursuant to a Scheme of Arrangement, acquired the optical fibre cable undertaking of RJIL w.e.f. the close of business hours on 31 March 2019. The principal activities of the Company are setting up, operating and managing optic fibre cable network.
- ▶ As of 31 March 2024, the Fibre Infrastructure Business includes a nation-wide network, covering all 22 circles in the country; of owned as well as indefeasible right to use ("IRU") of underground cables and ducts with embedded Dark Fibre of 30.1 mn fibre pair kilometre (FPKM) as well as a network of empty ducts (i.e. not having any or fibre in it), each connecting a manhole to another manhole and situated between two ends of a designated route where fibres are already laid by JDFPL (together referred to as "Fibre Assets"). It is being clarified that the Fibre Assets do not include Last Mile Fibres. The Fiber Assets have been classified as NLD (own build), NLD (IRU), 'Intra-city', 'Enterprise Access' and Fiber to the home (FTTH).
- ▶ RJIL is the anchor tenant of JDFPL, with whom JDFPL has entered into a Fiber and Duct Use Agreement ("FUA") for a period of 30 years commencing from September 2020.

## Historical and Prospective Financial Information

- ▶ The historical and forecast profit and loss statements of the Company as provided by the Management are summarized in the table below:

Currency: ₹ cr	31-Mar-21	31-Mar-22	31-Mar-23	31-Mar-24	31-Mar-25	31-Mar-26	31-Mar-27	31-Mar-28	31-Mar-29	31-Mar-30
	Audited	Audited	Audited	Audited	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast
Number of months	12	12	12	12	12	12	12	12	12	12
<b>Net sales</b>	7,640	11,712	15,496	16,729	18,611	24,054	24,054	31,583	33,749	35,041
Total expenses	(1,059)	(1,303)	(1,557)	(1,724)	(2,009)	(2,031)	(2,054)	(2,077)	(2,101)	(2,124)
<b>Operating EBITDA</b>	6,581	10,409	13,939	15,005	16,602	22,023	22,000	29,505	31,648	32,916
Depreciation and amortisation	(6,313)	(5,942)	(6,462)	(6,764)	(7,051)	(7,051)	(7,051)	(7,051)	(7,051)	(7,051)
<b>EBIT</b>	268	4,467	7,477	8,241	9,552	14,973	14,950	22,455	24,597	25,866
Finance costs	(7,361)	(10,045)	(11,009)	(12,407)	(12,535)	(12,846)	(12,285)	(13,066)	(11,055)	(9,574)
<b>PBT</b>	(7,093)	(5,578)	(4,132)	(4,167)	(2,983)	2,127	2,665	9,389	13,543	16,292
Other income	24	31	135	243	-	-	-	-	-	-
Tax	1,779	1,396	1,006	902	751	(535)	(671)	(2,383)	(3,408)	(4,100)
<b>PAT</b>	(5,290)	(4,151)	(2,991)	(2,931)	(2,232)	1,591	1,994	7,026	10,134	12,192
Sales growth (%)	na	53.3	32.3	8.0	11.3	29.2	-	31.3	6.9	3.8
EBITDA margins (%)	86.1	88.9	90.0	89.7	89.2	91.8	91.5	93.4	93.8	93.9
EBIT margins (%)	3.5	38.1	48.3	49.3	51.3	62.2	62.1	71.1	72.9	73.6
PBT margins (%)	(92.8)	(47.6)	(26.7)	(24.9)	(16.0)	8.8	11.1	29.7	40.1	46.5
PAT margins (%)	(69.2)	(35.4)	(19.3)	(17.5)	(12.0)	6.6	8.3	22.2	30.0	34.8

Source: Management

Currency: ₹ cr	31-Mar-31	31-Mar-32	31-Mar-33	31-Mar-34	31-Mar-35	31-Mar-36	31-Mar-37	31-Mar-38	31-Mar-39	31-Mar-40
	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast
Number of months	12	12	12	12	12	12	12	12	12	12
<b>Net sales</b>	35,041	35,041	35,039	35,034	35,034	35,034	35,034	35,034	35,034	35,034
Total expenses	(2,148)	(2,172)	(2,196)	(2,221)	(2,246)	(2,271)	(2,297)	(2,324)	(2,351)	(2,378)
<b>Operating EBITDA</b>	32,893	32,869	32,843	32,813	32,788	32,762	32,736	32,710	32,683	32,656
Depreciation and amortisation	(7,051)	(7,051)	(7,051)	(7,051)	(7,051)	(7,051)	(6,952)	(6,787)	(6,787)	(6,787)
<b>EBIT</b>	25,842	25,819	25,792	25,763	25,737	25,712	25,785	25,923	25,896	25,869
Finance costs	(8,745)	(8,020)	(7,470)	(7,626)	(7,381)	(7,790)	(8,250)	(8,106)	(7,885)	(7,639)
<b>PBT</b>	17,097	17,798	18,322	18,137	18,357	17,922	17,535	17,817	18,011	18,230
Other income	-	-	-	-	-	-	-	-	-	-
Tax	(4,303)	(4,479)	(4,611)	(4,565)	(4,620)	(4,511)	(4,413)	(4,484)	(4,533)	(4,588)
<b>PAT</b>	12,794	13,319	13,711	13,572	13,737	13,411	13,122	13,333	13,478	13,642
Sales growth (%)	-	-	(0.01)	(0.01)	-	-	-	-	-	-
EBITDA margins (%)	93.9	93.8	93.7	93.7	93.8	93.5	93.4	93.4	93.3	93.2
EBIT margins (%)	73.7	73.7	73.6	73.5	73.5	73.4	73.6	74.0	73.9	73.8
PBT margins (%)	48.8	50.8	52.3	51.8	52.4	51.2	50.1	50.9	51.4	52.0
PAT margins (%)	36.5	38.0	39.1	39.7	39.2	38.3	37.5	38.1	38.5	38.9

Source: Management

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Currency: ₹ cr	31-Mar-41	31-Mar-42	31-Mar-43	31-Mar-44	31-Mar-45	31-Mar-46	31-Mar-47	31-Mar-48	31-Mar-49	31-Mar-50	30 Sep 50
Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast
Number of months	12	12	12	12	12	12	12	12	12	12	6
<b>Net sales</b>	35,034	35,034	35,034	35,034	35,034	35,034	35,034	35,034	35,034	35,034	17,360
Total expenses	(2,406)	(2,435)	(2,464)	(2,483)	(2,523)	(2,554)	(2,586)	(2,618)	(2,650)	(2,684)	(1,358)
<b>Operating EBITDA</b>	32,628	32,599	32,570	32,541	32,510	32,480	32,448	32,416	32,383	32,350	16,002
Depreciation and amortisation	(6,787)	(6,787)	(6,787)	(6,787)	(6,787)	(6,787)	(6,787)	(6,618)	(5,271)	(5,271)	(4,209)
<b>EBIT</b>	26,841	26,812	25,783	25,754	26,723	25,693	25,661	26,798	27,112	27,079	11,793
Finance costs	(8,222)	(8,724)	(8,278)	(7,779)	(7,221)	(11,044)	(14,091)	(11,824)	(9,284)	(6,439)	(2,263)
<b>PBT</b>	17,619	17,088	17,505	17,974	18,502	14,649	11,570	13,974	17,828	20,640	9,531
Other income	-	-	-	-	-	-	-	-	-	-	-
Tax	(4,434)	(4,301)	(4,406)	(4,524)	(4,657)	(3,687)	(2,912)	(3,517)	(4,487)	(5,195)	(2,399)
<b>PAT</b>	13,184	12,787	13,099	13,450	13,846	10,962	8,658	10,457	13,341	15,445	7,132
Sales growth (%)	-	-	-	-	-	-	-	-	-	-	ns
EBITDA margins (%)	93.1	93.1	93.0	92.9	92.8	92.7	92.6	92.5	92.4	92.3	92.2
EBIT margins (%)	73.8	73.7	73.6	73.5	73.4	73.3	73.2	73.6	77.4	77.3	67.9
PBT margins (%)	50.3	48.8	50.0	51.3	52.8	41.8	33.0	39.9	50.9	58.9	54.9
PAT margins (%)	37.6	36.5	37.4	38.4	39.5	31.3	24.7	29.8	38.1	44.1	41.1

Source: Management

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- The historical and forecast balance sheet of the Company as provided by the Management are tabulated below:

Currency: ₹ cr	31-Mar-21	31-Mar-22	31-Mar-23	31-Mar-24	31-Mar-25	31-Mar-26	31-Mar-27	31-Mar-28
	Audited	Audited	Audited	Audited	Forecast	Forecast	Forecast	Forecast
Number of months	12	12	12	12	12	12	12	12
<b>Fixed assets</b>								
Net block of fixed assets (NFA)	1,65,181	1,77,287	1,83,657	1,89,228	1,82,177	1,75,127	1,68,078	1,61,026
Goodwill	13,931	13,931	13,931	13,931	13,931	13,931	13,931	13,931
Investments	149	2,597	1,840	2,212	-	-	-	-
Loans to related party	280	280	280	280	-	-	-	-
<b>Current assets</b>								
Trade receivables	9	5	38	7	0.1	0.3	0.3	522
Cash and bank balances	20	95	90	147	1,083	6,175	8,183	37,498
Other financial assets	812	546	1,338	593	-	-	-	-
Other current assets	4,664	6,180	6,309	6,381	4,558	1,166	667	667
	5,505	6,826	7,775	7,128	5,641	7,340	8,850	38,687
<b>Current liabilities and provisions</b>								
Provisions	-	1	2	2	-	-	-	-
Other current liabilities	15,921	15,378	14,883	14,493	13,880	13,341	12,801	38,854
	15,921	15,379	14,885	14,495	13,880	13,341	12,801	38,854
Net current assets (NCA)	(10,416)	(8,553)	(7,090)	(7,367)	(8,239)	(6,000)	(3,951)	(167)
Deferred tax asset	-	-	-	-	-	-	-	-
Unamortised finance charges	150	176	175	236	162	143	125	106
<b>Loan funds</b>								
Borrowings	1,01,549	1,26,284	1,31,885	1,33,446	1,39,916	1,32,960	1,25,275	1,12,601
Interest accrued but not due	29	250	197	171	-	-	-	-
Creditors for capital goods	3,003	38	5,562	13,781	-	-	-	-
	1,04,581	1,26,572	1,37,644	1,47,398	1,39,916	1,32,960	1,25,275	1,12,601
Deferred tax liability	23,398	22,002	20,996	19,978	19,227	19,762	20,433	22,796
<b>Net worth</b>	<b>41,296</b>	<b>37,144</b>	<b>34,153</b>	<b>31,144</b>	<b>28,887</b>	<b>30,479</b>	<b>32,473</b>	<b>39,499</b>
<b>Represented by:</b>								
Equity	515	515	515	515	515	515	515	515
OCPS	78,140	78,140	78,140	78,140	78,140	78,140	78,140	78,140
Other equity	(37,359)	(41,511)	(44,502)	(47,511)	(49,768)	(48,176)	(48,182)	(39,156)
<b>Total</b>	<b>41,296</b>	<b>37,144</b>	<b>34,153</b>	<b>31,144</b>	<b>28,887</b>	<b>30,479</b>	<b>32,473</b>	<b>39,499</b>

Source: Management

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Currency: ₹ cr	31-Mar-29	31-Mar-30	31-Mar-31	31-Mar-32	31-Mar-33	31-Mar-34	31-Mar-35	31-Mar-36
	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast
Number of months	12	12	12	12	12	12	12	12
<b>Fixed assets</b>								
Net block of fixed assets (NFA)	1,53,975	1,46,925	1,39,674	1,32,824	1,25,773	1,18,722	1,11,672	1,04,621
Goodwill	13,931	13,931	13,931	13,931	13,931	13,931	13,931	13,931
Investments	-	-	-	-	-	-	-	-
Loans to related party	-	-	-	-	-	-	-	-
<b>Current assets</b>								
Trade receivables	671	762	762	762	762	762	762	762
Cash and bank balances	50,220	59,262	64,827	70,684	79,711	94,238	108,723	122,709
Other financial assets	-	-	-	-	-	-	-	-
Other current assets	667	667	667	667	667	667	667	667
	51,558	60,691	66,256	72,123	81,140	95,665	1,10,152	1,24,139
<b>Current liabilities and provisions</b>								
Provisions	-	-	-	-	-	-	-	-
Other current liabilities	44,715	46,424	44,165	41,906	39,649	37,398	35,146	32,894
	44,715	46,424	44,165	41,906	39,649	37,398	35,146	32,894
<b>Net current assets (NCA)</b>	<b>6,843</b>	<b>14,267</b>	<b>22,091</b>	<b>30,217</b>	<b>41,491</b>	<b>58,267</b>	<b>75,006</b>	<b>91,244</b>
Deferred tax asset	-	-	-	-	-	-	-	-
Unamortised finance charges	86	69	51	32	14	-	-	-
<b>Loan funds</b>								
Borrowings	98,999	83,102	72,048	60,921	52,760	50,502	48,141	45,664
Interest accrued but not due	-	-	-	-	-	-	-	-
Creditors for capital goods	-	-	-	-	-	-	-	-
	98,999	83,102	72,048	60,921	52,760	50,502	48,141	45,664
Deferred tax liability	28,205	30,265	28,281	28,145	26,800	25,199	23,511	21,764
<b>Net worth</b>	<b>49,633</b>	<b>61,824</b>	<b>74,618</b>	<b>87,937</b>	<b>1,01,648</b>	<b>1,15,220</b>	<b>1,28,957</b>	<b>1,42,369</b>
<b>Represented by</b>								
Equity	515	515	515	515	515	515	515	515
OCPS	78,140	78,140	78,140	78,140	78,140	78,140	78,140	78,140
Other equity	(29,022)	(16,830)	(4,036)	9,282	22,994	36,566	50,302	63,714
<b>Total</b>	<b>49,633</b>	<b>61,824</b>	<b>74,618</b>	<b>87,937</b>	<b>1,01,648</b>	<b>1,15,220</b>	<b>1,28,957</b>	<b>1,42,369</b>

Source: Management

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Currency: ₹ cr	31-Mar-37	31-Mar-38	31-Mar-39	31-Mar-40	31-Mar-41	31-Mar-42	31-Mar-43	31-Mar-44
	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast
Number of months	12	12	12	12	12	12	12	12
<b>Fixed assets</b>								
Net block of fixed assets (NFA)	97,669	90,883	84,096	77,309	70,522	63,735	56,948	50,161
Goodwill	13,931	13,931	13,931	13,931	13,931	13,931	13,931	13,931
Investments	-	-	-	-	-	-	-	-
Loans to related party	-	-	-	-	-	-	-	-
<b>Current assets</b>								
Trade receivables	762	762	762	762	762	762	762	762
Cash and bank balances	1,38,841	1,51,550	1,66,199	1,80,792	1,94,710	2,07,992	2,21,306	2,34,663
Other financial assets	-	-	-	-	-	-	-	-
Other current assets	667	667	667	667	667	667	667	667
	1,38,270	1,52,979	1,67,628	1,82,221	1,96,139	2,09,421	2,22,735	2,36,092
<b>Current liabilities and provisions</b>								
Provisions	-	-	-	-	-	-	-	-
Other current liabilities	30,643	28,391	26,140	23,888	21,637	19,385	17,134	14,883
	30,643	28,391	26,140	23,888	21,637	19,385	17,134	14,883
Net current assets (NCA)	1,07,627	1,24,588	1,41,488	1,58,333	1,74,502	1,90,036	2,05,601	2,21,209
Deferred tax asset	-	-	-	-	-	-	-	-
Unamortised finance charges	-	-	-	-	-	-	-	-
<b>Loan funds</b>								
Borrowings	43,763	42,421	40,916	39,232	37,342	35,224	32,850	30,188
Interest accrued but not due	-	-	-	-	-	-	-	-
Creditors for capital goods	-	-	-	-	-	-	-	-
	43,763	42,421	40,916	39,232	37,342	35,224	32,850	30,188
Deferred tax liability	19,974	18,157	16,295	14,397	12,485	10,563	8,616	6,648
<b>Net worth</b>	<b>1,55,490</b>	<b>1,68,823</b>	<b>1,82,302</b>	<b>1,95,943</b>	<b>2,09,127</b>	<b>2,21,915</b>	<b>2,35,014</b>	<b>2,48,464</b>
<b>Represented by</b>								
Equity	515	515	515	515	515	515	515	515
OCPS	78,140	78,140	78,140	78,140	78,140	78,140	78,140	78,140
Other equity	76,835	90,169	1,03,647	1,17,289	1,30,473	1,43,260	1,58,359	1,69,810
<b>Total</b>	<b>1,55,490</b>	<b>1,68,823</b>	<b>1,82,302</b>	<b>1,95,943</b>	<b>2,09,127</b>	<b>2,21,915</b>	<b>2,35,014</b>	<b>2,48,464</b>

Source: Management

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Currency: ₹ cr	31-Mar-45	31-Mar-46	31-Mar-47	31-Mar-48	31-Mar-49	31-Mar-50	30-Sep-50
	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast
Number of months	12	12	12	12	12	12	6
<b>Fixed assets</b>							
Net block of fixed assets (NFA)	43,374	36,587	29,800	23,182	17,911	12,640	8,431
Goodwill	13,931	13,931	13,931	13,931	13,931	13,931	13,931
Investments	-	-	-	-	-	-	-
Loans to related party	-	-	-	-	-	-	-
<b>Current assets</b>							
Trade receivables	762	762	762	762	762	762	-
Cash and bank balances	2,48,074	2,58,316	2,65,910	2,74,681	2,84,774	2,96,352	3,00,683
Other financial assets	-	-	-	-	-	-	-
Other current assets	667	667	667	667	667	667	-
	2,49,504	2,59,745	2,67,339	2,76,110	2,86,203	2,97,781	3,00,683
<b>Current liabilities and provisions</b>							
Provisions	-	-	-	-	-	-	-
Other current liabilities	12,631	10,380	8,129	5,878	3,627	1,376	-
	12,631	10,380	8,129	5,878	3,627	1,376	-
Net current assets (NCA)	2,36,872	2,49,365	2,59,210	2,70,232	2,82,576	2,96,405	3,00,682
Deferred tax asset	-	-	=	-	2,511	4,119	5,263
Unamortised finance charges	-	-	-	-	-	-	-
<b>Loan funds</b>							
Borrowings	27,205	23,861	20,113	15,911	11,201	5,921	1
Interest accrued but not due	-	-	-	-	-	-	-
Creditors for capital goods	-	-	-	-	-	-	-
	27,205	23,861	20,113	15,911	11,201	5,921	1
Deferred tax liability	4,862	2,749	899	(953)	-	-	-
<b>Net worth</b>	<b>2,62,310</b>	<b>2,73,272</b>	<b>2,81,930</b>	<b>2,92,387</b>	<b>3,05,729</b>	<b>3,21,174</b>	<b>3,28,305</b>
<b>Represented by</b>							
Equity	515	515	515	515	515	515	515
OCPS	78,140	78,140	78,140	78,140	78,140	78,140	78,140
Other equity	183,655	194,617	203,275	213,733	227,074	242,519	249,651
<b>Total</b>	<b>2,62,310</b>	<b>2,73,272</b>	<b>2,81,930</b>	<b>2,92,387</b>	<b>3,05,729</b>	<b>3,21,174</b>	<b>3,28,305</b>

Source: Management

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- The historical and projected working capital cycle of the Company as provided by the Management is tabulated as below:

Currency: ₹ cr	31-Mar-21	31-Mar-22	31-Mar-23	31-Mar-24	31-Mar-25	31-Mar-26	31-Mar-27	31-Mar-28	31-Mar-29
Operating NCA	(10,450)	(8,664)	(7,185)	(7,519)	(9,322)	(12,175)	(12,134)	(37,665)	(43,377)
Operating NCA / Net sales (%)	(136.8)	(74.0)	(46.4)	(44.9)	(50.1)	(50.6)	(50.4)	(119.3)	(128.5)
<b>(Increase)/ Decrease in net working capital</b>	-	(1,785)	(1,479)	333	1,803	2,882	(41)	25,631	6,712

Currency: ₹ cr	31-Mar-30	31-Mar-31	31-Mar-32	31-Mar-33	31-Mar-34	31-Mar-35	31-Mar-36	31-Mar-37	31-Mar-38
Operating NCA	(44,985)	(42,736)	(40,477)	(38,220)	(35,969)	(33,717)	(31,465)	(29,214)	(26,962)
Operating NCA / Net sales (%)	(128.4)	(122.0)	(115.5)	(109.1)	(102.7)	(96.2)	(89.8)	(83.4)	(77.0)
<b>(Increase)/ Decrease in net working capital</b>	1,618	(2,259)	(2,259)	(2,257)	(2,252)	(2,252)	(2,252)	(2,252)	(2,252)

Currency: ₹ cr	31-Mar-39	31-Mar-40	31-Mar-41	31-Mar-42	31-Mar-43	31-Mar-44	31-Mar-45	31-Mar-46	31-Mar-47
Operating NCA	(24,711)	(22,459)	(20,208)	(17,956)	(15,705)	(13,454)	(11,202)	(8,951)	(6,700)
Operating NCA / Net sales (%)	(70.5)	(64.1)	(57.7)	(51.3)	(44.8)	(38.4)	(32.0)	(25.6)	(19.1)
<b>(Increase)/ Decrease in net working capital</b>	(2,252)	(2,251)	(2,251)	(2,251)	(2,251)	(2,251)	(2,251)	(2,251)	(2,251)

Currency: ₹ cr	31-Mar-48	31-Mar-49	31-Mar-50	30-Sep-50
Operating NCA	(4,449)	(2,198)	53	-
Operating NCA / Net sales (%)	(12.7)	(6.3)	0.2	-
<b>(Increase)/ Decrease in net working capital</b>	(2,251)	(2,251)	(2,251)	63

Source: Management

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As informed by the Management,

Following is the Fibre Asset roll out of JDFPL:

Fibre Asset rollout: mn FPKM	FY21	FY22	FY23	FY24	FY25
NLD - Own Build	7.3	9.0	9.8	10.9	10.9
NLD - IRU	0.6	0.6	0.6	0.6	0.6
Intracity					
A	0.7	0.7	0.8	0.9	0.9
B	2.5	3.0	3.2	3.4	3.4
Others	6.2	7.4	8.1	8.3	8.3
Enterprise Access	0.1	0.1	0.1	0.1	0.1
FTTH	2.8	3.9	5.3	5.9	5.9
<b>Total</b>	<b>20.2</b>	<b>24.7</b>	<b>27.8</b>	<b>30.1</b>	<b>30.1</b>

Source: Management

### Revenue

- ▶ As on 31 March 2024, RJIL is utilising ~65.7% of the total capacity and had contracted to utilise 68.0% of the total capacity. The fibre infrastructure in India is at nascent stage and the demand for data usage is growing exponentially due to increase in and 5G technology. From FY28 onwards, JDFPL expects to provide its fibre to third party service providers. The usage of fibre by other third-party customers is estimated to be ~11.2 % for FY28, 14.4% for FY29 and 16.0 % for FY30 and onwards. From FY30 and onwards, these third-party customers are projected to contribute ~31.3% of the total revenue generated of JDFPL.
- ▶ The revenue of JDFPL constitutes of amortisation of upfront fibre fees, monthly fibre fees and monthly maintenance fees.

### Upfront Fiber Fees

- ▶ Prior to the amendment dated 27 September 2021, RJIL has paid INR 17,010 cr ("Upfront Fiber Fees"), which will be amortized over the life of the FUA w.r.t. to fibre off-take by RJIL under the FUA. 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. As of 31 March 2024, the total unamortized Upfront Fiber Fees amounted to INR 14,252 cr. It is also expected that the Third-party customers will be required to pay upfront fibre fees.

### Monthly Fiber Fees

- ▶ JDFPL further charges a monthly fiber fee ("Monthly Fiber Fees") which is charged as per the terms of the FUA.
- ▶ As mentioned above, 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 Fiber Fees was accordingly increased to an extent that would set off the Upfront Fiber Fees that was otherwise payable under the FUA prior to its amendment.
- ▶ Since RJIL is the primary tenant and utilizes ~65.7% of the total available fibre as at Valuation Date and is projected to increase its usage to ~68.0% in the explicit period, hence, RJIL has been given a discount of ~60% to the rate card. It is expected that JDFPL will charge a premium of 10% to the rate card fees to other third-party customers as requirements from third party customers would be more diverse and scattered.

### **Monthly Maintenance Fees**

- ▶ Monthly maintenance fees are also charged to RJIL as set out in the FUA ("Monthly Maintenance Fees"). Similarly, it is projected that the third-party customers would also have to pay monthly maintenance fee.

### **Expenses**

#### **Operation and Maintenance Expense**

- ▶ The operation and maintenance expense as per the terms of O&M Agreement between Jio Digital Fibre Private Limited and Jio Infrastructure Management Services Limited and Reliance Projects & Property Management Services Limited effective for the period from 29 September 2020 to 28 September 2050 has been considered.

#### **Capital expenditure**

- ▶ JDFPL have not forecasted to incur capex towards laying of additional optic fibre cables in the business plan provided to us. Further, there will be no capex towards maintenance of the fibre as the same will be covered in the terms of O&M Agreement.

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## **VII. Basis and Premise of Valuation**

### **1. Basis of Valuation**

Valuation Base means the indication of the type of value being used in an engagement. In the present case, we have determined the fair value of JDFPL at the enterprise level and equity level. Further, we have determined the fair value of Staggered Loan. Fair Value Bases defined as under:

#### **Fair Value**

For this valuation, we have considered the International Valuation Standards, 2022 (“IVS”) and have adopted a definition of Market Value as given in IVS 104, “Market Value is the estimated amount for which an asset or liability should exchange on the Valuation Date between a willing buyer and a willing seller in an arm’s length transaction, after proper marketing and where the parties had each acted knowledgeably, prudently and without compulsion”. The Fair Value referred elsewhere in the Report is same as Market Value as defined above.

### **2. Valuation Date**

Valuation Date is the specific date at which the value of the assets to be valued gets estimated or measured. Valuation is time specific and can change with the passage of time inter-alia due to changes in the condition of the asset to be valued and market parameters. Accordingly, valuation of an asset as at a particular date can be different from other date(s).

The Valuation Date considered for the valuation of the Valuation Subjects is 31 March 2024. Our Report does not take account of events or circumstances arising after Valuation Date and we have no responsibility to update the Report for such events or circumstances.

### **3. Premise of Value**

Premise of Value refers to the conditions and circumstances how an asset is deployed. For the purpose of this valuation, the valuation is based on ‘Going Concern’ premise.

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## VIII. Valuation Methodology - For Enterprise valuation of JDFPL

To determine the value of enterprises, three traditional approaches can be considered:

### A. Market approach

The market approach measures value based on what other purchasers in the market have paid for assets that can be considered reasonably similar to those being valued.

### B. Income approach

The income approach determines the value of a business based on its ability to generate desired economic benefit for the owners. The key objective of the Income-based methods is to determine the business value as a function of the economic benefit.

### C. Asset approach

The asset approach seeks to determine the business value based on the value of its assets.

The following methods have been considered for determination of enterprise value of JDFPL as at the Valuation Date.

Methodology	Weights	Remarks
Income Approach – Discounted Cash Flows Method	100.0%	▶ DCF method has been considered based on financial projections prepared by the Management.
Market Approach – Comparable Companies' Multiple Method	-	▶ There are no listed companies which are comparable to JDFPL in terms of nature of operation, size and scale. Hence, Companies' Multiple Method has not been considered for valuation analysis.
Market Approach – Comparable Transactions' Multiple Method	-	▶ There has not been any recent transaction in comparable companies with similar size and scale of operations for which adequate information is available in public domain. Hence, Comparable Transactions' Multiple Method has not been considered for valuation analysis.
Cost Approach – Net Asset Value Method	-	▶ Asset values are generally not a true indicator of the future distributable cash flow / the profit generating ability of a business. NAV of JDFPL has been computed and presented for information only.

## IX. Valuation Analysis - For Enterprise valuation of JDFPL

### Discounted Cash Flow method

- ▶ Free Cash Flow to Firm approach under DCF method has been considered to determine the enterprise value of JDFPL.
- ▶ The business plan covers explicit forecast period from 01 April 2024 to the end of the FUA i.e., 29 September 2050. Since, the FUA is for a fixed term upto 29 September 2050 and given the probability of technological development and life of Fiber Asset, we have not considered terminal value for our valuation analysis.

### Discount Rate

- ▶ The application of the income approach requires the determination of an appropriate discount rate at which future cash flows are discounted to their present value as of Valuation Date.
- ▶ The Weighted Average Cost of Capital (WACC) is based on the current capital structure of JDFPL. For the estimation of the cost of equity, the capital asset pricing model ("CAPM") is applied.

### Mid-Year Discounting Convention

- ▶ EY DCF approach assumes that the cash flows occur evenly during each of the measurement period (and not at the end of the year); therefore, the discounting rate is adjusted to value the cash flows at midpoint of the measurement period.

### Calculation of WACC is as follows:

Particulars	Weights (%)	Rate (%)	Remarks
Cost of Equity and OCPS	34.8	17.7	Refer Note 1
Cost of Staggered Loan	8.7	12.8	Refer Note 2
Cost of Fixed Rate Loan	14.6	9.6	Refer Note 3
Cost of non-convertible debentures ("NCD")	0.8	7.0	Refer Note 4
Cost of Bank Loans	41.1	6.4	Refer Note 5
Cost of RPS	0.001	0.01	Refer Note 6
<b>WACC</b>	<b>100.0</b>	<b>11.3</b>	

\* The weights are based on current capital structure of JDFPL.



### Note 1: Cost of Equity and OCPS

For the estimation of the cost of equity, the capital asset pricing model ("CAPM") is applied.

Particulars	Rate (%)	Remarks
Risk free rate (Rf)	7.0	Current YTM of Government Bonds with 10 years residual maturity (rounded).
Beta (β)	1.52	Beta computation has been presented in the table below. In absence of listed comparable companies in India, companies engaged in providing telecom infrastructure as a service in India, for which the relevant data was available have been considered to compute beta. Re-levered beta (based on a three-year data considering weekly returns) has been considered for the analysis.
Market Risk Premium (MRP)	7.0	Based on EY understanding of the expected MRP in India.
<b>Cost of Equity (Re)</b>	<b>17.7</b>	<b>Re = Rf + (β * MRP)</b>

### Beta

Currency ₹ cr	Equity beta	Market capitalisation	Net debt	Enterprise value	Debt-equity ratio based on 3 year average	Effective tax rate (%)	Unlevered beta	Re-levered beta #
Indus Towers Limited	1.20	71,748	17,896	89,644	34	25.2	0.95	1.43
Tata Communications Limited	1.23	55,546	4,444	59,989	18	25.2	1.08	1.61
<b>Average</b>								<b>1.52</b>

# For the purpose of calculation of re-levered beta, the debt equity ratio of 40:60 has been considered based on the average Debt equity ratio of JDFPL over the explicit period.

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 JDFPL either on winding up or liquidation or otherwise. Hence, the cost of equity has been considered as cost of OCPS.

The weight of equity and OCPS is based on the total value of the equity and OCPS arrived at based on the valuation analysis.

### Note 2: Cost of Staggered Loan

Based on the discussions with the Management and based on the agreement pertaining to the Staggered Loan, we understand that the returns Staggered Loan can be bifurcated into two components:

- i) Payment of fixed Interest and repayment of principal: The payment of fixed interest on the Staggered Loan and the repayment of the principal amount had an IRR of 13.4% on 12 December 2021 i.e. when the latest tranche of loan of INR 4,783 cr was given by the Trust from the proceeds of Rights Issue. However, the loan has a progressively increasing interest rate i.e. the initial interest rate will be lower and the same will keep on increasing after specific periods.
- ii) Additional Interest - Variable payments: The agreement of the Staggered Loan provides that, the cashflow of JDFPL after payments of operating expenses, payments & repayment of interest and principal on the loans other than the Staggered Loan, payment & repayment of base fixed interest and principal on Staggered Loans and payments of unpaid obligations of any loan, will be distributed to the lenders of the Staggered Loan and earmarked for OCPS holders in the following manner:
  - a. for the period of first 10 years from the Drawdown Date of the Staggered Loan –

- i. in the ratio of 90:10 between lenders of Staggered Loan and OCPS holders if the expected IRR of the unit holders of the Trust is between 9.5% to 10.0%; and
  - ii. in the ratio of 5:95 between lenders of Staggered Loan and OCPS holders if the expected IRR of the unit holders of the Trust is equal to or greater than 10.0%
- b. for the period after the first 10 years from the Drawdown Date till the final repayment date of the Staggered Loan –
- i. In the ratio of 50:50 between lenders of Staggered Loan and OCPS holders if the expected IRR of the unit holders of the Trust is between 10.0% to 11.5%; and
  - ii. in the ratio of 10:90 between lenders of Staggered Loan and OCPS holders if the expected IRR of the unit holders of the Trust is equal to or greater than 11.5%

The IRR on the Staggered Loan and Fixed Rate Loan is more than 12.0%. Hence, the Management expects that the additional interest towards the Staggered Loan will be in the ratio of 5:95 between lenders of Staggered Loan and OCPS holders for the first 10 years and 10:90 between lenders of Staggered Loan and OCPS holders for next 20 years.

The lenders of the Staggered Loan are expected to receive the above-mentioned additional interest accordingly.

Based on the above terms of the Staggered Loan, we understand that the risk and return profile of the Staggered Loan includes both equity as well as debt. Hence, for the purpose of our valuation analysis the cost of Staggered Loan has been arrived as follows:

Particulars	Rate (%)	Remarks
<b>Cost of Staggered Loan (pre-tax)</b>	<b>17.2</b>	
Tax rate	25.2	As informed by the Management, the tax benefit is available on the fixed interest as well as additional variable interest.
<b>Cost of Staggered Loan (post-tax)</b>	<b>12.8</b>	

The weight of Staggered Loan is based on the value of Staggered Loan arrived at based on the valuation analysis. Refer Section "X. Valuation Analysis - For valuation of Staggered Loan" for valuation of Staggered Loan.

**Note 3: Cost of Fixed Rate Loan**

Particulars	Rate (%)	Remarks
Cost of Fixed Rate Loan (pre-tax)	12.8	The pre-tax cost of the Fixed Rate Loan is considered as the IRR of the loan on 04 February 2022 (i.e. the date when the additional loan of INR 1,431 cr was granted). The loan is unsecured and the remaining tenure of the loan is ~ 26 years.
Tax rate	25.2	
<b>Cost of Staggered Loan (post-tax)</b>	<b>9.6</b>	



**Note 4: Cost of non-convertible debentures**

Particulars	Rate (%)	Remarks
Cost of NCD (pre-tax)	9.3	The pre-tax cost of the non-convertible debentures is considered as the IRR of the NCD as on the date of issue of NCD i.e. 27 June 2023. The NCD are secured. The remaining tenure of the NCD is ~ 5 years.
Tax rate	25.2	
<b>Cost of NCD (post-tax)</b>	<b>7.0</b>	

**Note 5: Cost of Bank Loans**

Particulars	Rate (%)	Remarks
Cost of Bank loans (pre-tax)	8.5	Based on the marginal cost of bank loans as informed by the Management.
Tax rate	25.2	
<b>Cost of Bank Loans (post-tax)</b>	<b>6.4</b>	

As informed by the Management, JDFPL is expected to borrow INR 14,086 cr from banks in FY25 to pay to the capital creditors. The same has been considered to assign weight to the bank loan in calculation of WACC.

**Note 6: Cost of Redeemable Preference Shares**

Particulars	Rate (%)	Remarks
Cost of RPS (pre-tax)	0.01	Based on the coupon rate of RPS as informed by the Management.
Tax rate	25.2	
<b>Cost of RPS (post-tax)</b>	<b>0.01</b>	

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### Enterprise valuation of JDFPL as per DCF method

Currency: ₹ cr	Mar25	Mar26	Mar27	Mar28	Mar29	Mar30	Mar31	Mar32	Mar33	Mar34
Number of months	12	12	12	12	12	12	12	12	12	12
Net sales	18,611	24,054	24,054	31,583	33,749	35,041	35,041	35,041	35,039	35,034
Operating expenses	(2,009)	(2,031)	(2,054)	(2,077)	(2,101)	(2,124)	(2,148)	(2,172)	(2,196)	(2,221)
<b>EBITDA</b>	<b>16,602</b>	<b>22,023</b>	<b>22,000</b>	<b>29,506</b>	<b>31,648</b>	<b>32,915</b>	<b>32,893</b>	<b>32,869</b>	<b>32,843</b>	<b>32,813</b>
Depreciation and amortisation	(7,051)	(7,051)	(7,051)	(7,051)	(7,051)	(7,051)	(7,051)	(7,051)	(7,051)	(7,051)
<b>EBIT</b>	<b>9,552</b>	<b>14,973</b>	<b>14,950</b>	<b>22,455</b>	<b>24,597</b>	<b>25,866</b>	<b>25,842</b>	<b>25,819</b>	<b>25,792</b>	<b>25,763</b>
Tax expense	-	-	-	(3,402)	(6,655)	(7,172)	(7,333)	(7,470)	(7,584)	(7,679)
<b>Debt free net income</b>	<b>9,552</b>	<b>14,973</b>	<b>14,950</b>	<b>19,052</b>	<b>17,943</b>	<b>18,694</b>	<b>18,509</b>	<b>18,349</b>	<b>18,208</b>	<b>18,083</b>
Add: Depreciation and amortisation	7,051	7,051	7,051	7,051	7,051	7,051	7,051	7,051	7,051	7,051
(Increase)/ Decrease in net working capital	1,803	2,852	(41)	25,531	5,712	1,618	(2,259)	(2,259)	(2,257)	(2,252)
Less: Capital expenditure	-	-	-	-	-	-	-	-	-	-
<b>Debt free cash flow</b>	<b>18,405</b>	<b>24,875</b>	<b>21,959</b>	<b>51,634</b>	<b>30,705</b>	<b>27,363</b>	<b>23,301</b>	<b>23,141</b>	<b>23,002</b>	<b>22,882</b>
Discount rate (%)	11.3	11.3	11.3	11.3	11.3	11.3	11.3	11.3	11.3	11.3
Present value factor- Mid year discounting	0.95	0.85	0.76	0.69	0.62	0.55	0.50	0.45	0.40	0.36
<b>Present value debt free cash flow</b>	<b>17,444</b>	<b>21,177</b>	<b>16,792</b>	<b>35,466</b>	<b>18,944</b>	<b>15,164</b>	<b>11,599</b>	<b>10,347</b>	<b>9,238</b>	<b>8,255</b>
Present value for explicit period	2,23,745									
<b>Enterprise value</b>	<b>2,23,745</b>									
Advance tax (net of)	5									
<b>Adjusted enterprise value</b>	<b>2,23,750</b>									

Currency: ₹ cr	Mar35	Mar36	Mar37	Mar38	Mar39	Mar40	Mar41	Mar42	Mar43	Mar44
Number of	12	12	12	12	12	12	12	12	12	12
Net sales	35,034	35,034	35,034	35,034	35,034	35,034	35,034	35,034	35,034	35,034
Operating expenses	(2,246)	(2,271)	(2,297)	(2,324)	(2,351)	(2,378)	(2,406)	(2,435)	(2,464)	(2,493)
<b>EBITDA</b>	<b>32,788</b>	<b>32,762</b>	<b>32,736</b>	<b>32,710</b>	<b>32,683</b>	<b>32,656</b>	<b>32,628</b>	<b>32,599</b>	<b>32,570</b>	<b>32,541</b>
Depreciation and amortisation	(7,051)	(7,051)	(6,952)	(6,787)	(6,787)	(6,787)	(6,787)	(6,787)	(6,787)	(6,787)
<b>EBIT</b>	<b>25,737</b>	<b>25,712</b>	<b>25,785</b>	<b>25,923</b>	<b>25,896</b>	<b>25,869</b>	<b>25,841</b>	<b>25,812</b>	<b>25,783</b>	<b>25,754</b>
Tax expense	(7,760)	(7,828)	(7,884)	(7,931)	(7,969)	(8,001)	(8,026)	(8,047)	(8,063)	(8,076)
<b>Debt free net income</b>	<b>17,978</b>	<b>17,884</b>	<b>17,901</b>	<b>17,992</b>	<b>17,927</b>	<b>17,868</b>	<b>17,814</b>	<b>17,765</b>	<b>17,720</b>	<b>17,677</b>
Add: Depreciation and amortisation	7,051	7,051	6,952	6,787	6,787	6,787	6,787	6,787	6,787	6,787
(Increase)/ Decrease in net working capital	(2,252)	(2,252)	(2,252)	(2,252)	(2,252)	(2,251)	(2,251)	(2,251)	(2,251)	(2,251)
Less: Capital expenditure	-	-	-	-	-	-	-	-	-	-
<b>Debt free cash flow</b>	<b>22,776</b>	<b>22,683</b>	<b>22,601</b>	<b>22,528</b>	<b>22,482</b>	<b>22,403</b>	<b>22,350</b>	<b>22,301</b>	<b>22,255</b>	<b>22,213</b>
Discount rate (%)	11.3	11.3	11.3	11.3	11.34	11.34	11.34	11.34	11.34	11.34
Present value factor- Mid year discounting	0.32	0.29	0.26	0.23	0.21	0.19	0.17	0.15	0.14	0.12
<b>Present value debt free cash flow</b>	<b>7,381</b>	<b>6,603</b>	<b>5,909</b>	<b>5,291</b>	<b>4,738</b>	<b>4,245</b>	<b>3,804</b>	<b>3,409</b>	<b>3,066</b>	<b>2,740</b>

Currency: ₹ cr	Mar45	Mar46	Mar47	Mar48	Mar49	Mar50	Sep50
Number of months	12	12	12	12	12	12	6
Net sales	35,034	35,034	35,034	35,034	35,034	35,034	17,360
Operating expenses	(2,523)	(2,554)	(2,586)	(2,618)	(2,650)	(2,684)	(1,358)
<b>EBITDA</b>	<b>32,510</b>	<b>32,480</b>	<b>32,448</b>	<b>32,416</b>	<b>32,383</b>	<b>32,350</b>	<b>16,002</b>
Depreciation and amortisation	(6,787)	(6,787)	(6,787)	(6,618)	(5,271)	(5,271)	(4,209)
<b>EBIT</b>	<b>25,723</b>	<b>25,693</b>	<b>25,661</b>	<b>25,798</b>	<b>27,112</b>	<b>27,079</b>	<b>11,793</b>
Tax expense	(8,086)	(8,092)	(8,097)	(8,099)	(8,100)	(8,099)	(3,991)
<b>Debt free net income</b>	<b>17,638</b>	<b>17,600</b>	<b>17,564</b>	<b>17,899</b>	<b>19,012</b>	<b>18,980</b>	<b>7,802</b>
Add: Depreciation and amortisation	6,787	6,787	6,787	6,618	5,271	5,271	4,209
(Increase)/ Decrease in net working capital	(2,251)	(2,251)	(2,251)	(2,251)	(2,251)	(2,251)	54
Less: Capital expenditure	-	-	-	-	-	-	-
<b>Debt free cash flow</b>	<b>22,173</b>	<b>22,138</b>	<b>22,100</b>	<b>22,066</b>	<b>22,032</b>	<b>22,000</b>	<b>12,065</b>
Discount rate (%)	11.3	11.3	11.3	11.3	11.3	11.3	11.3
Present value factor- Mid year discounting	0.11	0.10	0.09	0.08	0.07	0.06	0.06
<b>Present value debt free cash flow</b>	<b>2,457</b>	<b>2,203</b>	<b>1,976</b>	<b>1,772</b>	<b>1,688</b>	<b>1,425</b>	<b>721</b>

- ▶ Enterprise value of JDFPL as per DCF method is estimated to be INR 2,23,750 cr.

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## X. Valuation Analysis - For valuation of Staggered Loan

The key terms of the Staggered Loan have been explained in section "IX. Valuation Analysis - For Enterprise valuation of JDFPL" of the Report. Considering the terms of the Staggered Loan, DCF method has been considered for valuation of Staggered Loan, based on financial projections prepared by the Management.

### Discounted Cash Flow method

- ▶ The payment of fixed interest, principal repayment and additional interest (variable payments) till the end of tenure of the Staggered Loan i.e. upto 27 September 2050 has been considered. The additional interest on Staggered Loan is based on the business plan. The business plan covers explicit forecast period from 01 April 2024 to the end of the FUA i.e., 29 September 2050.

### Discount Rate

- ▶ The application of the income approach requires the determination of an appropriate discount rate at which future cash flows are discounted to their present value as of Valuation Date.
- ▶ The discount rate is based on the pre-tax cost of Staggered Loan. The calculation of pre-tax cost of Staggered Loan is explained in section "Valuation Analysis - For Enterprise valuation of JDFPL".

### Valuation of Staggered Loan as per DCF method

- ▶ The present value of the payment of fixed interest, principal repayment and additional interest (variable payments) till the end of tenure of the Staggered Loan i.e. upto 27 September 2050 discounted using the pre-tax cost of Staggered Loan is INR 19,615 cr.

Currency: INR cr	Value
Sum of total payments towards Staggered Loan over the balance tenure of the Loan	1,47,947
Pre-tax Cost of Staggered Loan (%)	17.2
<b>Present Value</b>	<b>19,615</b>

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## XI. Valuation Analysis - For equity value of JDFPL

As mentioned under section "IX. Valuation Analysis - For Enterprise valuation of JDFPL" of the Report, the OCPS are participating in nature.

The value of equity shares and OCPS is as follows:

Currency: ₹ cr	Notes	Weights (%)	Value
<b>Enterprise value (value of business operations)</b>			
Discounted cash flows method	1	100.0	2,23,750
Assets value method	2	-	1,75,902
<b>Enterprise value</b>			<b>2,23,750</b>
<b>Adjustment for non-operating items</b>			
Less: Staggered Interest Loan	3		(19,615)
Less: Fixed Rate Loan			(33,131)
Less: Interest accrued but not due on borrowings			(171)
Less: Creditors for capital goods			(13,781)
Less: Bank loans			(79,008)
Less: NCD			(1,816)
Add: Investment			2,212
Add: Loans and advances			280
Add: Cash and cash equivalents			147
<b>Value of equity shares and OCPS</b>			<b>78,864</b>

Note 1: Before adjusting for gross debt, all surplus cash balances, other non-operating items

Note 2: NAV + gross debt – all surplus cash balances – book value of surplus assets.

Note 3: Refer section "X Valuation Analysis - For valuation of Staggered Loan"

Based on the above, the total value of OCPS and equity shares is higher than the face value of equity shares and OCPS. Hence, based on the explanations provided to us by the Management, the face value of equity shares will be receivable by equity shareholders and the upside in the value will accrue to OCPS. Hence, the equity value of JDFPL is estimated to be INR 515 cr.

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## XII. Other disclosures as required under SEBI InvIT Regulations

### 1. Latest pictures of the project and the date of inspection

- ▶ Owing to the spread of the Fibre Assets over 9,00,000 kms and the nature of the assets being deployed under the ground, it was not possible to physically verify the whole of the Fibre Assets, hence our verification team had visited the Node IDs on sample basis in Mumbai, Delhi, Kolar, Bangalore, Navi Mumbai and Pune.
- ▶ We have visited the control room located at Reliance Corporate Park in Navi Mumbai, Maharashtra. However, it has limited access and permission restrictions being a sensitive site from operations perspective and hence we were not allowed to take the pictures of the same.
- ▶ The following are the site visits undertaken:

Sr. No.	Maintenance Point	Span / Link / Node ID	Type of Network	Type of Node	Start Point	End Point	Date of visit
01	Mumbai	MUMB_0076	Intracity	AG2	Reliance Corporate Park (RCP), Ghansoli	Bhandup	22-Apr-24
02	Mumbai	MUMB_0016	Intracity	AG2	Sewan	Naninan Point	22-Apr-24
03	Kolar	KABGPKABGPLSPR002_BU	Intracity	T.Node	Bandarapalli	Lakkasandra	23-Apr-24
04	Kolar	KABTHGKARBRPSP001_BU	Intracity	AG1	Bethamangala	Robertsonpet	23-Apr-24
05	Kolar	KAGBNOKACKBPSR001_BU	Intracity	T.Node	Doddapyalagurki	Dibbur	23-Apr-24
06	Mumbai	MUNVMBMUJLYNSPN001_BU	Intracity	AG2	RCP, Ghansoli	Kalyan	23-Apr-24
07	Mumbai	MUMB_0088	Intracity	AG2	Kalyan	Dombivali	23-Apr-24
08	Delhi	DLHI_5325	Intracity	CSS	NSG Camp	NSG Camp	24-Apr-24
09	Delhi	DLHI_5321	Intracity	CSS	Sector 76, Gurgaon	Sector 76, Gurgaon	24-Apr-24
10	Delhi	DLHI_0296	Intracity	AG1	Badshahapur	Bhosari	24-Apr-24
11	Delhi	HRRWRIDLGRGNSPN008	Intracity	AG2	Sector 37, Gurgaon	Manesar	24-Apr-24
12	Bangalore	BGLR_1409	Intracity	AG1	Hoskote	Whitefield	24-Apr-24
13	Bangalore	BGLR_0073	Intracity	AG2	Devasandra	MCN	24-Apr-24
14	Bangalore	BGLR_1563	Intracity	AG1	Hoskote	Katamnallur	24-Apr-24
15	Pune	MHIDFRMHBCMSPS001_BU	Intracity	Tower Node	Bawada	Sunward	24-Apr-24
16	Pune	MHBRMTMHKZESPS001_BU	Intracity	Tower Node	Korhale	Vadgaon	24-Apr-24
17	Pune	MHMADMHBHORSPQ001_BU	Intracity	AG1- ILA	Bhor	Mahad	24-Apr-24
18	Pune	MHSSWDMHPURDPS001_BU	Intracity	Tower Node	Saswad	Purandar	24-Apr-24
19	Pune	MHMADMHRJRISPN004_BU	Intracity	AG1- ILA	Rajuri	Madha	25-Apr-24
20	Pune	PUNE_0010	Intracity	AG2	Hinjewadi	Akardi	25-Apr-24
21	Pune	PUNE_1245	Intracity	Tower Node	Wadgaon Sheri	Chandan Nagar	25-Apr-24
22	Pune	PUNE_1228	Intracity	Tower Node	Yerwade Road	Vishrant Wadi	25-Apr-24
23	Delhi	DLDLHIHRBDGHSFN001_BU	Intracity	AG2	Vikaspur	Bahadurgarh	25-Apr-24
24	Delhi	DLHI_1954	Intracity	CSS	Greenfield	Ankeer Circle	26-Apr-24
25	Delhi	DLHI_0546	Intracity	AG1	Sarai	Bahadurpur	26-Apr-24
26	Delhi	DLHI_0016	Intracity	AG2	Sector 58, Fardabad	Sector 8, Fardabad	26-Apr-24
27	Navi Mumbai	NVMB2501	FTTH	-	Mehta Apartments	Neul	26-Apr-24
28	Navi Mumbai	NVMB2527	FTTH	-	Milennium Icon	Kamothe	26-Apr-24
29	Navi Mumbai	NVMB2517	FTTH	-	Chamunda Krupa	Kamothe	26-Apr-24

- ▶ The photographs taken during site visits are provided in Appendix 2.

**2. The nature of the interest the Trust holds or proposes to hold in the project, percentage of interest of the Trust in the project**

The Trust holds investment in the following:

- ▶ 51% equity stake in JDFPL which comprise of 5,15,00,00,009 equity shares.
- ▶ Fixed Rate Loan of INR 33,131 cr outstanding in the books of JDFPL.
- ▶ Staggered Loan of INR 19,489 cr outstanding in the books of JDFPL.

**3. Purchase price of the project by the Trust**

As informed by the Management, the Trust acquired the equity shares of JDFPL for INR 263 cr and JDFPL taken loans aggregating to INR 52,620 cr from Trust.

**4. Valuation of the project in the previous 3 years;**

Summary of Enterprise Value Changes over Valuation Dates

Currency: ₹ cr	31-Mar-24	31-Mar-23	31-Mar-22	30-Sep-21	31-Mar-21
Enterprise value of JDFPL	2,23,750	2,08,646*	2,02,929*	1,92,946*	1,85,206*

\*As provided by the Management

**5. List of one-time sanctions/approvals which are obtained or pending**

As informed by the Management, JDFPL has obtained an Infrastructure Providers Category - I (IP-I) registration on 06 March 2019

**6. List of up to date/overdue periodic clearances**

As informed by the Management, JDFPL is not required to obtain any periodic clearances.

**7. Statement of assets included**

The following are the assets of JDFPL as at the Valuation Date:

Currency: ₹ cr	Value
Net Block of Tangible Asset	1,47,093
Net block of Intangible Assets	56,066
Non-Current Assets	3,910
Current Assets	5,709
<b>Total Assets</b>	<b>2,12,778</b>

**8. Estimates of already carried as well as proposed major repairs and improvements along with estimated time of completion**

- ▶ As informed by the Management, the Fibre Assets are relatively new, hence, no major repairs were required to be done in the historical period.
- ▶ As per the O&M Agreement, going forward, all major maintenance cost will be borne by the Operator. Accordingly, we understand that JDFPL would not have to incur any major repair costs.

**9. Revenue pendencies including local authority taxes associated with InvIT asset and compounding charges, if any**

- ▶ As informed by the Management, JDFPL does not have material dues including local authority taxes (sum as Municipal Tax, Property Tax, etc.) pending to be payable to the government authorities.

**10. On-going and closed material litigations including tax disputes in relation to the assets**

- ▶ As informed by the Management, as at the Valuation Date, there are no on-going and closed material litigations including tax disputes in relation to JDFPL.

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

- ▶ As informed by the Management, JDFPL is not vulnerable to natural or induced hazards which have not been considered in town planning/building control.

**12. Any other matters which may affect the project or its value**

- ▶ As informed by the Management, there are no other matters which may affect JDFPL or its value.

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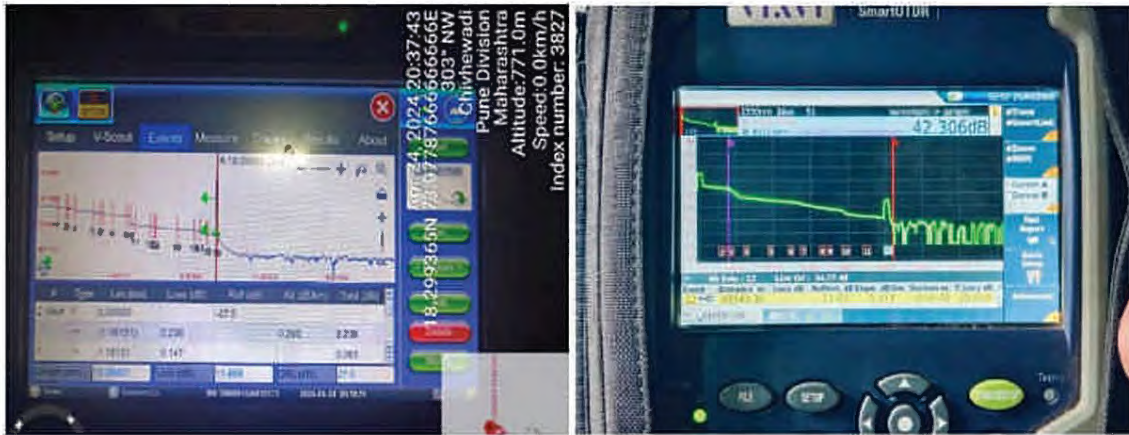
### **XIII. Appendix**

1. **The list of agreements provided are as below**
  1. Amended and restated fiber and duct use agreement dated 21 September 2020, including all amendments thereto.
  2. Amended and restated operation and maintenance agreement dated 21 September 2020, including all amendments thereto.
  3. Amended and restated project execution agreement dated 21 September 2020, including all amendments thereto.
  4. Loan agreement dated 21 September 2020 between Trust and its Lenders, including all amendments thereto.
  5. Trust Loan 1 Agreement dated 21 September 2020, including all amendments thereto.
  6. Trust Loan 2 Agreement dated 21 September 2020, including all amendments thereto.
  7. Trust Loan 3 Agreement dated 22 December 2020.
  8. Shareholders' and option agreement dated 21 September 2020, including all amendments thereto Novation Agreement dated 22 December 2020.

*<<Space left blank intentionally>>*

**2. Photographs taken during the site visits**

**Site Visit Photographs: OTDR**



Saswad - Purandar

Rajuri - Madha



Doddapalyurki - Dlbbar

Bathamangala - Robertson Pet



Vikaspuri - Bahadurgrh

NSG Camp – NSG Camp





Chamundra Krupa – Kamothe



Mahad – Bhor



Bawada - Surwad



Hinjewadi – Akurdi



Korahale BK - Vadgaon Nimbalkar

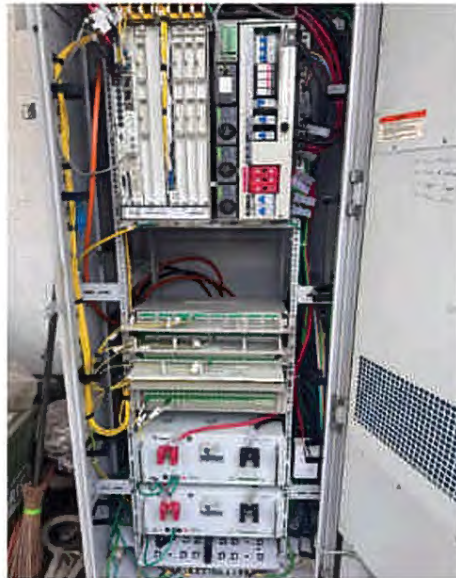


Wadgaon Sheri - Chandan Nagar

**Site Visit Photographs: Fibre Termination Points ("FTP") & others**



RCP, Ghansoli - Kalyan



OLT – Millenium Icon - Kamothe



FTP – Sewari – Nariman Point



FTP – Korahale - Vadhgaon





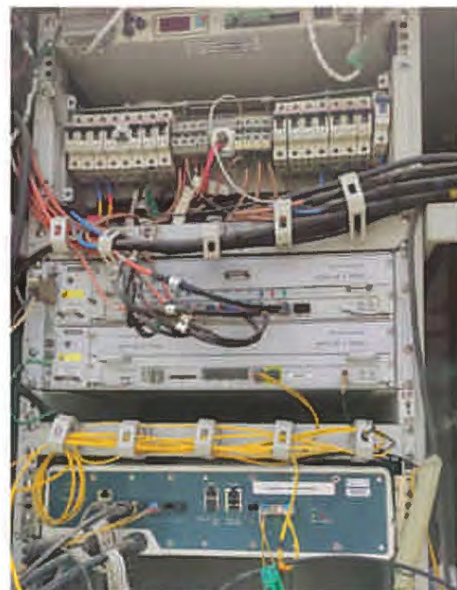
FTP – Bathamangala - Robertson Pet



FTP – Hoskote - Katamnaluur



Sector 76, Gurgaon – Sector 76, Gurgaon

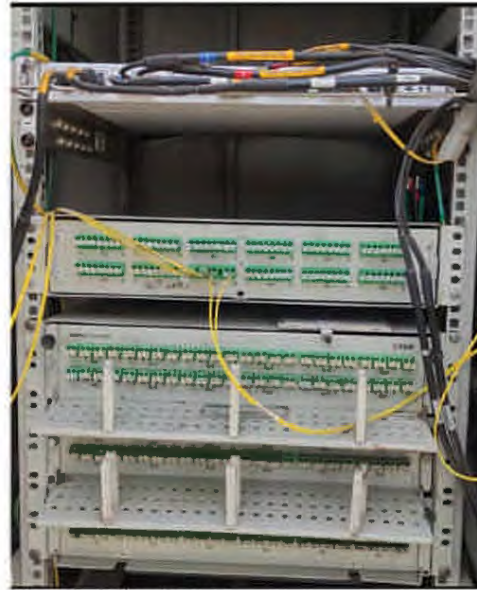


Greenfield – Ankeer Circle

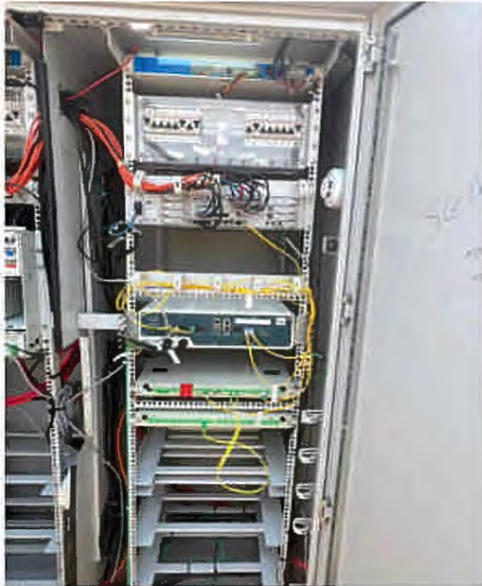




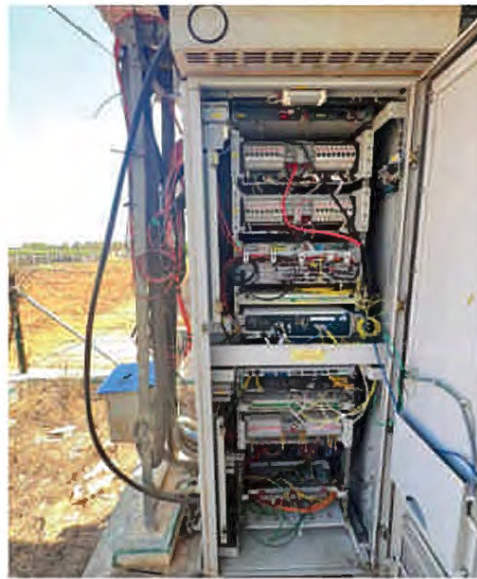
Sector 56, Faridabad – Sector 6, Faridabad



Sarai - Bahadurpur



Bandarapalli - Lakasandra

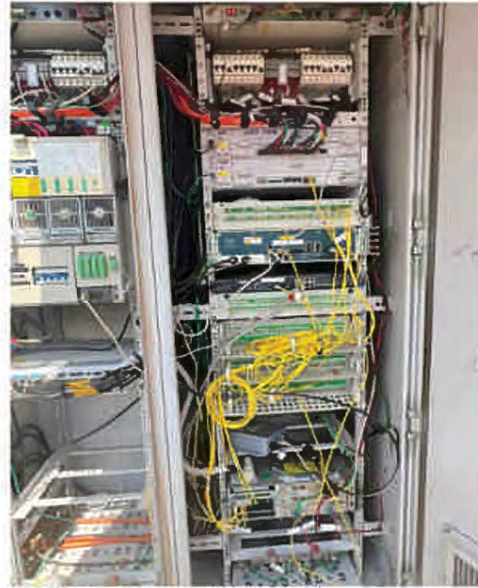


Doddapyalagurki - Dibbar





Devasandra - MCN



Hoskote market - Whitefield

**As Built Drawings / Route Map:**



Sector 56, Faridabad - Sector 6, Faridabad



Sarai - Bahadurpur



RCP, Ghansoli - Kalyan



Devasandra - MCN



Mehta Apartments – Nerul



Chamundra Krupa - Kamothe



Millenium Icon - Kamothe



Bhadshahpur - Bhosd



RCP, Ghansoli – Bhandup



Wagon Sheri – Chandra Nagar





Yewada Road – Vishrant Wadi



Sector 76, Gurgaon – Sector 76, Gurgaon



Greenfield – Ankeer Circle



Hoskote – Katamnallur



Hinjewadi – Ankurdi



Hoskote – Whitefield

### 3. Glossary

Abbreviation / Defined as	Explanation
ATSL / Trustee	Axis Trustee Services Limited
BSE	Bombay Stock Exchange
CAGR	Compounded Annual Growth Rate
CCM	Comparable Companies Multiple Method
Clients	IIIML and DFIT are collectively referred to as Clients
Contract Fibre	Existing contract ducts, balance contract ducts and any other empty ducts ordered and accepted by RJIL from time to time under the FUA
Cr	Crore
CTM	Comparable Transaction Multiple
DFIT / the Trust	Digital Fibre Infrastructure Trust
DMDT	Digital Media Distribution Trust
DoT	Department of Telecommunications
Equity Shares	Equity shares of JDFPL of face value INR 1.0/- each
EV	Enterprise Value
EY / Valuer	Ernst and Young Merchant Banking Services LLP
FCFF	Free Cash Flow to Firm
Fixed Rate Loan	Trust Loan 2 and Trust Loan 3 are collectively referred to as Fixed Rate Loan
FPKM	Fiber Pair Kilometer
Framework Agreement	Framework agreement dated 27 September 2021 entered into between the Trust (acting through the Trustee), the Investment Manager, JDFPL, RIL and RIIHL
FTTH	Fibre to the home
FUA	Amended and restated fiber and duct use agreement dated 21 September 2020 between JDFPL, RJIL and RPPMSL as amended vide amendment agreement dated 18 October 2020 and further amended vide 2nd amendment agreement dated 18 December 2020 and 3rd amendment agreement dated 27 September 2021
FY	Financial Year
GB	Gigabyte
Gbps	Gigabits per second
GSMA	Global System for Mobile Communications
IIIML / Investment Manager	Infinite India Investment Management Limited
INR / Rs / ₹	Indian Rupees
Investment Management Agreement	The investment management agreement dated 31 January 2019 entered into between the Trustee and the Investment Manager as amended vide amendment agreement dated 21 September 2020 and further amended vide agreement dated 04 November 2020
InvIT Loan	Loans raised by the Trust amounting INR 33,131 crore in terms of the InvIT Loan Agreement
InvIT Loan Agreement	Agreement dated 21 September 2020 entered into between the Trust, RIIHL, SPTL and JUPPL as amended vide agreement dated 29 October 2020 and further amended vide amendment agreement dated 27 September 2021
IP-I	Infrastructure Providers Category - I
IRU	Indefeasible rights of use
IVS	International Valuation Standards, 2022
JIMSL / Project Manager	Jio Infrastructure Management Services Limited
Kbps	Kilobits per second
Last Mile Fibers	RJIL's last final stretch of optic fibre which connects with the Fibre Assets at the nearest manhole / handhole / chamber
Management	The management of the Clients and JDFPL
Mbps	Megabits per second
Mn	Million



NCD	Non-convertible debentures of JDFPL
NCD	30,000 Zero Coupon Deep Discounted, Unlisted, Rated, Secured, Redeemable Non-Convertible Debentures – PPD4 of the Face Value of INR 10,00,000/- each, issued at a discounted price of INR 5,73,081.20/- each, for cash, aggregating INR 17,19,24,36,000
NLD	National Long Distance
Novation Agreement	Agreement dated 22 December 2020 between the Trust (acting through the Trustee), IIML (in its capacity as the Investment Manager of the Trust), JDFPL and RVL, pursuant to which the Trust novated the RVL Loan together with interest due thereon to JDFPL for a consideration of INR 280 cr
O&M Agreement	Amended and restated operations and maintenance agreement dated 21 September 2020 between JDFPL, JIMSL and RPPMSL Limited as amended vide agreement dated 18 October 2020 and further amended vide 2nd amendment agreement dated 27 September 2021
OCPS	0.01% Redeemable, cumulative, participating and optionally convertible preference shares
Offer / Units Issue	In September 2020, the Trust made an Initial offer of 1,47,06,00,000 ordinary units through a private placement at a price of INR 100 each per ordinary unit, aggregating to INR 14,706 cr
PB	PETABYTE
PCL	Platinum Compass B 2018 RSC Limited
PEA	Amended and restated project execution agreement dated 21 September 2020 between JDFPL, JIMSL and RPPMSL as amended vide agreement dated 18 October 2020 and further amended vide 2nd amendment agreement dated 27 September 2021
PIF	Public Investment Fund
PM	Placement Memorandum dated 29 September 2020
Purpose	Valuation of Valuation Subject required for disclosure to unit holders and regulatory filings under Chapter V Regulation 21(4) and Regulation 21(5) of the SEBI InvIT Regulations
RGP, Ghansoli	Reliance Corporate IT Park, Ghansoli
Right Issue	The Trust undertook right issue of its units in December 2021 and allotted 47,88,66,821 ordinary units at an issue price of INR 100 each to the existing unit holders and raised INR 4,789 cr
RIIHL / Sponsor	Reliance Industrial Investments and Holdings Limited
RIL / Operator / Contractor	Reliance Industries Limited
RJIL / Anchor Tenant	Reliance Jio Infocom Limited
RPPMSL	Reliance Projects & Property Management Services Limited (formerly known as Reliance Digital Platform & Projects Services Limited)
RPS	0.01% Cumulative, redeemable, non-participating and non-convertible preference shares
RVL	Reliance Ventures Limited
SEBI	Securities and Exchange Board of India
SEBI InvIT Regulations	Securities and Exchange Board of India (Infrastructure Investment Trusts) Regulations, 2014 and amendments thereto including any circulars and guidelines issued thereunder
SHOA	Shareholders and Option Agreement dated 21 September 2020 between the Trust (acting through its Trustee), the Investment Manager, RIL, RIIHL and JDFPL as amended vide agreement dated 29 October 2020
SPA	Share purchase agreement dated 31 March 2019 entered into between the Trust (acting through the Trustee), the Investment Manager, RIIHL, DMDT (acting through its trustee) and RIL
Trust Deed	Indenture of the Trust dated 31 January 2019 executed between RIIHL as the settlor and sponsor of the Trust and ATSL as the Trustee as amended vide amendment to Indenture of the Trust effective 21 September 2020 and as further amended vide amendment to indenture of Trust effective 04 November 2020
Trust Loan 1 / Staggered Loan	Loan given by the Trust to JDFPL, amounting to INR 19,489 cr

Trust Loan 1 Agreement	Agreement dated 21 September 2020 entered into between the Trust and JDFPL as amended vide amendment agreement dated 29 October 2020 and further amended on 27 September 2021 and on 02 December 2021
Trust Loan 2	Loan given by the Trust to JDFPL amounting to INR 32,581 cr
Trust Loan 2 Agreement	Agreement dated 21 September 2020 entered into between the Trust and JDFPL as amended vide amendment agreement dated 29 October 2020 and further amended on 27 September 2021 and on 02 December 2021
Trust Loan 3	Loan given by the Trust to JDFPL amounting to INR 280 cr
Trust Loan 3 Agreement	Agreement dated 22 December 2020 entered into between the Trust and JDFPL
Valuation Date	31 March 2024
WACC	Weighted Average Cost of Capital

**DIGITAL FIBRE INFRASTRUCTURE TRUST**

**STANDALONE FINANCIAL STATEMENTS FOR THE YEAR  
ENDED MARCH 31, 2024**

## INDEPENDENT AUDITOR'S REPORT

### To The Unitholders of Digital Fibre Infrastructure Trust Report on the Audit of 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 March 31, 2024, Statement of Profit and Loss (including Other Comprehensive Income), Statement of Cash Flows, Statement of Changes in Unitholders' Equity, Statement of Net Assets at Fair Value, Statement of Total Returns at Fair Value and Statement of Net Distributable Cash Flows for the year ended on that date and notes to the standalone financial statements, including a summary of material accounting policies and other explanatory information (hereinafter referred to as "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 SEBI/HO/DDHS-PoD-2/P/CIR/2023/115, dated July 06, 2023 (together referred to as the "SEBI 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 SEBI InvIT Regulations, of the state of affairs of the Trust as at March 31, 2024, and its profit including other comprehensive income, its cash flows for the year ended March 31, 2024, its changes in unitholders' equity, its net assets at fair value as at March 31, 2024, its total returns at fair value and net distributable cash flows 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 (SAs) issued by the Institute of Chartered Accountants of India ("ICAI"). Our responsibilities under those Standards are further described in the Auditor's Responsibility for the Audit of the Standalone Financial Statements section of our report. We are independent of the Trust in accordance with the Code of Ethics issued by the ICAI 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.

#### Emphasis of Matter

We draw attention to Note 7 of standalone financial statements which describes the presentation of "Unit Capital" as "Equity" to comply with SEBI InvIT Regulations. Our opinion is not modified in respect of this matter.





**Key Audit Matter**

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

Sr. No.	Key Audit Matter	Auditor's Response
1	<p><b>Fair Value of Net Assets of the Trust:</b></p> <p>In accordance with SEBI InvIT Regulations, the Trust discloses Statement of Net Assets at Fair Value which requires fair valuation of net assets. As at March 31, 2024, fair value of net assets was Rs. 19,609 Crore (March 31, 2023 Rs. 19,259 Crore).</p> <p>The fair value of net assets of the Trust is determined by an independent valuer using discounted cash flow method.</p> <p>While there are several assumptions that are required to determine the fair value of net assets of the Trust, assumptions with the highest degree of estimate, subjectivity and impact on fair value are the valuation methodology used in determining the fair value, future performance of business and discount rate.</p> <p>Auditing these assumptions required a high degree of auditor judgment as the estimate made by the independent external valuer contains significant measurement uncertainty. Refer Statement of Net assets at fair value in the standalone financial statements.</p>	<p><b>Principal audit procedures performed among others:</b></p> <p>Our audit procedures relating to the determination of the fair value of net assets included the following, among others:</p> <ul style="list-style-type: none"> <li>• Tested design, implementation and operating effectiveness of the internal control related to determination of fair value of assets and review of Statement of Net Assets at Fair Value.</li> <li>• Reviewed the independent external valuer's valuation reports to obtain an understanding of the source of information used by the independent external valuer in determining the fair valuation.</li> <li>• Tested the reasonableness of the future cash flows shared by management with external valuer by comparing it to source information used in preparing the forecasts and with historical forecasts and actual performance to support any significant expected future changes to the business.</li> <li>• Evaluated the independent external valuer's competence to perform the valuation.</li> <li>• Tested the arithmetical accuracy of computation in the Standalone Statement of Net Assets at Fair Value and evaluated adequacy of disclosures in the standalone financial statements as per requirement of SEBI InvIT Regulation.</li> </ul>





**Information other than the financial statements and auditor's report thereon**

- Infinite India Investment Management Limited ('Investment Manager'/'Management') acting in its capacity as an Investment Manager of the Trust is responsible for the other information. The other information comprises the information and disclosures included in the Annual Report but does not include the standalone financial statements, consolidated financial statements and our auditor's report thereon. The Annual report is expected to be made available to us after the date of this auditor's report.
- Our opinion on the standalone financial statements does not cover the other information and we will not express any form of assurance conclusion thereon.
- In connection with our audit of the standalone financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements, or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.
- If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact as per SA 720 "The Auditor's responsibilities relating to other information".

**Management's responsibility for the standalone financial statements**

The Management, is responsible for the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows, changes in unitholders' equity for the year ended March 31, 2024, net assets at fair value as at March 31, 2024, total returns at fair value and net distributable cash flows for the year ended on that date of the Trust in accordance with the SEBI InvIT Regulations, the Indian Accounting Standards as defined in Rule 2(1)(a) of the Companies (Indian Accounting Standards) Rules, 2015 (as amended) and other accounting principles generally accepted in India, to the extent not inconsistent with SEBI 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 statements that give a true and fair view and are free from material misstatement, whether due to fraud or error which have been used for the purpose of preparation of the standalone financial statements by the Investment Manager of the Trust, as aforesaid.

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

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



**Auditor's responsibility for the audit of the standalone financial statements**

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

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

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



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

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

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

### **Report on other legal and regulatory requirements**

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

- (a) We have obtained all the information and explanations which, to the best of our knowledge and belief were necessary for the purpose of our audit;
- (b) The Standalone Balance sheet, and Standalone Statement of Profit and Loss including Other Comprehensive Income, Standalone Statement of Cash Flows, Statement of Changes in Unitholders' Equity, dealt with by this Report are in agreement with the relevant books of account of the Trust.
- (c) In our opinion 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 principle generally accepted in India, to the extent not inconsistent with the SEBI InvIT Regulations.
- (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 SEBI InvIT Regulations, in respect of the net assets at fair value as at March 31, 2024, the total returns at fair value for the for the year ended March 31, 2024 and the net distributable cash flows for the year then ended.

**For Deloitte Haskins & Sells LLP**

Chartered Accountants

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



**Varsha A. Fadte**

Partner

Membership No. 103999

UDIN: 24103999BKENFA3078

Panaji, Goa, May 13, 2024

Digital Fibre Infrastructure Trust

Standalone Balance Sheet as at March 31, 2024

Particulars	Notes	As at March 31, 2024	(Rs. in Crore) As at March 31, 2023
<b>ASSETS</b>			
<b>Non Current Assets</b>			
Financial Assets			
Investments	1	263	263
Loans and Advances	2	52,314	52,620
Other Financial Assets	3	-	2
<b>Total Non Current Assets</b>		<b>52,577</b>	<b>52,885</b>
<b>Current Assets</b>			
Financial Assets			
Cash and Cash Equivalents	4	0	0
Loans and Advances	5	306	-
Other Financial Assets	6	40	40
<b>Total Current Assets</b>		<b>346</b>	<b>40</b>
<b>Total Assets</b>		<b>52,923</b>	<b>52,925</b>
<b>EQUITY AND LIABILITIES</b>			
<b>EQUITY</b>			
Unit capital	7	19,495	19,495
Contribution	8	32	32
Reserves and Surplus	9	(44)	(268)
<b>Total Equity</b>		<b>19,483</b>	<b>19,259</b>
<b>LIABILITIES</b>			
<b>Non - Current Liabilities</b>			
Financial Liabilities			
Borrowings	10	33,131	33,131
Other Financial Liabilities	11	278	507
<b>Total Non-Current Liabilities</b>		<b>33,409</b>	<b>33,638</b>
<b>Current Liabilities</b>			
Financial liabilities			
Trade Payables due to			
Micro and Small Enterprises			
Creditors Other than Micro and Small Enterprises	12	0	0
Other Financial Liabilities	13	30	28
Other Current Liabilities	14	1	0
<b>Total Current Liabilities</b>		<b>31</b>	<b>28</b>
<b>Total Liabilities</b>		<b>33,440</b>	<b>33,666</b>
<b>Total Equity and Liabilities</b>		<b>52,923</b>	<b>52,925</b>

See Material Accounting Policies

See accompanying notes to the Standalone Financial Statements

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

A & B

1 to 30



Digital Fibre Infrastructure Trust

Standalone Balance Sheet as at March 31, 2024

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 Directors  
Infinite India Investment Management Limited  
(Acting as Investment Manager of Digital Fibre Infrastructure Trust)

Varsha A. Fadte  
Partner  
Membership No. 103999

Rajendra Hingwala  
Director  
DIN : 00160602

Dipti Neelakantan  
Director  
DIN : 00505452

Janisha Shah  
Compliance Officer

Rajkumar Agrawal  
Authorised Signatory

Place: Panaji, Goa  
Date: May 13, 2024

Place: Mumbai  
Date: May 13, 2024





Digital Fibre Infrastructure Trust

Standalone Statement of Profit and Loss for the year ended March 31, 2024

Particulars	Notes	(Rs. in Crore)	
		Year ended March 31, 2024	Year ended March 31, 2023
<b>INCOME</b>			
Revenue from Operations	15	5,883	5,883
Fair Value of Put/Call option (Refer note 25)		223	2
<b>Total Income</b>		<b>6,106</b>	<b>5,885</b>
<b>EXPENSES</b>			
Finance Costs	16	3,978	3,978
Other Expenses	17	5	5
<b>Total Expenses</b>		<b>3,983</b>	<b>3,983</b>
<b>Profit before tax for the year</b>		<b>2,123</b>	<b>1,902</b>
<b>Tax expenses</b>		-	-
<b>Profit after tax</b>		<b>2,123</b>	<b>1,902</b>
<b>Other Comprehensive Income</b>		-	-
<b>Total Comprehensive Income for the year</b>		<b>2,123</b>	<b>1,902</b>
Earnings per unit of face value of Rs. 100 each	18		
- For Basic (Rs.)		10.89	9.75
- For Diluted (Rs.)		10.89	9.75

See Material Accounting Policies

A & B

See accompanying notes to the Standalone Financial Statements 1 to 30




Digital Fibre Infrastructure Trust

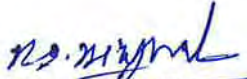
Standalone Statement of Profit and Loss for the year ended March 31, 2024

As per our Report of even date

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

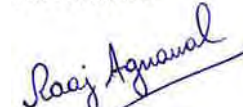
For and on behalf of the Board of Directors  
Infinite India Investment Management Limited  
(Acting as Investment Manager of Digital Fibre Infrastructure Trust)

  
Varsha A. Fadte  
Partner  
Membership No. 103999

  
Rajendra Hingwala  
Director  
DIN : 00160602

  
Dipti Neelakantan  
Director  
DIN : 00505452

  
Janisha Shah  
Compliance Officer

  
Rajkumar Agrawal  
Authorised Signatory

Place: Panaji, Goa  
Date: May 13, 2024

Place: Mumbai  
Date: May 13, 2024



Digital Fibre Infrastructure Trust

Standalone Statement of Cash Flows for the year ended March 31, 2024

Particulars	(Rs. in Crore)	
	Year ended March 31, 2024	Year ended March 31, 2023
<b>A CASH FLOW FROM OPERATING ACTIVITIES:</b>		
Net Profit before tax as per Statement of Profit and Loss	2,123	1,902
Adjusted for		
Finance Costs	3,978	3,978
Add/(Less): Fair Value of Put/Call option (net)	(223)	(2)
<b>Operating Profit before Working Capital Changes</b>	<b>5,878</b>	<b>5,878</b>
Decrease in Trade Payables	0	(0)
Decrease in Other Current Liabilities	(1)	(5)
Decrease in Other Non Current Financial Assets	0	0
<b>Net Cash flow generated from Operating Activities (A)</b>	<b>5,877</b>	<b>5,873</b>
<b>B CASH FLOW FROM INVESTING ACTIVITIES:</b>		
<b>Net Cash flow used in Investing Activities (B)</b>	-	-
<b>C CASH FLOW FROM FINANCING ACTIVITIES:</b>		
Finance Costs	(3,978)	(3,978)
Distribution to Unitholders	(1,899)	(1,899)
<b>Net Cash flow from financing activities (C )</b>	<b>(5,877)</b>	<b>(5,877)</b>
<b>Net Decrease in Cash and Cash Equivalents (A+B+C)</b>	<b>0</b>	<b>(4)</b>
<b>Opening Balance of Cash and Cash Equivalents</b>	<b>0</b>	<b>4</b>
<b>Closing Balance of Cash and Cash Equivalents</b>	<b>0</b>	<b>0</b>

Notes:

- 1 The above Statement of Cash Flows has been prepared under the "Indirect Method" as set out in IND AS-7 "Statement of Cash Flows"
- 2 "0" represents the amount below the denomination threshold.



**Digital Fibre Infrastructure Trust**


**Standalone Statement of Cash Flows for the year ended March 31, 2024**

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 Directors**  
**Infinite India Investment Management Limited**  
*(Acting as Investment Manager of Digital Fibre Infrastructure Trust)*

  
**Varsha A. Fadte**  
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Compliance Officer

  
**Rajkumar Agrawal**  
Authorised Signatory

Place: Panaji, Goa  
Date: May 13, 2024

Place: Mumbai  
Date: May 13, 2024



Digital Fibre Infrastructure Trust

Standalone Statement of Changes In Unitholders' equity for the year ended March 31, 2024

Particulars	(Rs. in Crore)	
	Year ended March 31, 2024	Year ended March 31, 2023
<b>(A) Unit Capital</b>		
Balance at the beginning of the year	19,495	19,495
<b>Balance at the end of the year</b>	<u>19,495</u>	<u>19,495</u>
<b>(B) Contribution to Corpus</b>		
Balance at the beginning of the year	32	32
<b>Balance at the end of the year</b>	<u>32</u>	<u>32</u>
<b>(C) Other Equity</b>		
<b>Particulars</b>	<b>Retained Earnings</b>	<b>Total</b>
<b>April 1, 2022 to March 31, 2023</b>		
Balance at the beginning of the reporting year	(271)	(271)
Total Comprehensive Profit for the year	1,902	1,902
Less : Distribution to Unit holders #	(1,899)	(1,899)
<b>Balance at the end of the year</b>	<u>(268)</u>	<u>(268)</u>
<b>April 1, 2023 to March 31, 2024</b>		
Balance at the beginning of the year	(268)	(268)
Total Comprehensive Profit for the year	2,123	2,123
Less : Distribution to Unitholders #	(1,899)	(1,899)
<b>Balance at the end of the year</b>	<u>(44)</u>	<u>(44)</u>

# Distribution to Unitholders during the year is as per Net distributable Cash Flows (NCDs) duly approved by the Investment Manager.





Digital Fibre Infrastructure Trust

Standalone Statement of Changes in Unitholders' equity for the year ended March 31, 2024

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 Directors  
Infinite India Investment Management Limited  
(Acting as Investment Manager of Digital Fibre Infrastructure Trust)

  
Varsha A. Fadte  
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Rajkumar Agrawal  
Authorised Signatory

Place: Panaji, Goa  
Date: May 13, 2024

Place: Mumbai  
Date: May 13, 2024



## Digital Fibre Infrastructure Trust

### Notes to Standalone Financial Statements for the year ended March 31, 2024

#### A INTRODUCTION

Digital Fibre Infrastructure Trust ("Fibre InvIT / Trust") set up by Reliance Industrial Investments and Holdings Limited on January 31, 2019, as a contributory irrevocable infrastructure investment trust has been registered under the provisions of Indian Trusts Act, 1908. The Trust is Registered as an infrastructure investment trust under Securities and Exchange Board of India (Infrastructure investment Trusts) Regulations, 2014 ("SEBI InvIT Regulation") on March 20, 2019, having registration number IN/InvIT/18-19/0010 and the Principal place of Business of the Trust is 9th Floor, Maker Chambers IV, 222 Nariman Point, Mumbai 400 021

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

Infinite India Investment Management Limited is the Investment Manager to the Trust. The registered office of the Investment Manager is 7th Floor, Energy, Appasaheb Marathe Marg, Prabhadevi, Mumbai 400 025

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

The units of Fibre InvIT are listed on BSE Limited w.e.f. March 31, 2023.

The Trust has acquired 51% equity share capital of Jio Digital Fibre Private Limited ("Company") on March 30, 2019. The Company, pursuant to a Scheme of Arrangement, acquired the Optical Fibre Cable undertaking of Reliance Jio Infocomm Limited (RJIL) for a consideration w.e.f the appointed date of March 31, 2019. The principal activities of the Company are setting up, operating and managing optic fibre cable network. The registered office address is - 101, Saffron, Near. Centre Point, Panchwati 5 Rasta, Ambawadi, Ahmedabad - 380006, Gujarat, India.

As on March 31, 2024, the Trust has only one Special Purpose Vehicle i.e Jio Digital Fibre Private Limited.

#### B ACCOUNTING POLICIES

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

The standalone financial statements have been prepared on the historical cost basis except for certain financial instruments that are measured at fair values at the end of each reporting period, as explained in the accounting policies below.

The standalone Financial Statements of Trust comprises the Standalone Balance Sheet as at March 31, 2024; the Standalone Statement of Profit and Loss, the Standalone Statement of Cash Flows and the Standalone Statement of Changes in Unitholders Equity for the year ended March 31, 2024 and a summary of significant accounting policies and other explanatory information. Additionally, it includes the Statement of Net Assets at Fair Value as at March 31, 2024, 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 InvIT Regulations. The standalone Financial Statements have been prepared in accordance with the SEBI InvIT Regulations, as amended from time to time read with the SEBI Master Circular No. SEBI/HO/DDHS-PoD-2/P/CIR/2023/115 dated July 06, 2023 ("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 7.1 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 (INR 00,00,000), except when otherwise indicated.

##### B.2 SUMMARY OF MATERIAL ACCOUNTING POLICIES

###### (a) Current and Non-Current Classification:

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

An asset is treated as Current when it is:

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

All other assets are classified as non-current.

A liability is current when:

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

The Trust classifies all other liabilities as non-current.

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

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



Digital Fibre Infrastructure Trust

Notes to Standalone Financial Statements for the year ended March 31, 2024

(b) Finance Costs

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

(c) Provisions

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

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

(d) Taxation

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

**Current tax**

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

**Deferred tax**

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

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

(e) Cash and cash equivalents

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

(f) Revenue recognition

The Trust earns revenue primarily from Investments.

**Interest income**

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

**Dividends**

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

(g) Financial Instruments

**i) Financial Assets**

**A.Initial recognition and measurement:**

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

**B.Subsequent measurement**

**a) Financial assets carried at amortised cost (AC)**

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

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

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



## Digital Fibre Infrastructure Trust

### Notes to Standalone Financial Statements for the year ended March 31, 2024

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

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

#### ii) Financial liabilities

##### A. Initial recognition and measurement:

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

##### B. Subsequent measurement:

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

#### (h) Earnings Per Unit (EPU)

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

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

#### (i) Classification of Unitholders' fund

Under the provisions of the SEBI InvIT Regulations, Trust is required to distribute to Unitholders not less than ninety percent of the net distributable cash flows of Trust for each financial period. Accordingly, a portion of the unitholders' funds contains a contractual obligation of the Trust to pay to its Unitholders cash distributions. The Unitholders' funds could therefore have been classified as compound financial instruments which contain both equity and liability components in accordance with Ind AS 32 - Financial Instruments : Presentation. However, in accordance with SEBI Master Circular No. SEBI/HO/DDHS-PoD-2/P/CIR/2023/115 dated July 06, 2023 issued under the SEBI InvIT Regulations, the unitholders' funds have been classified as equity in order to comply with the mandatory requirements of Paragraph 4.5 of Chapter 4 to the SEBI Master Circular dated July 06, 2023 dealing with the minimum disclosures for key financial statements. In line with the above, the distribution payable to unitholders is recognized as liability when the same is approved by the Investment Manager.

#### (j) Investment in subsidiaries

Investment in subsidiaries are measured at cost as per Ind AS 27-Separate Financial Statements.

Investments in equity instruments of subsidiaries are carried at cost less accumulated impairment losses, if any. Where an indication of impairment exists in the carrying amount of the investment in subsidiaries, the difference between net disposal proceeds and carrying amounts are recognised in the Statement of Profit and Loss.

#### (k) Net distributable cash flows to unit holders

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

#### (l) Borrowing Costs

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

#### (m) Cash flow statement

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

#### (n) Contingent liabilities

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



**(o) Fair value measurement**

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either;

- in the principal market for the asset or liability, or
- in the absence of a principal market, in the most advantageous market for the asset or liability.

The principal market or the most advantageous market must be accessible

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

Valuation techniques used are those that are appropriate in the circumstances and for which sufficient data are available to measure fair value.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows,

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

Level 2: Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable

Level 3: Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

**(p) Impairment of non-financial assets**

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

In assessing value in use, the estimated future cash flows are discounted to their present value using pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the 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.

**C CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY:**

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

**(a) Determination of Fair Value**

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







Digital Fibre Infrastructure Trust

Notes to Standalone Financial Statements for the year ended March 31, 2024

(Rs. in Crore)

	As at	As at
	March 31, 2024	March 31, 2023

**7 Unit capital**

**7.1 Unit capital**

Issued, Subscribed and fully paid up Unit Capital

1,94,94,66,821 (March 31, 2023: 1,94,94,66,821) units of Rs 100 each	19,495	19,495
--	--------	--------

The SEBI Master circular no. SEBI/HO/DDHS-PoD-2/P/CIR/2023/115 dated July 06, 2023 issued under the SEBI InvIT Regulations require that the 'Unit Capital' should be presented as 'Equity' in the financial statements of the Trust. Further, the SEBI InvIT Regulations 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, as per the provisions of the Annexure to the Companies (Indian Accounting Standards) Rules, 2015 and considering aforesaid requirements of the SEBI InvIT Regulation, a special legislation, the 'Unit Capital' has been presented as 'Equity' in the Financial Statements.

**Terms, 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 on capital and Miscellaneous income.

A Unitholder has no equitable or proprietary interest in the Trust Assets and is not entitled to transfer Trust Assets ( or any part thereof) 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.

**7.2 Information of unitholders holding more than 5% of Unit Capital**

Name of Unitholder	Relationship	As on March 31, 2024		As on March 31, 2023	
		No of Units held	Percentage	No of Units held	Percentage
Reliance Industrial Investments and Holdings Limited	Sponsor & Unitholder	292,433,280	15.00%	292,433,280	15.00%
Jamnagar Utilities & Power Private Limited	Unitholder	388,034,843	19.90%	388,034,843	19.90%
Platinum Compass B 2018 RSC Limited	Unitholder	497,110,062	25.50%	497,110,062	25.50%
Public Investment Fund	Unitholder	497,110,062	25.50%	497,110,062	25.50%
Sikka Ports & Terminals Limited	Unitholder	274,478,574	14.08%	274,478,574	14.08%

**7.3 Reconciliation of the units outstanding at the beginning and at the end of the Financial year**

Particulars	As at	As at
	March 31, 2024	March 31, 2023
Units at the beginning of the year	1,949,466,821	1,949,466,821
Issued during the year	-	-
Units at the end of the year	<b>1,949,466,821</b>	<b>1,949,466,821</b>

(Rs. in Crore)

	As at	As at
	March 31, 2024	March 31, 2023

**8 Contribution**

Closing balance	32	32
<b>Total</b>	<b>32</b>	<b>32</b>



**Digital Fibre Infrastructure Trust**  
**Notes to Standalone Financial Statements for the year ended March 31, 2024**

	(Rs. in Crore)	
	As at March 31, 2024	As at March 31, 2023
<b>9 Reserves and Surplus</b>		
Retained earnings		
As per last Balance Sheet	(268)	(271)
Profit for the year	2,123	1,902
Distribution to Unitholders	(1,899)	(1,899)
<b>Total</b>	<b>(44)</b>	<b>(268)</b>

	(Rs. in Crore)	
	As at March 31, 2024	As at March 31, 2023
<b>10 Borrowings</b>		
Unsecured - At amortised cost		
Loan from Others*	33,131	33,131
<b>Total</b>	<b>33,131</b>	<b>33,131</b>

\*Refer Note 22 (iii)

	(Rs. in Crore)	
	As at March 31, 2024	As at March 31, 2023
<b>11 Other Non Current Financial Liabilities</b>		
Amount payable as Consideration for Novation	278	280
Call Option on Jio Digital Fibre Private Limited Shares (Refer Note 25)	-	227
<b>Total</b>	<b>278</b>	<b>507</b>

	(Rs. in Crore)	
	As at March 31, 2024	As at March 31, 2023
<b>12 Trade Payables</b>		
Total outstanding dues of Micro and Small Enterprises	-	-
Total outstanding dues of creditors other than Micro and Small Enterprises*	0	0
<b>Total</b>	<b>0</b>	<b>0</b>

\*Refer Note 24

	(Rs. in Crore)	
	As at March 31, 2024	As at March 31, 2023
<b>13 Other Current Financial Liabilities</b>		
Amount payable as Consideration for Novation	2	-
Interest Payable	28	28
<b>Total</b>	<b>30</b>	<b>28</b>

	(Rs. in Crore)	
	As at March 31, 2024	As at March 31, 2023
<b>14 Other Current Liabilities</b>		
Statutory dues	-	0
Provision for expenses	1	0
<b>Total</b>	<b>1</b>	<b>0</b>

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



Digital Fibre Infrastructure Trust  
Notes to Standalone Financial Statements for the year ended March 31, 2024

	Year ended March 31, 2024	(Rs. in Crore) Year ended March 31, 2023
<b>15 Revenue from Operations</b>		
Interest on loan	5,883	5,883
<b>Total</b>	<b>5,883</b>	<b>5,883</b>
<b>16 Finance Costs</b>		
Interest	3,978	3,978
<b>Total</b>	<b>3,978</b>	<b>3,978</b>
<b>17 Other Expenses</b>		
Investment Management Fees	2	2
Project Management Fees	2	2
Other Legal & Professional Fees	1	1
Valuation Fees	0	0
Trusteeship Fees	0	0
Audit Fees	0	0
Demat Charges	0	0
Miscellaneous Expenses	0	0
<b>Total</b>	<b>5</b>	<b>5</b>

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



Digital Fibre Infrastructure Trust  
Notes to Standalone Financial Statements for the year ended March 31, 2024

	As at March 31, 2024	As at March 31, 2023
<b>18 EARNINGS PER UNIT (EPU)</b>		
The following reflects the income and unit data used in the basic and diluted EPU Computations		
(i) Net Profit as per Statement of Profit and Loss attributable to Unitholder (Rs in Crore)	2,123	1,902
(ii) Weighted Average number of Units used as denominator for calculating Basic (No in Crore)	194.95	194.95
(iii) Earning per unit of unit value of Rs 100 (in Rs)		
- For Basic (Rs.)	10.89	9.75
- For Diluted (Rs.)	10.89	9.75

**19 RELATED PARTY DISCLOSURES**

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

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

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

Name of the Related Party	Relationship
Jio Digital Fibre Private Limited (JDFPL)	Subsidiary

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

Related parties in terms of the SEBI InvIT Regulations shall be the related parties as defined in the Companies Act, 2013 or under Ind AS 24 and shall include, the parties to the InvIT namely, Reliance Industrial Investments and Holdings Limited (Sponsor), Axis Trustee Services Limited (Trustee), Infinite India Investment Management Limited (Investment Manager), Jio Infrastructure Management Services Limited (Project Manager) and their respective promoters and directors.

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

The below related party disclosures have been made in compliance with the stipulations of Ind AS 24 and in compliance with the SEBI InvIT Regulations to the extent there are transactions with the related parties.

Particulars	Relationship	(Rs. in Crore)	
		Year ended March 31, 2024	Year ended March 31, 2023
<b>Professional Fees</b>			
Axis Trustee Services Limited	Trustee	0	0
Infinite India Investment Management Limited	Investment Manager	2	2
Jio Infrastructure Management Services Limited	Project Manager	2	2
<b>Interest Income on Loan Given</b>			
Jio Digital Fibre Private Limited	Subsidiary	5,883	5,883
<b>Distribution to Unitholders</b>			
Reliance Industrial Investments and Holdings Limited	Sponsor & Unitholder	285	285
<b>Reimbursement of expenses</b>			
Infinite India Investment Management Limited	Investment Manager	0	-

**IV Outstanding Balance as at year end:**

Particulars	Relationship	(Rs. in Crore)	
		As at March 31, 2024	As at March 31, 2023
Jio Digital Fibre Private Limited ( Loan Balance)	Subsidiary	52,620	52,620
Jio Digital Fibre Private Limited ( Interest Receivable)	Subsidiary	40	40
Jio Digital Fibre Private Limited ( Novation - Credit Balance)	Subsidiary	280	280
Jio Digital Fibre Private Limited ( Investment )	Subsidiary	263	263
Reliance Industrial Investments and Holdings Limited (Units Allocated)	Sponsor & Unitholder	2,924	2,924

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





20 CONTINGENT LIABILITIES AND COMMITMENTS AS AT MARCH 31, 2024 IS NIL (MARCH 31, 2023 : NIL)

21 FINANCIAL INSTRUMENTS

**FAIR VALUE MEASUREMENT HIERARCHY:**

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

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

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

Level 3: Inputs which are significantly from unobservable market data

(Rs. in Crore)

As at March 31, 2024	Carrying Amount Total	Fair Value		
		Level 1	Level 2	Level 3
<b>At Amortised Cost</b>				
Cash and Cash equivalents	0	-	-	-
Loan given	52,620	-	-	-
Other Current Financial Assets	40	-	-	-
<b>At Cost</b>				
Investments	263	-	-	-
<b>Total</b>	<b>52,923</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Financial Liabilities</b>				
<b>At Amortised Cost</b>				
Trade Payables	0	-	-	-
Borrowings	33,131	-	-	-
Other Non Current Financial Liabilities	278	-	-	-
Other Current Financial Liabilities	30	-	-	-
<b>Total</b>	<b>33,439</b>	<b>-</b>	<b>-</b>	<b>-</b>

As at March 31, 2023	Carrying Amount Total	Fair Value		
		Level 1	Level 2	Level 3
<b>Financial Assets</b>				
<b>At Amortised Cost</b>				
Cash and Cash equivalents	0	-	-	-
Loan given	52,620	-	-	-
Other Current Financial Assets	40	-	-	-
<b>At Fair Value</b>				
Other Non Current Financial Assets	2	-	2	-
<b>At Cost</b>				
Investments	263	-	-	-
<b>Total</b>	<b>52,925</b>	<b>-</b>	<b>2</b>	<b>-</b>
<b>Financial Liabilities</b>				
<b>At Amortised Cost</b>				
Trade Payables	0	-	-	-
Borrowings	33,131	-	-	-
Other Non Current Financial Liabilities	280	-	-	-
Other Current Financial Liabilities	28	-	-	-
<b>At Fair Value</b>				
Other Non Current Financial Liabilities	227	-	227	-
<b>Total</b>	<b>33,666</b>	<b>-</b>	<b>227</b>	<b>-</b>

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.

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



**Digital Fibre Infrastructure Trust****Notes to Standalone Financial Statements for the year ended March 31, 2024****22 Financial Risk Management**

The different types of risks the Trust is exposed to are 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:  
(Rs. in Crore)

Particulars	Interest Rate Exposure	
	As at March 31, 2024	As at March 31, 2023
<b>Borrowings</b>		
Non-Current - Floating (Includes Current Maturities)	-	-
Non-Current - Fixed (Includes Current Maturities)*	33,131	33,131
<b>Total</b>	<b>33,131</b>	<b>33,131</b>

\* 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.

**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 (non derivative) as on March 31, 2024**

Particulars	0 to 3 year	3-5 Years	More than 5 years	Total
Trade Payables	0	-	-	0
Borrowings	645	571	31,915	33,131
Other Non Current Financial Liabilities	4	5	289	278
Other Current Financial Liabilities	30	-	-	30
<b>Total</b>	<b>678</b>	<b>576</b>	<b>32,185</b>	<b>33,439</b>

**Maturity profile of financial liabilities (non derivative) as on March 31, 2023**

Particulars	0 to 3 year	3-5 Years	More than 5 years	Total
Trade Payables	0	-	-	0
Borrowings	670	508	31,953	33,131
Other Non Current Financial Liabilities	3	4	273	280
Other Current Financial Liabilities	28	-	-	28
<b>Total Borrowings</b>	<b>701</b>	<b>512</b>	<b>32,226</b>	<b>33,439</b>

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



**Digital Fibre Infrastructure Trust**

**Notes to Standalone Financial Statements for the year ended March 31, 2024**

**23 Segment Reporting**

The Trust activities comprise of owning 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.

**24 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.

**25 Put and Call Option**

As per the terms of the Shareholders and Option Agreement entered between the Trust, the Investment Manager, Reliance Industrial Investments and Holdings Limited (RIIHL), Reliance Industries Limited (RIL) and Jio Digital Fibre Private Limited (JDFPL), RIL has a right but not the obligation to purchase the entire equity stake of the Trust in JDFPL after a specific term for consideration of Rs. 262,65,00,005 or the fair value at the exercise date, whichever is lower. Likewise, from the current year consequent to a nomination by RIIHL, the Trust has the right, after a specific term, but not the obligation to sell its entire stake in JDFPL to RIL (as the Reliance Nominee) for a consideration of Rs. 262,65,00,005 or the fair value at the exercise date, whichever is lower. Given that the put and call are now vis-à-vis the same parties i.e. the Trust and RIL, the value of the options are determined as Nil.



Digital Fibre Infrastructure Trust  
Notes to Standalone Financial Statements for the year ended March 31, 2024

26 Disclosures pursuant to SEBI Master Circular No SEBI/HO/DDHS-PoD-2/P/CIR/2023/115 dated July 06, 2023 issued under the SEBI InvIT Regulations :

(A) Statement of Net Distributable Cash Flows (NDCFs) :

(Rs. in Crore)

Description	Year ended	
	March 31, 2024	March 31, 2023
Cash flows received from SPV in the form of interest / accrued interest / additional interest	5,883	5,883
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	-	-
Proceeds from Unit issuance	-	-
Borrowings at the Trust level	-	-
<b>Total cash flow at the Trust level (A)</b>	<b>5,883</b>	<b>5,883</b>
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	(6)	(9)
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)	(3,978)	(3,975)
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	-	-
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	-	-
<b>Total cash outflow / retention at the Trust level (B)</b>	<b>(3,984)</b>	<b>(3,984)</b>
<b>Net Distributable Cash Flows (C) = (A-B)*</b>	<b>1,899</b>	<b>1,899</b>

\*During the year ended March 31, 2024; the Trust has made distributions to the Unitholders in the form of Return on Capital of Rs. 1,899 crore constituting more than 90% of its distributable cash flows.



Digital Fibre Infrastructure Trust  
Notes to Standalone Financial Statements for the year ended March 31, 2024

(B) Debt Payment History	(Rs. in Crore)	
	As at March 31, 2024	As at March 31, 2023
Loan from Others		
Carrying amount of debt at the beginning of the year	33,131	33,131
Additional borrowing during the year	-	-
Repayments during the year	-	-
Other adjustments	-	-
<b>Carrying amount of debt at the end of the year</b>	<b>33,131</b>	<b>33,131</b>

(C) Statement of Net Assets at Fair Value

Particulars	As At		As At	
	March 31, 2024		March 31, 2023	
	Book Value	Fair Value*	Book Value	Fair Value*
A. Equity Shares held in SPV	263	263	263	263
B. Staggered Interest Loan given to SPV	19,489	19,615	19,489	19,489
C. Other loans given to SPV	33,131	33,131	33,131	33,131
D. Other Assets	40	40	43	43
<b>E. Total Assets</b>	<b>52,923</b>	<b>53,049</b>	<b>52,925</b>	<b>52,925</b>
F. Liabilities	33,440	33,440	33,666	33,666
<b>G. Net Assets (E-F)</b>	<b>19,483</b>	<b>19,609</b>	<b>19,259</b>	<b>19,259</b>
H. Number of Units (no in crore)	194.95	194.95	194.95	194.95
<b>I. NAV (G/H)</b>	<b>99.94</b>	<b>100.59</b>	<b>98.79</b>	<b>98.79</b>

\* Fair value of Equity Shares and the Staggered Interest Loan given to SPV has been determined based on the fair valuation report of independent valuer appointed under the InvT Regulations.

(D) Statement of Total Returns at Fair Value

Particulars	As at	As at
	March 31, 2024	31st March, 2023
Total Comprehensive Income (As per Statement of Profit and Loss)	2,123	1,902
Add/(Less): Other Changes in Fair Value not recognised in Total Comprehensive Income	-	-
<b>Total Return</b>	<b>2,123</b>	<b>1,902</b>

(E) Initial Disclosure by an entity identified as a Large Corporate

Particulars	Details
Name of the Company / InvT	Digital Fibre Infrastructure Trust
CIN / SEBI Registration No.	IN/InvIT/18-19/0010
Outstanding borrowing of Company / InvT as on March 31, 2024 as applicable (INR)	33,131 as on March 31, 2024*
Highest Credit Rating during previous Financial Year along with the name of Credit Company/ InvT having their specified securities or debt securities or non-convertible	CARE AAA / Stable rating from CARE Not Applicable*

\* As per SEBI circular bearing reference no. SEBI / HO/DDHS/P/CIR/2021/613 dated August 10, 2021, the Trust is not identified as a "Large Corporate" as on March 31, 2024

27 Income taxes:

In accordance with section 10(23FC) of the Income Tax Act, 1961, the income of Trust in form of interest received or receivable from Project SPV is exempt from income-tax. Accordingly, the Trust is not required to provide for any current tax liability.

28 Capital management

The Trust adheres to a disciplined capital management framework which is underpinned by the following guiding principles :

- Ensure financial flexibility and diversity sources of financing and their maturities to minimize liquidity risk while meeting investment requirements
- Leverage optimally in order to maximize unit holder return while maintaining strength and flexibility of the Balance Sheet.





Digital Fibre Infrastructure Trust  
Notes to Standalone Financial Statements for the year ended March 31, 2024

29 The following are analytical ratio / information for the year ended March 31, 2024 and March 31, 2023

Sr No	Ratio	Numerator	Denominator	As on March 31, 2024	As on March 31, 2023	% Change	Reason for variance
i)	Current Ratio	Current Assets	Current Liabilities	11.21	1.43	682%	Refer Note (i)
ii)	Debt Equity Ratio	Total Debt	Unitholder' Equity	1.70	1.72	-1%	-
iii)	Debt Service Coverage Ratio	Earnings available for Debt Service	Debt Service	1.53	1.48	4%	-
			Earning for Debt Service = Net Profit after taxes + depreciation + Finance cost Debt Service = Interest & Lease Payments + Principal Repayments. Principal repayments excludes repayments in nature of refinancing as these are not repaid out of the profits for the year.				
iv)	Return on Equity	Net Profit after taxes	Average Shareholders Equity	0.11	0.10	10%	-
v)	Inventory Turnover	Cost of Goods Sold	Average Inventory	Not Applicable			
vi)	Trade receivable Turnover (in times)	Net Credit Sales (Gross Credit Sales - Sales Returns)	Average Trade Receivables	-	-	-	-
vii)	Trade payable Turnover (in times)	Purchase of services and other expenses	Average Trade Payables	0.05	0.02	-	-
viii)	Net Capital Turnover	Net Sales (Total Sales - Sale Return)	Working Capital (Current Assets - Current Liabilities)	18.68	483.91	-96%	Refer Note (ii)
ix)	Net Profit	Net Profit	Net Sales	0.36	0.32	11%	-
x)	Return on capital employed	Earning before interest and taxes	Capital Employed (Tangible Net Worth + Total Debt)	0.12	0.04	218%	-
xi)	Return on Investment	Return generated on investments	Average Investments	-	-	-	-
xii)	Asset Coverage	((Assets – Intangible Assets) – (Current Liabilities – Short-term Debt))	Total Debt	1.58	1.58	0%	-
xiii)	Net Worth (in Crores)	NA	NA	19,483	19,259	-	-
xiv)	Interest Service Coverage	Earnings before interest and Taxes	Interest Expense	1.53	1.48	0.04	-

Notes:

- i) The ratio has increased during the year mainly on account of current portion of loan.
- ii) The ratio has decreased due to increase in working capital on account of current portion of loan.

30 APPROVAL OF FINANCIAL STATEMENTS

The financial statements were approved for issue by the Fibre InvIT Committee and the Board of Directors of the Investment Manager to the Trust on May 13, 2024



Digital Fibre Infrastructure Trust

Notes to Standalone Financial Statements for the year ended March 31, 2024

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

For and on behalf of the Board of Directors  
Infinite India Investment Management Limited  
(Acting as Investment Manager of Digital Fibre Infrastructure Trust)

Varsha A. Fadte  
Partner  
Membership No. 103999

Rajendra Hingwala  
Director  
DIN : 00160602

Dipti Neelakantan  
Director  
DIN : 00505452

Janisha Shah  
Compliance Officer

Rajkumar Agrawal  
Authorised Signatory

Place: Panaji, Goa  
Date: May 13, 2024

Place: Mumbai  
Date: May 13, 2024



**DIGITAL FIBRE INFRASTRUCTURE TRUST**

**CONSOLIDATED  
FINANCIAL STATEMENTS FOR YEAR ENDED MARCH 31, 2024**

## INDEPENDENT AUDITOR'S REPORT

### To The Unitholders of Digital Fibre Infrastructure Trust Report on the Audit of Consolidated Financial Statements

#### Opinion

We have audited the accompanying consolidated financial statements of Digital Fibre Infrastructure Trust ("the Trust") and Jio Digital Fibre Private Limited, its subsidiary (together referred to as the "Group"), which comprise the Balance Sheet as at March 31, 2024, Statement of Profit and Loss (including Other Comprehensive Income), Statement of Cash Flows, Statement of Changes in Unitholders' Equity, Statement of Net Assets at Fair Value, Statement of Total Returns at Fair Value and Statement of Net Distributable Cash Flows for the year ended on that date and notes to the consolidated financial statements, including a summary of material accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Securities and Exchange Board of India (Infrastructure Investment Trusts) Regulations, 2014 as amended from time to time including any guidelines and circulars issued thereunder read with the SEBI Master Circular no. SEBI/HO/DDHS-PoD-2/P/CIR/2023/115 dated July 6, 2023 (together referred to as the "SEBI 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 SEBI InvIT Regulations, of the state of affairs of the Group as at March 31, 2024, and its loss including other comprehensive loss, its cash flows, its changes in unitholders' equity for the year ended March 31, 2024, its net assets at fair value as at March 31, 2024, its total returns at fair value and net distributable cash flows 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) issued by the Institute of Chartered Accountants of India ("ICAI"). Our responsibilities under those Standards are further described in the Auditor's Responsibility for the Audit of the consolidated Financial Statements section of our report. We are independent of the Group in accordance with the Code of Ethics issued by the ICAI together with the ethical requirements that are relevant to our audit of the consolidated 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 consolidated financial statements.



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

**Key Audit Matter**

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

Sr. No.	Key Audit Matter	Auditor's Response
1	<p><b>Fair Value of Net Assets of the Trust:</b></p> <p>In accordance with SEBI InvIT Regulations, the Trust discloses Statement of Net Assets at Fair Value which requires fair valuation of net assets. Fair value of net assets as at March 31, 2024 was Rs. 98,212 Crore (March 31, 2023 Rs. 97,770 Crore).</p> <p>The fair value of net assets of the Trust is determined by an independent valuer using discounted cash flow method.</p> <p>While there are several assumptions that are required to determine the fair value of net assets of the Trust, assumptions with the highest degree of estimate, subjectivity and impact on fair value are the valuation methodology used in determining the fair value, future performance of business and discount rate.</p> <p>Auditing these assumptions required a high degree of auditor judgment as the estimate made by the independent external valuer contains significant measurement uncertainty. Refer Statement of Net assets at fair value in the consolidated financial statements.</p>	<p><b>Principal audit procedures performed among others:</b></p> <p>Our audit procedures relating to the determination of the fair value of net assets included the following, among others:</p> <ul style="list-style-type: none"> <li>• Tested design, implementation and operating effectiveness of the internal control related to determination of fair value of assets and liabilities.</li> <li>• Reviewed the Company's independent external valuer's valuation reports to obtain an understanding of the source of information used by the independent external valuer in determining the fair valuation.</li> <li>• Tested the reasonableness of the future cash flows shared by management with its external valuer by comparing it to source information including business operations plan used in preparing the forecasts and actual performance to support any significant expected future changes to the business.</li> </ul>





Sr. No.	Key Audit Matter	Auditor's Response
		<ul style="list-style-type: none"> <li>• Evaluated the Group's independent external valuer's competence and independence to perform the valuation.</li> <li>• Involved our fair valuation specialists to independently determine fair value of the Net Assets of the Trust as at the balance sheet date, which included assessment of reasonableness of the discount rate used by management in valuation and the methodology used in determining the fair value.</li> <li>• Compared the fair value determined by the Group with that determined by our fair valuation specialist to assess the reasonableness of the fair valuation.</li> <li>• Tested the arithmetical accuracy of computation in the Statement of Net Assets at Fair Value and evaluated adequacy of disclosures in the consolidated financial statements as per requirement of SEBI InvIT Regulations.</li> </ul>

**Information other than the financial statements and auditor's report thereon**

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

- If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact as per SA 720 "The Auditor's responsibilities relating to other information".

### **Management's responsibility for the consolidated financial statements**

The Management is responsible for the preparation of these consolidated financial statements that give a true and fair view of the financial position as at March 31, 2024, financial performance including other comprehensive income, cash flows, changes in unitholders' equity, net assets at fair value, total returns at fair value and net distributable cash flows for the year ended on that date of the Trust and its subsidiary in accordance with the SEBI InvIT Regulations, the Indian Accounting Standards as defined in Rule 2(1)(a) of the Companies (Indian Accounting Standards) Rules, 2015 (as amended) and other accounting principles generally accepted in India, to the extent not inconsistent with SEBI 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 consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error which have been used for the purpose of preparation of the consolidated financial statements by the Investment Manager of the Trust, as aforesaid.

In preparing the consolidated financial statements, the Management, its Board of Directors and the Board of Directors of the subsidiary included in Group are responsible for assessing the 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 and subsidiary or to cease operations, or has no realistic alternative but to do so.

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

### **Auditor's responsibility for the audit of the consolidated financial statements**

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



## **Deloitte Haskins & Sells LLP**

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

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by 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 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 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 Consolidated financial statements of the 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 entities included in the consolidated financial statements of which we are the independent auditors. We remain solely responsible for our audit opinion.

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

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



## **Deloitte Haskins & Sells LLP**

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

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

### **Report on other legal and regulatory requirements**

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

- a) We have obtained all the information and explanations which, to the best of our knowledge and belief were necessary for the purpose of our audit;
- b) The Consolidated Balance sheet, the Consolidated Statement of Profit and Loss including Other Comprehensive Income, Consolidated Statement of Cash Flows, and Statement of Changes in Unitholders' Equity, dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of consolidated financial statements.
- c) In our opinion 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 principle generally accepted in India, to the extent not inconsistent with the SEBI InvIT Regulations.
- 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 SEBI InvIT Regulations, in respect of the net assets at fair value as at March 31, 2024, the total returns at fair value and the net distributable cash flows for the year ended on that date.

**For Deloitte Haskins & Sells LLP**

Chartered Accountants

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



**Varsha A. Fadte**

Partner

Membership No. 103999

UDIN: 24103999BKENFB9961

Panaji, Goa, May 13, 2024

Digital Fibre Infrastructure Trust

Consolidated Balance Sheet as at March 31, 2024

Particulars	Notes	(Rs. in Crore)	
		As at March 31, 2024	As at March 31, 2023
<b>ASSETS</b>			
<b>NON-CURRENT ASSETS</b>			
Property, Plant and Equipment	1	147,093	139,718
Goodwill		13,931	13,931
Other Intangible Assets	1	42,135	43,941
Financial Assets			
Other Financial Assets	2	514	555
Other Non-Current Assets	3	3,118	3,146
<b>Total Non-Current Assets</b>		<b>206,791</b>	<b>201,291</b>
<b>CURRENT ASSETS</b>			
Financial Assets			
Investments	4	2,212	1,840
Trade receivables	5	7	38
Cash and Cash Equivalents	6A	135	77
Other Bank Balances	6B	11	13
Other Financial Assets	7	79	786
Other Current Assets	8	3,263	3,163
<b>Total Current Assets</b>		<b>5,707</b>	<b>5,917</b>
<b>Total Assets</b>		<b>212,498</b>	<b>207,208</b>
<b>EQUITY AND LIABILITIES</b>			
<b>EQUITY</b>			
Unit Capital	9A	19,495	19,495
Contribution to Corpus	9B	32	32
Other Equity	10	47,892	49,207
<b>Total Owner's Equity</b>		<b>67,419</b>	<b>68,734</b>
Non-Controlling Interest		(17,052)	(15,582)
<b>LIABILITIES</b>			
<b>Non - Current Liabilities</b>			
Financial Liabilities			
Borrowings	11	106,429	94,045
Other Non -Current Financial Liabilities	12	120	227
Deferred Tax Liabilities (Net)	13	19,978	20,996
Other Non -Current Liabilities	14	13,702	14,239
Provisions	19	0	0
<b>Total Non-Current Liabilities</b>		<b>140,229</b>	<b>129,507</b>
<b>Current Liabilities</b>			
Financial Liabilities			
Borrowings	15	6,802	18,177
Trade Payables Due to	16		
Micro and Small Enterprises		-	-
Other Than Micro and Small Enterprises		0	0
Other Financial Liabilities	17	548	185
Creditors for Capital Expenditure		13,781	5,562
Other Current Liabilities	18	769	623
Provisions	19	2	2
<b>Total Current Liabilities</b>		<b>21,802</b>	<b>24,549</b>
<b>Total Liabilities</b>		<b>162,131</b>	<b>154,056</b>
<b>Total Equity and Liabilities</b>		<b>212,498</b>	<b>207,208</b>

Material Accounting Policies A & B

See accompanying Notes to the Consolidated Financial Statements 1 to 40

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





Digital Fibre Infrastructure Trust

Consolidated Balance Sheet as at March 31, 2024

As per our Report of even date

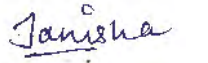
For Deloitte Haskins & Sells LLP  
Chartered Accountants  
Firm Regn No: 117366W / W-100018

For and on behalf of the Board of Directors  
Infinite India Investment Management Limited  
(Acting as Investment Managers of Digital Fibre Infrastructure Trust)

  
Varsha A. Fadte  
Partner  
Membership No. 103999

  
Dipti Neelakantan  
Director  
DIN: 00505452

  
Rajendra Hingwala  
Director  
DIN: 00160602

  
Janisha Shah  
Compliance Officer

  
Rajkumar Agrawal  
Authorised Signatory

Place: Panaji, Goa  
Date: May 13, 2024

Place: Mumbai  
Date: May 13, 2024



Digital Fibre Infrastructure Trust

Consolidated Statement of Profit and Loss for the year ended March 31, 2024

Particulars	Notes	(Rs. in Crore)	
		For the year ended March 31, 2024	For the year ended March 31, 2023
<b>INCOME</b>			
Revenue from Operations	20	16,729	15,496
Other Income	21	466	135
<b>Total Income</b>		<b>17,195</b>	<b>15,631</b>
<b>EXPENSES</b>			
Network Operating Expenses	22	1,710	1,545
Employee Benefits Expense	23	6	6
Finance Costs	24	10,502	9,704
Depreciation and Amortisation Expenses	1	6,764	6,462
Other Expenses	25	13	9
<b>Total Expenses</b>		<b>18,995</b>	<b>17,726</b>
<b>Loss before Tax</b>		<b>(1,800)</b>	<b>(2,095)</b>
Tax Expenses			
i Current tax		-	-
ii Deferred tax		(992)	(1,006)
<b>Loss for the year</b>		<b>(808)</b>	<b>(1,089)</b>
<b>Other Comprehensive Income</b>			
(I) Items that will not be reclassified to profit or loss			
- Remeasurements of the defined benefit plans		0	0
- Income tax relating to items that will not be reclassified to profit or loss		0	0
(II) Items that may be reclassified to profit or loss			
- Effective portion of gains and loss on designated portion of hedging instruments in a cashflow hedge		104	-
- Income tax relating to items that may be reclassified to profit or loss		(26)	-
<b>Total Other Comprehensive Income for year (Net of Tax)</b>		<b>78</b>	<b>0</b>
<b>Total Comprehensive Loss for the year</b>		<b>(886)</b>	<b>(1,089)</b>
<b>Attributable to Owners of the Trust</b>		<b>584</b>	<b>373</b>
<b>Attributable to Non Controlling Interest</b>		<b>(1,470)</b>	<b>(1,462)</b>
Earnings per unit of face value of Rs. 100 each	26		
- For Basic (Rs.)		3.00	1.91
- For Diluted (Rs.)		3.00	1.91

Material Accounting Policies A & B

See accompanying Notes to the Consolidated Financial Statements 1 to 40

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



Digital Fibre Infrastructure Trust

Consolidated Statement of Profit and Loss for the year ended March 31, 2024

As per our Report of even date

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

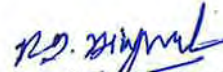


Varsha A. Fadte  
Partner  
Membership No. 103999

For and on behalf of the Board of Directors  
Infinite India Investment Management Limited  
(Acting as Investment Managers of Digital Fibre Infrastructure Trust)



Dipti Neelakantan  
Director  
DIN: 00505452



Rajendra Hingwala  
Director  
DIN: 00160602



Janisha Shah  
Compliance Officer



Rajkumar Agrawal  
Authorised Signatory

Place: Panaji, Goa  
Date: May 13, 2024

Place: Mumbai  
Date: May 13, 2024



## Consolidated statement of Cash Flows for the year ended March 31, 2024

Particulars	(Rs. in Crore)	
	For the year ended March 31, 2024	For the year ended March 31, 2023
<b>A CASH FLOW FROM OPERATING ACTIVITIES:</b>		
Net Loss as per Statement of Profit and Loss	(1,800)	(2,095)
Adjusted for:		
Depreciation and amortisation expense	6,764	6,462
Profit on sale of current investments	(220)	(107)
Gain on fair valuation of investments	(22)	(19)
Interest Income	(1)	(8)
Finance Costs	10,502	9,704
Fair Value of Put/Call option (net)	(223)	(2)
<b>Operating cash flows before working capital changes</b>	<b>15,000</b>	<b>13,935</b>
Adjusted for:		
Trade and Other Receivables	(3)	(933)
Trade and Other Payables	(372)	(521)
	<b>(375)</b>	<b>(1,454)</b>
<b>Cash generated from operations</b>	<b>14,625</b>	<b>12,481</b>
Refund received	-	11
<b>Net Cash Flow from Operating Activities (A)</b>	<b>14,625</b>	<b>12,492</b>
<b>B CASH FLOW FROM INVESTING ACTIVITIES:</b>		
Purchase of Property, Plant and Equipment	(4,153)	(7,338)
Purchase of Investments	(22,613)	(16,110)
Sale of Investments	23,230	16,992
Interest income	1	8
Fixed Deposits with Banks	2	(2)
<b>Net Cash flow used in Investing Activities (B)</b>	<b>(3,533)</b>	<b>(6,450)</b>
<b>C CASH FLOW FROM FINANCING ACTIVITIES:</b>		
Proceeds from Borrowings - Non current	20,569	19,268
Repayment of Borrowings - Non current	(19,503)	(13,698)
Finance Costs Paid	(10,201)	(9,723)
Distribution to Unit holders	(1,899)	(1,899)
<b>Net cash flow used in financing activities (C)</b>	<b>(11,034)</b>	<b>(6,052)</b>
<b>Net increase/ (decrease) in Cash and Cash Equivalents (A+B+C)</b>	<b>58</b>	<b>(10)</b>
<b>Opening Balance of Cash and Cash Equivalents</b>	<b>77</b>	<b>87</b>
<b>Closing Balance of Cash and Cash Equivalents (Refer Note 6A)</b>	<b>135</b>	<b>77</b>

**Note :**

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

**Changes in Liabilities arising from financing activities**

(Rs. in Crore)

Particulars	As at April 1, 2023	Cash Received	Cash Paid	Non Cash	As at March 31, 2024
				Finance costs including amortisation	
Borrowings - Non-Current (Refer Note 11 &15)	112,222	20,569	(19,503)	(57)	113,231
<b>Total</b>	<b>112,222</b>	<b>20,569</b>	<b>(19,503)</b>	<b>(57)</b>	<b>113,231</b>

Particulars	As at April 1, 2022	Cash Inflow	Cash Outflow	Non cash	As at March 31, 2023
				Finance costs including amortisation	
Borrowings - Non-Current (Refer Note 11 &15)	106,619	19,268	(13,698)	33	112,222
<b>Total</b>	<b>106,619</b>	<b>19,268</b>	<b>(13,698)</b>	<b>33</b>	<b>112,222</b>

Material Accounting Policies A &amp; B

See accompanying Notes to the Consolidated Financial Statements 1 to 40

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



Digital Fibre Infrastructure Trust

Consolidated statement of Cash Flows for the year ended March 31, 2024

As per our Report of even date

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

  
Varsha A. Fadte  
Partner  
Membership No. 103999

For and on behalf of the Board of Directors  
Infinite India Investment Management Limited  
(Acting as Investment Managers of Digital Fibre Infrastructure Trust)

  
Dipti Neelakantan  
Director  
DIN: 00505452

  
Rajendra Singhwala  
Director  
DIN: 00160602

  
Janisha Shah  
Compliance Officer

  
Rajkumar Agrawal  
Authorised Signatory

Place: Panaji, Goa  
Date: May 13, 2024

Place: Mumbai  
Date: May 13, 2024





## Consolidated Statement of Changes In Unitholders' Equity for the year ended March 31, 2024

	(Rs. in Crore)	
	For the year ended March 31, 2024	For the year ended March 31, 2023
<b>(A) Unit Capital</b>		
Balance at the beginning of the year	19,495	19,495
Balance at the end of the year	<u>19,495</u>	<u>19,495</u>
<b>(B) Initial Contribution</b>		
		(Rs. in Crore)
	For the year ended March 31, 2024	For the year ended March 31, 2023
Balance at the beginning of the year	32	32
Balance at the end of the year	<u>32</u>	<u>32</u>
<b>(C) Non Controlling Interest</b>		
Opening balance as at beginning of the year	(15,582)	(14,120)
Loss for the year	(1,470)	(1,462)
Balance at the end of the year	<u>(17,052)</u>	<u>(15,582)</u>

**(D) Other Equity**

(Rs. in Crore)

Particulars	Investment classified as Equity: Preference Shares	Reserves and Surplus: Retained Earnings	Reserves and Surplus: Other comprehensive Income	Total
<b>April 1, 2022 to March 31, 2023</b>				
Balance at the beginning of the year i.e. April 1, 2022	78,140	(27,407)	-	50,733
Total Comprehensive Loss for the year	-	373	-	373
Distribution to Unit holders*	-	(1,899)	-	(1,899)
Balance at the end of the reporting year i.e. March 31, 2023	<u>78,140</u>	<u>(28,933)</u>	<u>-</u>	<u>49,207</u>

Particulars	Investment classified as Equity: Preference Shares	Reserves and Surplus: Retained Earnings	Reserves and Surplus: Other comprehensive Income #	Total
<b>April 1, 2023 to March 31, 2024</b>				
Balance at the beginning of the year i.e. April 1, 2023	78,140	(28,933)	-	49,207
Total Comprehensive income/(loss) for the year	-	624	(40)	584
Distribution to Unit holders*	-	(1,899)	-	(1,899)
Balance at the end of the reporting year i.e. March 31, 2024	<u>78,140</u>	<u>(30,208)</u>	<u>(40)</u>	<u>47,892</u>

\* Distribution to unit holders during the year is as per Net Distributable Cash Flows (NDCF's) duly approved by the Investment Manager. (Refer Note 34(B))

# Comprises of Cash flow Hedge reserve

Material Accounting Policies A & B

See accompanying Notes to the Consolidated Financial Statements 1 to 40



Digital Fibre Infrastructure Trust

Consolidated Statement of Changes In Unitholders' Equity for the year ended March 31, 2024

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 Directors  
Infinite India Investment Management Limited  
(Acting as Investment Managers of Digital Fibre Infrastructure Trust)

Varsha A. Fadte  
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Director  
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Janisha Shah  
Compliance Officer

Rajkumar Agrawal  
Authorised Signatory

Place: Panaji, Goa  
Date: May 13, 2024

Place: Mumbai  
Date: May 13, 2024



**A CORPORATE INFORMATION**

The Consolidated 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, 2024. Digital Fibre Infrastructure Trust a contributory irrevocable infrastructure investment trust has been registered under the provisions of Indian Trusts 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.

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

Infinite India Investment Management Limited is the Investment Manager to the Trust. The registered office of the Investment Manager is 7th Floor, Energy, Appasaheb Marathe Marg, Prabhadevi, Mumbai 400 025.

The investment objectives of the Trust are to carry on the activities of an infrastructure investment trust, as permissible under the SEBI InvIT Regulations and to raise funds and making investments in accordance with the SEBI InvIT Regulations and the Trust Deed. The units of the Trust were listed on BSE Limited w.e.f. March 31, 2023.

**B ACCOUNTING POLICIES**

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

The consolidated financial statements have been prepared on the historical cost basis except for certain financial instruments that are measured at fair values at the end of each reporting period, as explained in the accounting policies below.

The consolidated Financial Statements of Trust comprises the Consolidated Balance Sheets as at March 31, 2024; the Consolidated Statement of Profit and Loss, the Consolidated Statement of Cash Flows and the Consolidated Statement of Changes in Unitholder's Equity for the year ended March 31, 2024 and a summary of significant accounting policies and other explanatory information. Additionally, it includes the Statement of Net Assets at Fair Value as at March 31, 2024, 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 Master Circular No. SEBI/HO/DDHS-PoD-2/P/CIR/2023/115 dated July 06, 2023 ("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 Crore (INR 0,000,000), except when otherwise indicated.

**B.2 BASIS OF CONSOLIDATION**

The consolidated 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 affect 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 year 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 of each component and 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.

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.



### B.3 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 MATERIAL 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 year, 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 year.

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 year, or
- (IV) There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting year.

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.

#### (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 year of the agreement.

Customer Contracts are amortized using straight line method over the tenure of contract for 30 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 year 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 year 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 year of the lease and (iii) the Trust Group has the right to direct the use of the asset.



Notes forming part of Consolidated Financial Statements for the year ended March 31, 2024

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 of 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 years 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 year 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 year in which they are incurred.

**(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 year 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 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 year 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 year. The carrying amount of Deferred tax liabilities and assets are reviewed at the end of each reporting year.

**(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 year 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 at 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 year 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 year 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 those 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 year end. These are billed in subsequent years 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

**ii) 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. 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

**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.

**iii) Derivative Financial Instruments and Hedge Accounting**

The Trust Group enters into various derivative financial instruments including foreign exchange forward contracts, options & coupon only swap to manage its exposure to interest rates and foreign exchange rate risk. At the inception of a hedge relationship, the Company formally designates and documents the hedge relationship to which the The Trust group wishes to apply hedge accounting and the risk management objective and strategy for undertaking the hedge. 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. Any gains or losses arising from changes in the fair value of derivatives are taken directly to Statement of Profit and Loss, except for the effective portion of cash flow hedge which is recognised in Other Comprehensive Income and later to Statement of Profit and Loss when the hedged item affects profit or loss.

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

**Cash Flow Hedge**

The Company designates derivative contracts as hedging instruments to mitigate the risk of movement in interest rates and foreign exchange rates

**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 year of maturity.

(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.

**(p) Earnings Per Unit (EPU)**

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

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

**(q) Classification of Unitholders' fund**

Under the provisions of the SEBI InvIT Regulations, Trust is required to distribute to Unitholders not less than ninety percent of the net distributable cash flows of Trust for each financial period. Accordingly, a portion of the unitholders' funds contains a contractual obligation of the Trust to pay to its Unitholders cash distributions. The Unitholders' funds could therefore have been classified as compound financial instruments which contain both equity and liability components in accordance with Ind AS 32 - Financial Instruments : Presentation. However, in accordance with SEBI Circular No SEBI/HO/DDLHS-PoD-2/P/CIR/2023/115 dated July 06, 2023 issued under the SEBI InvIT Regulations, the unitholders' funds have been classified as equity in order to comply with the mandatory requirements of Section H of Annexure A to the SEBI Circular dated October 20, 2016 dealing with the minimum disclosures for key financial statements. In line with the above, the distribution payable to unitholders is recognized as liability when the same is approved by the Investment Manager.

**(r) Net distributable cash flows to unit holders**

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

**(s) Fair value measurement**

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either;

- in the principal market for the asset or liability, or
- in the absence of a principal market, in the most advantageous market for the asset or liability.

The principal market or the most advantageous market must be accessible.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

Valuation techniques used are those that are appropriate in the circumstances and for which sufficient data are available to measure fair value. All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows,

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

Level 2: Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable

Level 3: Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

**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 years.

**(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 year 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 receivables**

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.



Digital Fibre Infrastructure Trust

Notes forming part of Consolidated Financial Statements as at March 31, 2024

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

(Rs. in Crore)

Description	Gross Block				Depreciation and Amortisation				Net Block	
	As at 1-Apr-23	Additions	Deductions / Adjustments*	As at 31-Mar-24	As at 1-Apr-23	For the year	Deductions / Adjustments**	As at 31-Mar-24	As at 31-Mar-24	As at 31-Mar-23
<b>Tangible Assets :</b>										
Plant and Equipments	155,528	12,405	0	167,933	15,810	5,030	0	20,840	147,093	139,718
<b>Total (A)</b>	<b>155,528</b>	<b>12,405</b>	<b>0</b>	<b>167,933</b>	<b>15,810</b>	<b>5,030</b>	<b>0</b>	<b>20,840</b>	<b>147,093</b>	<b>139,718</b>
<b>Other Intangible Assets :</b>										
Indefeasible right to use (IRU)	5,272	-	-	5,272	1,392	347	-	1,739	3,533	3,880
Customer Contracts	47,753	-	-	47,753	7,694	1,457	-	9,151	38,602	40,061
<b>Total (B)</b>	<b>53,025</b>	<b>-</b>	<b>-</b>	<b>53,025</b>	<b>9,086</b>	<b>1,804</b>	<b>-</b>	<b>10,890</b>	<b>42,135</b>	<b>43,941</b>
<b>Total (A+B)</b>	<b>208,553</b>	<b>12,405</b>	<b>0</b>	<b>220,958</b>	<b>24,896</b>	<b>6,834</b>	<b>0</b>	<b>31,730</b>	<b>189,228</b>	<b>183,659</b>
<b>Previous Year Figures</b>	<b>195,651</b>	<b>12,902</b>	<b>-</b>	<b>208,553</b>	<b>18,364</b>	<b>6,532</b>	<b>-</b>	<b>24,896</b>	<b>183,659</b>	

**Note:**

Depreciation for the year includes depreciation of Rs.70 crore (Previous year Rs. 70 crore) on construction equipment capitalised during the year. Thus the net amount of Rs. 6,764 crore (Previous year Rs. 6,462 crore) has been considered in Statement of Profit and Loss.

\*Current Year: Rs. 32,98,702

\*\*Current Year: Rs. 25,42,108

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



	As at March 31, 2024	(Rs. in Crore) As at March 31, 2023
<b>2 Other Financial Assets - Non Current</b> (Unsecured and Considered Good)		
Security Deposits	514	553
Put Option (Refer note 35)	-	2
<b>Total</b>	<b>514</b>	<b>555</b>

	As at March 31, 2024	(Rs. in Crore) As at March 31, 2023
<b>3 Other Non-Current Assets</b> (Unsecured and Considered Good)		
Advance Income Tax*	5	5
Balance with GST authorities	3,056	3,084
Others (comprises refundable customs duty)	57	57
<b>Total</b>	<b>3,118</b>	<b>3,146</b>

<b>*Advance Income Tax</b>		
At beginning of year	5	16
Refund received during the year	-	(11)
At end of year	<b>5</b>	<b>5</b>

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

	For the year ended March 31, 2024	(Rs. in Crore) For the year ended March 31, 2023
Loss before tax	(1,800)	(2,095)
Applicable tax rate	25.17%	25.17%
Computed tax expense	(453)	(527)
<b>Tax effect of:</b>		
Impact on account of Income exempt from tax (A)	539	479
Deferred Tax Provision (B) (Refer note 13)	(992)	(1,006)
Total Tax (Income) recognised in Statement of Profit and Loss (A+B)	(453)	(527)
Effective tax rate	25.17%	25.17%

	As at		As at	
	March 31, 2024	Amount	March 31, 2023	Amount
<b>4 Current Investments</b>				
<b>Investments measured at Fair Value Through Profit or Loss (FVTPL)</b>				
<b>In Mutual Funds - Unquoted</b>				
ICICI Prudential Liquid Fund Growth - Direct Plan (Face value of Rs.100 each)	-	-	17,967,235	599
Kotak Low Duration Fund Direct Growth (Face value of Rs.1000 each)	1,214,098	400	-	-
Aditya Birla Sun Life Liquid Fund Growth - Direct Plan (Face value of Rs 100 each)	-	-	7,690,354	279
MF Kotak Liquid Plan A Direct Growth (Face value of Rs 1000 each)	92,748	45	-	-
MF ICICI Prudential Corporate Bond Fund - Direct Growth (Face value of Rs.10 each)	251,913,741	709	-	-
MF Kotak Bond Short Term Plan Direct Growth (Face value of Rs.10 each)	98,195,470	506	-	-
MF Axis Short Term Fund Direct Plan Growth (Face value of Rs 10 each)	167,398,234	506	-	-
HDFC Liquid Fund - Direct Plan - Growth Option (Face value of Rs 1000 each)	48,556	23	-	-
Nippon India Liquid Fund - Direct Growth (Face value of Rs 1000 each)	-	-	882,701	486
Axis Liquid Fund Direct Plan Growth (Face value of Rs 1000 each)	-	-	1,904,167	476
MF Invesco India Liquid Fund - Direct - Growth (Face value of Rs 1000 each)	68,063	23	-	-
<b>Total</b>		<b>2,212</b>		<b>1,840</b>





	As at March 31, 2024	(Rs. in Crore) As at March 31, 2023
<b>5 Trade Receivables</b> (Unsecured and considered good)		
Trade Receivables	7	38
<b>Total</b>	<u>7</u>	<u>38</u>

**5.1 Trade Receivables ageing schedule**

Balance as at March 31, 2024

Particulars	Outstanding for following periods from due date of payment					Total
	< 6 month	6 months 1 year	1-2 years	2-3 years	> 3 years	
(i) Undisputed Trade receivables – considered good	5	-	0	0	2	7
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-
(iv) Disputed Trade Receivables–considered good	-	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-

**5.2 Balance as at March 31, 2023**

Particulars	Outstanding for following periods from due date of payment					Total
	< 6 month	6 months 1 year	1-2 years	2-3 years	> 3 years	
(i) Undisputed Trade receivables – considered good	35	0	0	1	2	38
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-
(iv) Disputed Trade Receivables–considered good	-	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-

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

	As at March 31, 2024	(Rs. in Crore) As at March 31, 2023
<b>6A Cash and Cash Equivalents</b>		
Balances with banks in Current Accounts	135	77
<b>Total</b>	<u>135</u>	<u>77</u>

	As at March 31, 2024	(Rs. in Crore) As at March 31, 2023
<b>6B Other Bank Balances</b>		
Fixed Deposit with Banks*	11	13
<b>Total</b>	<u>11</u>	<u>13</u>

\*Fixed Deposits with Bank of Rs. 11 Crore (Previous Year Rs. 13 Crore) have been pledged with government authorities

	As at March 31, 2024	(Rs. in Crore) As at March 31, 2023
<b>7 Other Financial Assets - Current</b>		
Interest accrued on Fixed Deposit*	0	0
Other Receivables**	79	786
<b>Total</b>	<u>79</u>	<u>786</u>

\*Current Year: Rs 13,11,483, Previous Year : Rs 47,90,598

\*\* Includes Contractually reimbursable/receivable amount

	As at March 31, 2024	(Rs. in Crore) As at March 31, 2023
<b>8 Other Current Assets</b> (Unsecured and considered good)		
Balance with GST authorities*	3,252	3,137
Other Advances**	11	26
<b>Total</b>	<u>3,263</u>	<u>3,163</u>

\*Includes Input tax credit pending for avilment of Rs.2,154 Crore (Previous Year Rs 450 Crore)

\*\*Includes prepaid expenses and advances to vendors

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



As at  
March 31, 2024

As at  
March 31, 2023

**9A Unit capital**

Issued, Subscribed and fully paid up Unit Capital

1,94,94,66,821 units of Rs 100 (March 31, 2023 : 1,94,94,66,821 Units) each

19,495

19,495

The SEBI circular no SEBI/HO/DDHS-PoD-2/P/CIR/2023/115 issued under the SEBI InvIT Regulations require that the 'Unit Capital' should be presented as 'Equity' in the financial statements of the Trust. Further, the SEBI InvIT Regulations 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, as per the provisions of the Annexure to the Companies (Indian Accounting Standards) Rules, 2015 and considering aforesaid requirements of the SEBI InvIT Regulations, a special legislation, the 'Unit Capital' has been presented as 'Equity' in the Consolidated 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 at least 90% of the Net Distributable Cash Flows of the Trust at least once in each financial year in accordance with the InvIT Regulations. The Investment Manager approves distributions. The 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 on 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.

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

Name of Unitholder	Relationship	March 31, 2024		March 31, 2023	
		No of Unit held	Percentage	No of Unit held	Percentage
Reliance Industrial Investments And Holdings Limited	Sponsor	292,433,280	15.00%	292,433,280	15.00%
Jamnagar Utilities And Power Private Limited	Unitholder	388,034,843	19.90%	388,034,843	19.90%
Platinum Compass B 2018 RSC Limited	Unitholder	497,110,062	25.50%	497,110,062	25.50%
Public Investment Fund	Unitholder	497,110,062	25.50%	497,110,062	25.50%
Sikka Ports & Terminals Limited	Unitholder	274,478,574	14.08%	274,478,574	14.08%

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

Particulars	As at	As at
	March 31, 2024	March 31, 2023
Units at the beginning of the year	1,949,466,821	1,949,466,821
Units at the end of the year	1,949,466,821	1,949,466,821

(Rs. in Crore)

**9B Contribution to Corpus**

	As at March 31, 2024	As at March 31, 2023
Balance at the beginning of the year	32	32
By Settlor	-	-
Balance at the end of the year	32	32

(Rs. in Crore)

**10 Other Equity****Instruments classified as equity**

0.01% Redeemable, Cumulative, Participating and Optionally Convertible Preference Share of Rs 10 each, fully paid up'

78,140

78,140

**Retained earnings**

As per last Balance Sheet

(28,933)

(27,407)

Total Comprehensive income for the year

624

373

Distribution to Unit holders

(1,899)

(1,899)

Balance at end of the year

(30,208)

(28,933)

**Cash Flow Hedge Reserve**

As per last Balance Sheet

-

-

Total Comprehensive Expense for the year

(40)

-

Balance at end of the year

(40)

-

**Total**

47,892

48,207

**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 Rs 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:**

Particulars	As at	As at
	March 31, 2024	March 31, 2023
No. of shares at the beginning of the year	78,139,666,092	78,139,666,092
No. of shares at the end of the year	78,139,666,092	78,139,666,092

**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 (0.01% Redeemable, Cumulative, Participating & Optionally Convertible Preference Shares):**

Name of Shareholder	As at March 31, 2024		As at March 31, 2023	
	No of Shares	% held	No of Shares	% held
Reliance Industries Limited	77,701,198,375	99.44%	77,701,198,375	99.44%



	As at March 31, 2024	(Rs in Crore) As at March 31, 2023
	Non-Current	Non-Current
<b>11 Borrowings</b>		
At amortised cost		
(I) Term Loan		
(a) Secured		
(i) From banks*	71,601	55,618
(ii) Other than banks	-	5,295
(b) Unsecured		
(i) From others	33,131	33,131
(III) Debentures		
(i) Non Convertible Debentures - Secured**	1,696	-
(IV) 0.01% Cumulative, redeemable, non-participating and non-convertible preference shares	1	1
<b>Total</b>	<b>106,429</b>	<b>94,045</b>

\* Net off Rs 214 crore (Previous Year Rs. 149 crore) as prepaid finance charges

\*\* Net off Rs.23 crore (Previous Year Rs 26 crore ) as prepaid finance charges.

(i) **Secured loans from Banks consist of:**

- a) Outstanding amount of Rs 3,500 crore (Loan amount Rs 4,000 crore) carrying interest rate of 6.85 % p.a (Previous year Rs 3,900 Crore, 6.85% 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 of which, first installment is repaid on March 31, 2023
- b) Outstanding amount of Rs.4,808 crore (Loan amount Rs.5,500 crore) carrying interest rate of 6.85 % p a (Previous year Rs. 5,363 Crore, 6.85% 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 of which, first installment is repaid on March 31, 2023
- c) Outstanding amount of Rs.4,813 crore (Loan amount of Rs 5,500 crore) carrying interest rate of 6.85 % p a (Previous year 5,363 Crore, 6.85% 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. Of which, first installment is repaid on March 31, 2023.
- d) Outstanding amount of Rs.4,274 crore (Loan amount of Rs 4,885 crore) carrying interest rate of 8.00 % p a (Previous year Rs 4,783 Crore, 8.00% p a ) and Outstanding amount of Rs.4,274 crore (Loan amount of Rs.4,885 crore) carrying interest rate of 6.85 % p.a. (Previous year Rs 4,763 Crore, 6.85 % p a ) 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. Of which, first installment is repaid on March 31, 2023
- e) Outstanding amount of Rs.3,500 crore (Loan amount of Rs 4,000 crore) carrying interest rate of 9.40 % p a (Previous year Rs. 3,900 Crore, 8.80% p a ) and Outstanding amount of Rs 3,500 crore (Loan amount of Rs 4,000 Crore) carrying interest rate 6.75% (Previous year Rs. 3,900 Crore, 6.75 % p.a) 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 of which, first installment is repaid on March 31, 2023.
- f) Outstanding amount of Rs 4,288 crore (Loan amount of Rs 4,900 crore) carrying interest rate of 6.85 % p a (Previous year Rs 4,778 Crore, 6.85% p.a.) and outstanding amount of Rs 4,288 crore (Loan amount of Rs.4,900 crore) carrying interest rate of 9.25 % p a (Previous year Rs 4,778 Crore, 9.00 % 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 of which, first installment is repaid on March 31, 2023.
- g) Outstanding amount of Rs.3,996 crore (Loan amount of Rs.4,000 crore) carrying interest rate of 6.70 % p a (Previous year Rs 4,000 Crore, 6.70% p a ) from **HDFC Bank**, is repayable after 1 year of moratorium in 36 quarterly instalments starting from end of 15th 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
- h) Loan of Rs 1,750 crore carrying interest rate of 6.25 % p a (Previous year Rs 1,750 Crore, 6.25% p a. ) from **Indusind Bank**, is repayable after 5 years of moratorium in 8 quarterly instalments starting from 6th year from date of first disbursement 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.
- i) Outstanding Amount Rs 3,798 crore (Loan of Rs.3,800 crore) carrying interest rate of 7.85 % p.a from **HDFC Bank** (Previous year Rs.3,800 Crore, 7.85% p a.), is repayable after 1 year of moratorium in 36 quarterly instalments starting from end of 15th 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
- j) Outstanding amount of Rs 3,499 crore (Loan of Rs.3,500 Crore) carrying interest rate of 8.42 % p a from **HDFC Bank Limited** (Previous year Rs 3,500 Crore, 8.00% p.a. ), is repayable after 1 year of moratorium in 36 quarterly instalments starting from end of 15th month from date of drawdown (From Year 2 till Year 5 0.025% and from Year 6 till year 10, 4.98%) 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.



Notes forming part of Consolidated Financial Statements as at March 31, 2024

- k) Outstanding amount of Rs 2,692 crore (Loan amount of Rs 3,000 crore) carrying interest rate of 8.60 % p.a (Previous year - 3,000 crore, 8.50%) from **Bank of Baroda**, is repayable in 39 equal quarterly installements starting from June 30, 2023 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.
- l) Outstanding amount of Rs 6,282 crore (Loan amount of Rs 7,000 crore) carrying interest rate of 8.65 % p.a (Previous year - 7,000 Crore, 8.50%) from **State Bank of India**, is repayable in 39 equal quarterly installements starting from June 23, 2023 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.
- m) Outstanding amount of Rs 1,795 crore (Loan amount of Rs 2,000 crore) carrying interest rate of 8.42 % p.a (Previous year - 2,000 Crore, 8.51%) from **HDFC Bank Limited**, is repayable in 39 equal quarterly installements starting from June 30, 2023 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.
- n) Outstanding amount of Rs 3,141 crore (Loan amount of Rs 3,500 crore) carrying interest rate of 8.70 % p.a (Previous year - Nil) from **Punjab National Bank**, is repayable in 39 equal quarterly installements starting from June 30, 2023 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.
- o) Outstanding amount of Rs 1,313 crore (Loan amount of Rs 1,463 crore) carrying interest rate of 8.45 % p.a (Previous year - Nil) from **Axis Bank Limited**, is repayable in 39 equal quarterly installements starting from June 23, 2023 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.
- p) Outstanding amount of Rs 2,244 crore (Loan amount of Rs 2,500 crore) carrying interest rate of 8.50 % p.a (Previous year - Nil) from **ICICI Bank Limited**, is repayable in 39 equal quarterly installements starting from June 24, 2023 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.
- q) Outstanding amount of Rs 2,244 crore (Loan amount of Rs 2,500 crore) carrying interest rate of 8.85 % p.a (Previous year - Nil) from **Kolak Mahindra Bank Limited**, is repayable in 39 equal quarterly installements starting from June 30, 2023 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.
- r) Outstanding amount of Rs 1,346 crore (Loan amount of Rs 1,500 crore) carrying interest rate of 8.65% p.a (Previous year - Nil) from **Indian Bank Limited**, is repayable in 39 equal quarterly installements starting from June 24, 2023 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.
- s) Outstanding amount of Rs 1,118 crore (Loan amount of Rs 1,246 crore) carrying interest rate of 8.45 % p.a (Previous year - Nil) from **Union Bank Limited**, is repayable in 39 equal quarterly installements starting from June 23, 2023 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.
- t) Outstanding amount of Rs 2,919 crore (Loan amount of Rs 2,869 crore) carrying interest rate of 7.08 % p.a (Previous year - Nil) which forms part of USD facility of **External Commercial borrowings** is repayable at 3 equal installements starting on March 30, 2028, 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.
- u) Outstanding amount of Rs 1,174 crore (Loan amount of Rs 1,214 crore) carrying interest rate of 1.05 % p.a (Previous year - Nil) which forms part of JPY facility of **External Commercial borrowings** is repayable at 3 equal installements starting on March 30, 2028, 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) Outstanding amount of Rs 2,061 crore (Loan amount of Rs 2,058 crore) carrying interest rate of 5.01 % p.a (Previous year - Nil) which forms part of EUR facility of **External Commercial borrowings** is repayable at 3 equal installements starting on March 30, 2028, 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.





## Notes forming part of Consolidated Financial Statements as at March 31, 2024

- (ii) **Secured Non-Convertible Debentures consist of:**
- a) 30,000 Zero Coupon Deep Discounted, Unlisted, Rated, Secured, Redeemable Non-Convertible Debentures – PPD4 of the Face Value of Rs 10,00,000/- each, issued at a discounted price of Rs 5,73,081 each, for cash, aggregating Rs 1719,24,36,000. The Debentures shall be redeemed at par on maturity September 27, 2029.
- b) 60,000, 8.90% Secured Redeemable Non-Convertible Debentures – Series PPD1 (NCDs – Series PPD1) of face value of Rs 10,00,000 each, redeemable after 2 years of moratorium in 40 equal quarterly instalments starting March 22, 2023 to December 22, 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 of which, 1500 NCDs - Series PPD1 have been repaid on March 23, 2023 as part of first installment and 30,000 NCDs - Series PPD1 were redeemed on March 29, 2023. Balance 28,500 NCDs - Series PPD1 were redeemed in April'23.
- c) 1,00,000, 8.90% Secured Redeemable Non-Convertible Debentures – Series PPD2 (NCDs – Series PPD2) of face value of Rs. 10,00,000 each, redeemable after 2 years of moratorium in 40 equal quarterly instalments starting March 23, 2023 to December 23, 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 of which, 2500 NCDs – Series PPD2 have been repaid on March 24, 2023 as part of first installment. Balance 97,500 NCDs – Series PPD2 were redeemed in April'23.
- d) 93,420, 8.90% Secured Redeemable Non-Convertible Debentures – Series PPD3 (NCDs – Series PPD3) of face value of Rs 10,00,000 each, redeemable after 2 years of moratorium in 40 equal quarterly instalments starting March 23, 2023 to December 23, 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. Of which, 2,336 NCDs – Series PPD3 have been repaid on March 24, 2023 as part of first installment and 90,000 NCDs – Series PPD3 were redeemed on March 31, 2023. Balance 1,084 NCDs – Series PPD3 were redeemed in April'23.
- e) Outstanding 28,500, 8.90% Secured Non-Convertible Redeemable Debentures – Series PPD1 (NCD – Series PPD1); 97,500, 8.90% Secured Non-Convertible Redeemable Debentures – Series PPD2 (NCD – Series PPD2) and 1,084, 8.90% Secured Non-Convertible Redeemable Debentures – Series PPD3 (NCD – Series PPD3) of face value of Rs 10,00,000 each, redeemable at par on or before December 23, 2032 at the option of the Company, have been fully redeemed on April'23.
- (iii) **Secured Term Loans from Banks includes Foreign Currency loans comprising of:**  
Total facility of USD 750,000,000 (including USD 350 Million, JPY 1,313.51 Million and EURO 229.35 Million) which is repayable in three equal installments.
- (iv) **Redeemable Preference Shares consist of :**  
With effect from September 29, 2020, the terms of the 12,50,000 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 Company at Rs. 10 each aggregating to Rs. 1.25 Crore, but not in any case later than March 30, 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.
- (v) The subsidiary company has not created the Debenture Redemption Reserve during the year of Rs. 300 Crore, keeping in view the provisions of section 71(4) of the Companies Act 2013.

12 Other Non Current Financial Liabilities	(Rs. in Crore)	
	As at March 31, 2024	As at March 31, 2023
Call Option (Refer Note 35)	-	227
Amortised Discount on Debentures	120	-
<b>Total</b>	<b>120</b>	<b>227</b>

13 Deferred Tax Liabilities (Net)	(Rs. in Crore)	
	As at March 31, 2024	As at March 31, 2023
At the start of the year	20,996	22,002
Credit to Profit and Loss account	(992)	(1,006)
Credit to Other Comprehensive Income	(26)	-
<b>At the end of the year</b>	<b>19,978</b>	<b>20,996</b>

## Component of Deferred Tax Asset/ Liabilities

Deferred tax asset/(liabilities) in relation to:	(Charge) / Credit to			As at March 31, 2024
	As at April 1, 2023	Statement of Profit and Loss	Other Comprehensive Income	
Property, Plant and Equipment and Other Intangible Assets	44,179	10,207	-	54,386
Carried Forward Losses	(23,183)	(11,199)	-	(34,382)
Financial liability	-	-	(26)	(26)
<b>Total</b>	<b>20,996</b>	<b>(992)</b>	<b>(26)</b>	<b>19,978</b>





14 Other Non Current Liabilities	(Rs. in Crore)	
	As at March 31, 2024	As at March 31, 2023
Revenue received in advance	13,702	14,239
<b>Total</b>	<b>13,702</b>	<b>14,239</b>

15 Borrowings - Current	(Rs. in Crore)	
	As at March 31, 2024	As at March 31, 2023
<b>Current maturities of long term debts Secured - At Amortized Cost</b>		
(a) Term Loan : from Banks	6,802	5,289
(b) Term Loan : Other than Banks	-	206
(c) Non Convertible Debentures	-	12,682
<b>Total</b>	<b>6,802</b>	<b>18,177</b>

The above mentioned borrowings are "Current maturities of long term debts" referred in Note 11

16 Trade Payables due to	(Rs. in Crore)	
	As at March 31, 2024	As at March 31, 2023
Micro and small enterprises	-	-
Creditors Other than Micro and Small enterprises*	0	0
<b>Total</b>	<b>0</b>	<b>0</b>

\*Current year - Rs. 34,45,200

\*Previous year - Rs. 16,20,000

16.1 There are no overdue amounts to Micro, Small and Medium Enterprises as at March 31, 2024 and as at March 31, 2023 for which disclosure requirements under Micro, Small and Medium Enterprises Development Act, 2006 are applicable

17 Other Current Financial Liabilities	(Rs. in Crore)	
	As at March 31, 2024	As at March 31, 2023
Interest accrued but not due	159	184
Others*	389	1
<b>Total</b>	<b>548</b>	<b>185</b>

\*Includes provision for audit fees, professional and certification fees

18 Other Current Liabilities	(Rs. in Crore)	
	As at March 31, 2024	As at March 31, 2023
Revenue received in advance	550	558
Other Payables*	219	65
<b>Total</b>	<b>769</b>	<b>623</b>

\* Other Payables include statutory dues like GST, TDS etc.

Note - There are no outstanding amounts to Micro, Small and Medium Enterprises as at March 31, 2024 for which disclosure requirements under Micro, Small and Medium Enterprises Development Act, 2006 are applicable.

19 Provisions	(Rs. in Crore)			
	As at March 31, 2024		As at March 31, 2023	
	Non Current	Current	Non Current	Current
Provisions for Employee Benefits				
- Gratuity*	0	2	0	2
- Leave Encashment**	-	0	-	0
	0	2	0	2

**Non Current Liabilities**

\*Current Year: Rs. 7,15,318 , Previous Year : Rs. 4,94,455

**Current Liabilities**

\*\*Current Year: Rs. 36,63,622, Previous Year : Rs. 33,86,368

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



	For the year ended March 31, 2024	(Rs in Crore) For the year ended March 31, 2023
<b>20 Revenue from Operations</b>		
Sale of Services	16,729	15,496
<b>Total</b>	<u>16,729</u>	<u>15,496</u>
<b>21 Other Income</b>		
Interest Income on Fixed Deposit with Banks	1	8
Profit on sale of current investments (Net)	220	107
Gain on fair valuation of investment classified as FVTPL	22	19
Fair valuation of put/call option (Refer Note 35)	223	-
Miscellaneous Income	0	1
<b>Total</b>	<u>466</u>	<u>135</u>
<b>22 Network Operating Expenses</b>		
Repairs and Maintenance	1,710	1,545
<b>Total</b>	<u>1,710</u>	<u>1,545</u>
<b>23 Employee Benefits Expense</b>		
Salaries and Wages	5	5
Contribution to Provident and Other Funds	1	1
<b>Total</b>	<u>6</u>	<u>6</u>
<b>24 Finance Costs</b>		
Interest Expenses	10,297	9,660
Exchange Loss (attributable to Finance costs)	147	-
Other Borrowing Cost	58	44
<b>Total</b>	<u>10,502</u>	<u>9,704</u>
<b>25 Other Expenses</b>		
Professional fees	5	5
Payment to Auditors	1	1
General Expenses*	7	3
<b>Total</b>	<u>13</u>	<u>9</u>

\* previous year net off fair value of put/call option



	As at March 31, 2024	As at March 31, 2023
<b>26 EARNINGS PER UNIT (EPU)</b>		
The following reflects the income and unit data used in the basic and diluted EPU Computations		
(i) Net Profit as per Statement of Profit and Loss, attributable to Unitholders (Rs. In Crore)	584	373
(ii) Total number of Units (Number in Crore)	194.95	194.95
(iii) Weighted Average number of units used as denominator for calculating Basic	194.95	194.95
(iv) Earning per unit of unit value of Rs 100		
- For Basic (Rs )	3.00	1.91
- For Diluted (Rs )	3.00	1.91

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

**Defined Contribution Plans**

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

Particulars	(Rs in Crore)	
	2023-24	2022-23
Employer's Contribution to Provident Fund*	0	0
Employer's Contribution to Pension Fund**	0	0

\*Current Year: Rs. 17,45,263, Previous Year : Rs. 17,54,963

\*\*Current Year: Rs. 65,282 Previous Year : Rs.75,000

**Defined Benefit Plan**

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

The Gratuity Liability is computed on actuarial valuation basis done at year end and the Trust Group's liability so determined as at the end of the financial year on an actuarial basis using the Project Unit Credit Method is provided for in the books of account and is based on a detailed working done by a certified Actuary. Actuarial gain or losses are recognized in full in the profit & loss account of the period in which they occur. Past service cost is recognized immediately to the extent that the benefits are already vested.

**I) Reconciliation of opening and closing balances of Defined Benefit Obligation**

	(Rs in Crore)	
	Gratuity (Unfunded) 2023-24	2022-23
Defined Benefit obligation at beginning of the year	1	1
Add : Transfers		
Current Service Cost*	0	0
Interest Cost**	0	0
Actuarial (gain) / loss***	0	0
Benefits Paid****	0	-
Defined Benefit obligation at year end	1	1

\*Current Year: Rs. 7,29,238, Previous Year : Rs. 6,86,152

\*\*Current Year: Rs. 12,22,232, Previous Year : Rs. 9,18,980

\*\*\*Current Year: Rs. 2,31,609, Previous Year : Rs. 14,71,878

\*\*\*\*Current Year: Rs. 1,01,530, Previous Year : 0

**II) Reconciliation of fair value of assets and obligations**

	(Rs in Crore)	
	Gratuity (Unfunded) As at March 31, 2024	As at March 31, 2023
Fair value of Plan assets		
Present value of obligation	1	1
Amount recognised in Balance Sheet	1	1

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



III) Expenses recognised during the year

	(Rs. in Crore)	
	2023-24	2022-23
Current Service Cost*	0	0
Interest Cost**	0	0
Expected return on Plan assets	-	-
Actuarial (gain) / loss	-	-
<b>Net Cost***</b>	<b>0</b>	<b>0</b>
<b>In Other Comprehensive Income</b>		
Actuarial (Gain) / Loss	0	0
<b>Net (Income)/Expense for the period recognised in OCI****</b>	<b>0</b>	<b>0</b>

\*Current Year: Rs. 7,29,238, Previous Year : Rs 6,86,152

\*\*Current Year: Rs. 12,22,232, Previous Year : Rs.9,18,960

\*\*\*Current Year: Rs. 19,51,470, Previous Year : Rs.16,05,132

\*\*\*\*Current Year: Rs 2,31,609, Previous Year : Rs 14,71,818

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

IV) Actuarial assumptions

	(Rs. in Crore)	
	2023-24	2022-23
Mortality Table	2012-14	2012-14
Discount rate (per annum)	7.23%	7.60%
Rate of escalation in salary (per annum)	6.00%	6.00%

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

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

Investment risk	The present value of the defined benefit plan liability is calculated using a discount rate which is determined by reference to market yields at the end of the reporting period on government bonds; if the return on plan asset is below this rate, it will create a plan deficit
Interest risk	A decrease in the bond interest rate will increase the plan liability
Longevity risk	The present value of the defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and after their employment. An increase in the life expectancy of the plan participants will increase the plan's liability.
Salary risk	The present value of the defined plan liability is calculated by reference to the future salaries of plan participants. As such, an increase in the salary of the plan participants will increase the plan's liability.

28 RELATED PARTY DISCLOSURES

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

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

Related parties in terms of the SEBI InvIT Regulations shall be the related parties as defined in the Companies Act, 2013 or under Ind AS 24 and shall include, the parties to the InvIT namely, Reliance Industrial Investments and Holdings Limited (Sponsor), Axis Trustee Services Limited (Trustee), Infinite India Investment Management Limited (Investment Manager), Jio Infrastructure Management Services Limited (Project Manager) and their respective promoters and directors



## (ii) Transactions with Related Parties during the year

The below related party disclosures have been made in compliance with the stipulation of Ind AS 24 and in compliance with the SEBI InvIT Regulations to the extent there are transactions with the related parties.

Particulars	Relation	(Rs. in Crore)	
		Year ended March 31, 2024	Year ended March 31, 2023
<b>Professional Fees</b>			
Axis Trustee Service Limited	Trustee	0	0
Infinite India Investment Manager Limited	Investment Manager	2	2
Jio Infrastructure Management Services Limited	Project Manager	2	2
<b>Reimbursement of Expenses</b>			
Infinite India Investment Management Limited	Investment Manager	0	-
<b>Distribution to Unitholders</b>			
Reliance Industrial Investments and Holdings Limited	Sponsor & Unit Holder	285	285
<b>Reliance Industries Limited*</b>	Promoter of Sponsor (Upto March 31, 2023)		
Repayment of Non Convertible Debentures (Secured)		-	12,634
Interest on Non Convertible Debentures (Secured)		-	2,009
<b>Axis Bank Limited</b>	Promoter of Trustee		
Loan Taken		1,463	-
Loan repaid		700	138
Interest on Borrowings		469	377

## (iii) Outstanding balance at the year end

Particulars	Relation	(Rs. in Crore)	
		As at March 31, 2024	As at March 31, 2023
<b>Reliance Industrial Investments and Holdings Limited</b>	Sponsor & Unit Holder		
Units Allocated		2,924	2,924
<b>Reliance Industries Limited*</b>	Promoter of Sponsor (Upto March 31, 2023)		
Equity Share Capital		-	250
0.01% Redeemable, Cumulative, Participating and Optionally Convertible Preference Share of Rs 10 each, fully paid up		-	77,701
0.01% Cumulative, redeemable, non-participating and non-convertible preference shares		-	1
Borrowings - Non Convertible Debentures (secured)		-	12,682
Interest accrued but not due on Non Convertible Debentures (secured)		-	87
Business Support Service payable		-	0
<b>Axis Bank Limited</b>	Promoter of Trustee		
Bank Balances		9	4
Borrowings - Secured Term Loans		6,125	5,363

\* Pursuant to a scheme of arrangement between Reliance Industries Limited (RIL) and its shareholders and creditors & Reliance Strategic Investments Limited (RSIL) and its shareholders and creditors ("Scheme"), that came into effect on July 1, 2023, the Demerged Undertaking (as defined in the Scheme) that inter alia included, RIL's shareholding in Reliance Industrial Investments and Holdings Limited (RIIHL / Sponsor) was demerged and vested in RSIL from the Appointed Date viz the close of business hours March 31, 2023. Consequent to the Scheme, RIL is no longer the promoter of the Sponsor and has accordingly ceased to be a related party to the Trust in terms of the SEBI InvIT Regulations with effect from the Appointed Date

29 CONTINGENT LIABILITIES AND COMMITMENTS	(Rs. in Crore)	
	As at March 31, 2024	As at March 31, 2023
(I) <b>Contingent Liabilities</b>		
(i) Claims/disputed liabilities against the Trust Group not acknowledged as debts *	33	34
* The disputed liabilities are not likely to have any material effect on financial position of the Trust Group		
(II) <b>Commitments</b>		
Estimated amount of contracts remaining to be executed on Capital account not provided for	683	1,666
30 Arrears of fixed cumulative dividend on redeemable, cumulative, participating and optionally convertible preference shares classified as 'Other Equity', amounts to Rs. 11,716 crores as on March 31, 2024 and Rs 11,708 crores as on March 31, 2023.		

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





Notes forming part of Consolidated Financial Statements as at March 31, 2024

31 Capital Management

The Trust 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

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

(Rs. in Crore)

	As at March 31, 2024	As at March 31, 2023
Gross Debt	113,231	112,222
Cash and Marketable Securities*	2,347	1,917
Net debt (A)	110,884	110,305
Total Equity (B)	67,419	68,734
Net debt to equity ratio (A/B)	1.64	1.60

\*Cash and Marketable Securities includes Cash and Cash Equivalents of Rs.135 crore (Previous year Rs 77 crore) and current Investment Rs. 2.212 crore (Previous Year Rs 1,840 crore )

32 FINANCIAL INSTRUMENTS

A. FAIR VALUE MEASUREMENT HIERARCHY:

(Rs. in Crore)

Particulars	As at March 31, 2024			As at March 31, 2023		
	Carrying Amount	Level of input used in		Carrying Amount	Level of input used in	
		Level 1	Level 2		Level 1	Level 2
<b>Financial Assets</b>						
<b>At Amortized Cost</b>						
Trade Receivables	7	-	-	38	-	-
Cash and Bank Balances	135	-	-	77	-	-
Other Bank Balances	11	-	-	13	-	-
Other Financial Assets	593	-	-	1,341	-	-
<b>At FVTPL</b>						
Investments	2,212	2,212	-	1,840	1,840	-
Financial assets	-	-	-	2	-	2
<b>Financial Liabilities</b>						
<b>At Amortized Cost</b>						
Borrowings	113,231	-	-	112,222	-	-
Trade Payables	0	-	-	0	-	-
Other Financial Liabilities	548	-	-	185	-	-
Creditors for Capital Expenditure	13,781	-	-	5,562	-	-
<b>At FVTPL</b>						
Other Financial Liabilities	-	-	-	227	-	227

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

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

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

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

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
- All foreign currency denominated assets and liabilities are translated using exchange rate at reporting date.



## Notes forming part of Consolidated Financial Statements as at March 31, 2024

**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 following table shows foreign currency exposures in US Dollar, Euro and JPY on financial instruments at the end of the reporting period

(Rs. in Crore)

Particulars	Foreign Currency Exposure					
	As at March 31, 2024			As at March 31, 2023		
	USD	EUR	JPY	USD	EUR	JPY
Borrowings	2,919	2,061	1,174	-	-	-
Interest accrued but not due	2	1	0	-	-	-
<b>Derivatives</b>						
- Forwards	(2,919)	(2,061)	(1,174)	-	-	-
- Interest Rate Swaps	(2)	(1)	(0)	-	-	-
<b>Exposure</b>	-	-	-	-	-	-

Sensitivity analysis of 1% change in exchange rate at the end of reporting year

(Rs. in Crore)

Particulars	Foreign Currency Sensitivity					
	As at March 31, 2024			As at March 31, 2023		
	USD	EUR	JPY	USD	EUR	JPY
<b>1% Depreciation in INR</b>	-	-	-	-	-	-
Impact on Equity	-	-	-	-	-	-
Impact on Profit and Loss	-	-	-	-	-	-
<b>1% Appreciation in INR</b>	-	-	-	-	-	-
Impact on Equity	-	-	-	-	-	-
Impact on Profit and Loss	-	-	-	-	-	-

**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:

(Rs. in Crore)

Particulars	Interest Rate Exposure	
	As at March 31, 2024	As at March 31, 2023
	<b>Borrowings</b>	
Floating (Includes Current Maturities)*	39,615	33,813
Fixed (Includes Current Maturities)	73,853	78,408
<b>Total</b>	<b>113,468</b>	<b>112,221</b>

\*Includes Current year Rs 237 crores (Rs 175 crores 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:

(Rs. in Crore)

Particulars	Interest Rate Sensitivity			
	As at March 31, 2024		As at March 31, 2023	
	Up Move	Down Move	Up Move	Down Move
<b>Total Impact</b>	(396)	396	(338)	338
Impact on Equity	-	-	-	-
Impact on P&L	(396)	396	(338)	338

**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.

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



## iii) Liquidity Risk

Liquidity risk arises from the Trust group inability to meet its cash flow commitments on the due date. The Trust 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 Trust group cash flow position and ensures that the Trust group is able to meet its financial obligation at all times including contingencies.

Maturity Profile as at March 31, 2024				(Rs. in Crore)
Particulars	0 to 3 year	3-5 Years	Above 5 years	Total
Trade Payable (Refer Note 16)	0	-	-	0
Other Current Financial Liabilities (Refer Note 17)	159	-	-	159
Creditors for Capital Expenditure	13,781	-	-	13,781
Borrowings* (Refer Note 11, 15 and 17)*	21,050	25,329	67,089	113,468
<b>Derivative Liabilities</b>				
Forwards Contracts	283	-	-	283
Interest Rate Swaps			86	86
<b>Total</b>	<b>35,273</b>	<b>25,329</b>	<b>67,175</b>	<b>127,777</b>

\* Includes Rs 237 crore as prepaid finance charges.

Maturity Profile as at March 31, 2023				(Rs. in Crore)
Particulars	0 to 3 year	3-5 Years	Above 5 years	Total
Trade Payable (Refer Note 16)	0	-	-	0
Other Current Financial Liabilities (Refer Note 17)	184	-	-	184
Creditors for Capital Expenditure	5,562	-	-	5,562
Borrowings* (Refer Note 11, 15 and 17)	29,622	13,741	69,034	112,397
<b>Total</b>	<b>35,368</b>	<b>13,741</b>	<b>69,034</b>	<b>118,143</b>

\* Includes Rs. 175 crores as prepaid finance charges.

## c) Hedge Accounting

The Trust Group business objective includes safe-guarding its earnings against adverse impact of movements in interest rates and foreign exchange rates. The Trust Group has adopted a structured risk management policy to hedge risks within an acceptable risk limit and an approved hedge accounting framework which allows for Cash Flow Hedges.

The Company enters into derivative financial instruments including interest rate swaps and forward contracts to achieve this objective. There is an economic relationship between the hedged items and the hedging instruments. The Company has established a hedge ratio of 1:1 for the hedging relationships. To test the hedge effectiveness, the Company uses the hypothetical derivative method and critical term matching method.

The hedge ineffectiveness can arise from:

- Differences in the timing of the cash flows
- Different indexes (and accordingly different curves)
- The counterparties' credit risk differently impacting the fair value movements.



The table below shows the position of hedging instruments and hedged items as on the balance sheet date:

**Disclosure of effects of Cash Flow Hedge Accounting:**

**Hedging Instruments**

(Rs. in Crore)

Particulars	Nominal Value	Carrying Amount		Changes in Fair Value	Hedge Maturity	Line Item in Balance Sheet
		Assets	Liabilities			
As at 31st March, 2024						
Foreign Exchange Rate Risk						
Forward Contracts	6,154	-	283	(148)	April 2024 to January 2025	Other Financial Assets / Liabilities - Current
Interest Rate Swaps	6,221	-	86	-	April 2024 to September 2029	Other Financial Assets / Liabilities - Current
As at 31st March, 2023						
Foreign Exchange Rate Risk						
Forward Contracts	-	-	-	-	-	-

**Hedged Items**

(Rs. in Crore)

Particulars	Nominal Value	Changes in Fair Value	Hedge Reserve	Line Item in Balance Sheet
Forward Contracts				
Foreign Exchange Rate Risk				
Foreign Currency Borrowings	6,154	13	(17)	Non-Current Borrowings
Interest accrued but not due on Foreign Currency Borrowings	-	-	(1)	Other Financial Liabilities
Future Interest liability on Foreign Currency Borrowings	6,221	-	(86)	Other Financial Liabilities
Forward Contracts				
Foreign Exchange Rate Risk				
Foreign Currency Borrowings	-	-	-	
Interest accrued but not due on Foreign Currency Borrowings	-	-	-	
Future Interest liability on Foreign Currency	-	-	-	

**Movement in Cash Flow Hedge**

(Rs. in Crore)

Particulars	2023-24	2022-23	Line Item in Balance Sheet/ Statement of Profit and Loss
At the beginning of the year	-	-	
Loss recognised in Other Comprehensive Income	(373)	-	Items that will be reclassified to Profit & Loss
Amount reclassified to Profit and Loss during the year	269	-	Finance Costs
At the end of the year	(104)	-	Other Comprehensive Income

**33 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.

**34 Disclosures Pursuant to SEBI Master Circular No. SEBI/HO/DDHS-PoD-2/P/CIR/2023/115 dated July 6, 2023 issued under SEBI Invit Regulations:**

The Trust consists of only one project.

**(A) Operating cash flows**

(Rs. in Crore)

	For the year ended	
	March 31, 2024	March 31, 2023
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>		
Net Loss Before Tax as per Statement of Profit and Loss	(3,923)	(3,997)
Adjusted for:		
Depreciation and Amortisation Expense	6,764	6,462
Profit on sale of current investments	(220)	(107)
Gain on fair valuation of investments	(22)	(19)
Interest Income on Fixed Deposit with Banks	(1)	(8)
Finance Costs	12,407	11,609
<b>Operating profit before working capital changes</b>	<b>15,005</b>	<b>13,940</b>
Trade and Other Receivables	(3)	(933)
Other Payables	(371)	(515)
<b>Cash Generated from Operations</b>	<b>14,631</b>	<b>12,492</b>
Refund received	-	11
<b>Net Cash generated from operating activities</b>	<b>14,631</b>	<b>12,503</b>



## (B) Statement of Net Distributable Cash Flows (NDCFs) of Jio Digital Fibre Private Limited

(Rs. in Crore)

Description	For the year ended	
	March 31, 2024	March 31, 2023
Loss after tax as per profit and loss account	(3,009)	(2,991)
Add: Depreciation and amortisation as per profit and loss account. In case of impairment reversal, same needs to be deducted from profit and loss	6,764	6,462
Add / less: Loss / gain on sale of infrastructure assets	-	-
Add / less: Finance Cost	12,407	11,609
Add/ Less : Gain on sale of Mutual Fund Investment	(242)	(126)
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 (net off proceeds from sale of assets)	(4,153)	(7,339)
Less: Investments made/identified to be made in accordance with the investment objective*	617	881
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;	(992)	(1,006)
• any other non-cash item, lease rents recognised on a straight-line basis, etc.	-	-
Add / less: Working capital changes including adjustments made for arriving at the cash generated from/ (used in ) from operating activities	(374)	(1,449)
Add / less: Taxes paid	-	11
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)	20,569	19,267
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.	(19,503)	(13,698)
Less :Interest paid to third party	(6,223)	(5,745)
Less: Cash reserved to make due payments to secured lenders in subsequent periods/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	-	-
<b>Total Adjustments (B)</b>	<b>8,870</b>	<b>8,867</b>
<b>Net Distributable Cash Flows (C) = (A+B)**</b>	<b>5,861</b>	<b>5,876</b>

\*For the year ended March 31, 2023, includes redemption of units of liquid mutual funds by JDFPL aggregating Rs. 100 crores, made on 31st March, 2023; with value date of April 3, 2023 being the first business day after the year ended March 31, 2023.

\*\* During the year ended March 31, 2024 JDFPL has paid to the Trust in the form on interest on its borrowings from the Trust Rs 5,883 crores constituting more than 100% of its net distributable cash flows.





## (C) Statement of Net Distributable Cash Flows (NDCFs) of Trust

(Rs. in Crore)

Description	For the year ended	
	March 31, 2024	March 31, 2023
Cash flows received from SPV in the form of interest / accrued interest / additional interest	5,883	5,883
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	-	-
Proceeds from Unit issuance	-	-
Borrowings at the Trust level	-	-
<b>Total cash flow at the Trust level (A)</b>	<b>5,883</b>	<b>5,883</b>
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	(6)	(9)
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)	(3,978)	(3,975)
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	-	-
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 year till next proposed distribution if deemed necessary by the Investment Manager invested in permitted investments	-	-
<b>Total cash outflows/retention at the Trust level (B)</b>	<b>(3,984)</b>	<b>(3,984)</b>
<b>Net Distributable Cash Flows (C) = (A-B)*</b>	<b>1,899</b>	<b>1,899</b>

\*During the year ended March 31, 2024, the Trust has made distributions to the Unitholders in the form of Return on Capital of Rs.1,899 crore constituting more than 90% of its net distributable cash flows.

## (D) Consolidated Statement of Net Assets at Fair Value:

(Rs. in Crore)

Particulars	As at March 31, 2024		As at March 31, 2023	
	Book Value	Fair Value \$	Book Value	Fair Value
A Assets	212,498	2,26,106*	207,208	2,10,350*
B Liabilities	162,131	1,27,896#	154,056	1,12,580#
<b>C. Net Assets (A-B)</b>	<b>50,367</b>	<b>98,212</b>	<b>53,152</b>	<b>97,770</b>
D Minority interest and OCPS	30,884^	78,601@	33,892^	78,511@
E Net Assets attributable to Unitholders (C - D)	19,483	19,611	19,260	19,258
F No of Units	194.95	194.95	194.95	194.95
G NAV per Unit (E/F)	99.94	100.59	98.79	98.79

\* Refers to the enterprise value of the SPV adjusted for cash and cash equivalents, investments as per the consolidated balance sheet and other assets and current liabilities of Trust on standalone basis

# Refers to debt and debt like items such as capital creditors

@ Refers to value attributable to minority interest and OCPS

^ Refers to losses other than standalone trust losses, minority interest and OCPS

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

## (E) Statement of Total Return at Fair Value

(Rs. in Crore)

Particulars	As at March 31, 2024	As at March 31, 2023
Total comprehensive Loss (As per Statement of Profit and Loss)	(886)	(1,089)
Add / (Less): Other Changes in Fair Value not recognized in Total Comprehensive Income	-	-
<b>Total Return</b>	<b>(886)</b>	<b>(1,089)</b>



**35 Put and Call Option**

As per the terms of the Shareholders and Option Agreement entered between the Trust, the Investment Manager, Reliance Industrial Investments and Holdings Limited (RIIHL), Reliance Industries Limited (RIL) and Jio Digital Fibre Private Limited (JDFPL), RIL has a right but not the obligation to purchase the entire equity stake of the Trust in JDFPL after a specific term for consideration of Rs. 262,65,00,005 or the fair value at the exercise date, whichever is lower. Likewise, from the current year consequent to a nomination by RIIHL, the Trust has the right, after a specific term, but not the obligation to sell its entire stake in JDFPL to RIL (as the Reliance Nominee) for a consideration of Rs. 262,65,00,005 or the fair value at the exercise date, whichever is lower. Given that the put and call are now vis-à-vis the same parties i.e. the Trust and RIL, the value of the options are determined as Nil.

**36 List of Subsidiary**

Name of the Group	Place of Incorporation	Principal activities	% holding As at March 31, 2024	% holding As at March 31, 2023
Jio Digital Fibre Private Limited	India	Providing Fiber Infrastructure and related operations and maintenance services	51%	51%

**37** The Company is engaged in the business of providing Fibre infrastructure and related services operations in India. The Company 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 Company, on a long-term basis. Also, the Company 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 Company has in place long-term arrangements with reputed and experienced contractors/ service providers. Further, part of its sanctioned borrowings are available to the Company for utilization on need basis and the Company has also received funds from its controlling entity to meet its liquidity requirements.

In view of the foregoing, the Company does not expect any significant challenges particularly in the next 12 months.

**38** The figures for the corresponding previous year have been regrouped / rearranged wherever necessary, to make them comparable.

**39** The following are analytical ratio / information for the year ended March 31, 2024 and March 31, 2023

Sr No	Ratio	Numerator	Denominator	As on March 31, 2024	As on March 31, 2023	% Change	Reason for variance
i)	Current Ratio	Current Assets	Current Liabilities	0.26	0.24	8%	-
ii)	Debt Equity Ratio	Total Debt	Unitholder' Equity	1.68	1.63	3%	-
iii)	Debt Service Coverage Ratio	Earnings available for Debt Service	Debt Service	0.52	0.60	-13%	-
			Earning for Debt Service = Net Profit after taxes + depreciation + Finance cost Debt Service = Interest & Lease Payments + Principal Repayments. Principal repayments excludes repayments in nature of refinancing as these are not repaid out of the profits for the year.				
iv)	Return on Equity	Net Profit after taxes	Average Shareholders Equity	-1%	-2%	-24%	-
v)	Inventory Turnover	Cost of Goods Sold	Average Inventory	Not Applicable			
vi)	Trade receivable Turnover (in times)	Net Credit Sales (Gross Credit Sales - Sales Returns)	Average Trade Receivables	755	723	5%	-
vii)	Trade payable Turnover (in times)	Purchase of services and other expenses	Average Trade Payables	6,726	15,453	-56%	Refer Note (i)
viii)	Net Capital Turnover	Net Sales (Total Sales - Sale Return)	Working Capital (Current Assets - Current Liabilities*)	-693%	0%	100%	Refer Note (ii)
ix)	Net Profit Ratio	Net Profit	Net Sales	-5%	-7%	-31%	Refer Note (iii)
x)	Return on capital employed	Earning before interest and taxes	Capital Employed (Tangible Net Worth + Total Debt)	4%	0%		
xi)	Return on Investment	Return generated on investments	Average Investments	11%	6%	95%	Refer Note (iv)
xii)	Asset Coverage	((Assets – Intangible Assets) – (Current Liabilities – Short-term Debt))	Total Debt	1.25	1.27	-2%	-
xiii)	Net Worth (Rs. in Crore)	NA	NA	67,419	68,734		
xiii)	Interest Service Coverage	Earnings before interest and Taxes	Interest Expense	0.83	0.78	6%	-

\* Current liabilities excludes creditors for capital expenditure

**Notes:**

- The ratio has decreased due to increase in expenses
- The ratio has increased during the year mainly on account of increase in revenue
- The ratio has increased during the year mainly on account of decrease in loss.
- The ratio has increased during the year mainly on account of increase in gains from investment in mutual funds

**40 APPROVAL OF FINANCIAL STATEMENTS**

The financial statements were approved for issue by the Audit Committee and the Board of Directors of Investment Manager to the Trust on May 13, 2024



Digital Fibre Infrastructure Trust

Notes forming part of Consolidated Financial Statements as at March 31, 2024

As per our Report of even date

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

Varsha A. Fadte  
Partner  
Membership No. 103999

For and on behalf of the Board of Directors  
Infinite India Investment Management Limited  
(Acting as Investment Managers of Digital Fibre Infrastructure Trust)

Dipti Neelakantan  
Director  
DIN: 00505452

Rajendra Lingwala  
Director  
DIN: 00160602

Janisha Shah  
Compliance Officer

Rajkumar Agrawal  
Authorised Signatory

Place: Panaji, Goa  
Date: May 13, 2024

Place: Mumbai  
Date: May 13, 2024

