

FOR THE  
**FUTURE**

ANNUAL REPORT **2021-22**



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## FOR THE FUTURE



### YOUNG. INNOVATIVE. RARING TO GO.

In under two years of operations, Summit has made its mark across the length and breadth of India. With our best-in-class infrastructure and superior network availability, we provide unmatched services to Mobile Network Operators (“MNOs”) for current demands and are also equipped with modern technology to support the deployment of 5G and future technological requirements, like artificial intelligence, machine learning and the Internet of Things.

**Smartphones have gone beyond just being devices to keep in touch with our loved ones. They have become ubiquitous with work, leisure and entertainment, all packed into a single compact device. With the pandemic and an ensuing wave of remote careers and education, they have become more important than ever. No matter where you are or who you are, you can be whoever you want to be from the comfort of your own home. However, what good are these devices without a strong, reliable internet connection?**

On the other hand, India’s burgeoning young population is brimming with promise. With entrepreneurship and technology at the forefront of our economy today, the only missing link is comprehensive connectivity. Whether urban or rural, in the north or south of the country, Summit’s comprehensive coverage of 152,000+ towers ensures that every nook and corner of the country is connected. Our record uptime and unique product mix ensure that a connected India’s mammoth potential is tapped into.

**With our future-readiness, we are sure that we will not be scrambling to keep up with new technologies when they arrive, but are prepared to embrace them with open arms instead. Our**



partnerships with giants in the telecom industry ensure that we are ahead of the curve when it comes to understanding what India's connectivity needs are and the best way to address them. On the internal front too, there has been great rigour to automate manual business processes to increase efficiency and productivity, as we strive to become a digital-first organisation. After all, why not be prepared for tomorrow's demands today?

As we continue in our journey to becoming the most preferred digital infrastructure provider of end-to-end innovative solutions in a sustainable way, it is essential that we place our values at the front and centre of our operations. Key among these is our commitment to a Zero-harm workplace, with a strong focus on Health, Safety, Security and Environment ("HSSE") that applies not only to our employees, but to our contractors, partners, and vendors too. Mitigating impact to the environment and conducting business ethically are also paramount. Apart from safety, our other values, namely respect, excellence and an entrepreneurial mindset, continue to hold us in good stead as we grow exponentially.

In addition, we walk the talk by strengthening our workforce constantly, keeping abreast of new industry trends, expanding our presence across the country and collaborating with sector leaders to deliver the best possible experience to our customers. We strongly believe that these constant efforts set us apart from the pack and help us stand head and shoulders above the rest.

**We have captured the future. Will you come along on the ride of Sharing Happiness by Enabling Connections?**

# CORPORATE INFORMATION

## DETAILS OF THE COMPANY

### Summit Digitel Infrastructure Limited\*

Formerly known as Summit Digitel Infrastructure Private Limited

 **REGISTERED OFFICE:** Unit-2, 9<sup>th</sup> floor, Tower 4, Equinox Business Park, LBS Marg, Kurla (W), Mumbai-400070.

 **EMAIL:** [secretarial@summitdigitel.com](mailto:secretarial@summitdigitel.com)

 **WEBSITE:** [www.summitdigitel.com](http://www.summitdigitel.com)

 **PHONE:** 022 69075252



## BOARD OF DIRECTORS

Mr. Mihir Anil Nerurkar, *Non-executive Director*

Mr. Arpit Agrawal, *Non-executive Director*

Mr. Dhananjay Joshi, *Executive Director*

Mr. Jeffrey Wayne Kendrew, *Non-executive Director* (Resigned w.e.f. August 9, 2022)

Ms. Pooja Aggarwal, *Non-executive Director* (Appointed w.e.f. May 23, 2022)

Mr. Sunil Srivastav, *Additional Independent Director* (Appointed w.e.f. August 10, 2022)

Mr. Jagdish Kini, *Additional Independent Director* (Appointed w.e.f. August 10, 2022)

## Key Managerial Personnel (w.e.f. August 10, 2022)

Mr. Dhananjay Joshi, *Managing Director and Chief Executive Officer*

Mr. Dinesh Jain, *Chief Financial Officer*

Mr. Chandra Kant Sharma, *Company Secretary and Compliance Officer*

## AUDITORS

### JOINT STATUTORY AUDITORS

M/s. Deloitte Haskins & Sells, Chartered Accountants LLP  
(ICAI Firm Registration No 117364W)

M/s. Pathak H. D. & Associates LLP, Chartered Accountants  
(ICAI Firm Registration No 107783W/W100593)

### SECRETARIAL AUDITOR

M/s. Mayekar & Associates, Company Secretaries  
(Firm Registration No. P2005MH007400)

### REGISTRAR & TRANSFER AGENTS

KFin Technologies Limited  
(formerly known as KFin Technologies Private Limited)  
Karvy Selenium Tower B, Plot no 31-32,  
Financial District, Nankramguda, Serilingampally,  
Hyderabad, Rangareddi, Telegana - 500 032

**Tel.:** +91 40 6716 2222

**Web.:** www.kfintech.com

### DEBENTURE TRUSTEE

Axis Trustee Services Limited  
The Ruby, 2<sup>nd</sup> Floor, SW,  
29 Senapati Bapat Marg,  
Dadar (W), Mumbai – 400 028

**Email:** debenturetrustee@axistrustee.in

**Web.:** www.axistrustee.in

IDBI Trusteeship Services Limited  
Asian Building, Ground Floor,  
17, R. Kamani Marg, Ballard Estate,  
Mumbai – 400 001

**Email:** itsl@idbitrustee.com

**Web.:** www.idbitrustee.com

\*Pursuant to the approval granted by the Registrar of Companies, Mumbai and upon issuance of a fresh Certificate of Incorporation, after completion of FY2021-22, the Company has been converted into a public company and consequently the name of the Company has changed from 'Summit Digital Infrastructure Private Limited' to 'Summit Digital Infrastructure Limited' w.e.f. July 22, 2022.





# CORPORATE OVERVIEW

## CHAIRMAN'S MESSAGE



“ Summit maintains a high degree of quality services in order to achieve and maintain the best uptime with the lowest energy costs and the highest security. ”

**MIHIR NERURKAR,**

Managing Director and Operating Partner in Brookfield's Infrastructure Group for India

As India approaches its 75<sup>th</sup> anniversary of independence, it's astounding to see how far we have come since 1947, whether it is in technology, healthcare, education, business or telecommunications. Though Summit is a relatively recent entrant into the telecom infrastructure space, we have already made a significant mark as one of the most innovative providers of passive infrastructure in the country. Summit maintains a high degree of quality services in order to achieve and maintain the best uptime with the lowest energy costs and the highest security.

In today's day and age, strong connectivity is the bedrock of progress. Where would we be if not for our smartphones, our laptops and our tablets? Work, education, commerce and leisure as we know it would all come to a standstill. And yet, only half of India's population currently has regular access to the internet. Though this number increases exponentially with every passing year, there are considerable disparities in utilisation based on age, socioeconomic status, gender and geographic region. At Summit, we ensure that our towers are spread across the

country, with an equal focus on urban and rural areas. Our scalable and adaptable site infrastructure can be configured to meet any MNOs requirements in remote or dense-urban locations. Our alliances with Bharti Airtel Limited ("Airtel") and Bhartiya Sanchar Nigam Limited ("BSNL"), among other telecom giants, will ensure that we help majority of Indians to stay connected.

As a company, we seek to live by the motto: I am Responsible For My Own and Others' Safety. Each of our locations adheres to high safety regulations, ensuring that all members are safe and comfortable at all times. Our vision, mission, values and culture traits attest to the fact that we have embarked on an exciting journey to build an organisation that is caring, places a high value on safety, respect, diversity, inclusivity, ethics and integrity, is thoughtful, innovative, futuristic, strives for excellence, believes in teamwork, and is truthful, among other things.

Summit takes pride in providing an open, transparent and empowered work environment. We wish to build a diverse organisation with our own culture and set of principles. We

are committed to creating an inclusive workplace and prioritise it in order to maintain a balanced diversity ratio. Summit is in the process of creating an enabling environment that will allow for an unrelenting focus and dedication to making this a great place to work - in letter and spirit.

While we grow, we remain rooted to our unshakeable commitment to HSSE. With our special focus on high risk activities and the Train Audit Guide & Govern ("TAGG") strategy, we ensure that all business-related activities remain systematic, effective and focused towards proactive reduction and mitigation of HSSE risks. Further, we have developed and implemented a Safety Scorecard across Summit, with the intent to compare and assess HSSE performance within circles and regions, in a timely manner, thus driving HSSE performance.

We are proud of the progress that Summit has made in its short history and are excited for what the future holds in store. There is no doubt that we will only soar higher and play an integral role in ensuring that every Indian gets the access to the connectivity that they deserve.

## MD'S MESSAGE



“ Our strong foundation has allowed us in such a short span of time to become one of the largest passive infrastructure providers in the country. ”

**DHANANJAY JOSHI,**  
MD & CEO

As a forward-thinking organisation, our knowledge, passion and cutting-edge technology are critical in developing a scalable and dependable infrastructure that will effectively enable our vision of a fully connected and digital nation to become a reality.

We believe that the philosophy of “sharing happiness through connectivity” motivates us to work even harder to gain the reputation of being the most trusted digital infrastructure partner offering end-to-end creative solutions in a sustainable manner.

In a company founded in the midst of this epidemic, the instilled spirit to face every obstacle head-on is naturally inherent. We have all exhibited a tremendous amount of perseverance over the last year, and for us, at Summit, conquering these challenges has been a great source of pride.

In its continuing line of business, I am particularly pleased to see how hard the Summit team has worked in 2021-22 to find solutions to the many challenges that have been thrown our way. Having exceeded one milestone after another, we have seen the power of a pure hard work ethic, and an honest effort.

Whether it be raising USD 500 million via overseas bonds in our first issuance in the international bond market within a record timeframe of ten weeks, signing multi-year agreements with the likes of Airtel and BSNL, or being honoured with the “Dream Companies to Work For” award by

the World HRD Congress, Summit has proved the value of teamwork time and time again. Our strong foundation has allowed us in such a short span of time to become one of the largest passive infrastructure providers in the country.

HSSE standards are of paramount importance to us, along with maintaining a zero-harm work environment to ensure a healthy and productive workplace. We will not relent in our efforts to achieve the best level of HSSE performance possible, in order to protect the communities in which we operate. We wish to inspire others to develop a healthy and safe work culture by displaying responsible leadership.

As we have been resilient in the face of new variants of COVID-19 in the last year, we have realised the potential of what we do. It is clear that networking became the backbone of human relationships over the past two years more than ever before, from connecting families stuck in different parts of the world to enabling strangers to reach out for resources. In many instances, we are glad to have played a key role in enabling these connections.

Summit has placed itself at the forefront of the telecommunications industry for the foreseeable future with Jio as a major anchor tenant, Airtel and BSNL as major partners, and the upcoming collaboration with Sify, we are truly unstoppable. Expanding our corporate office, defining our values and mission

statements, as well as increasing team collaboration, have all contributed in strengthening the culture of our organisation.

Our sites are optimised for 2G, 3G, 4G and 5G telecom technologies. We have the infrastructure in place and are anticipating the long-awaited advent of 5G technology in India, which will usher in an era of enormous technical advancement. Summit is thrilled to be a part in rewriting telecom history.

In just over a year, we have expanded substantially and currently have over 1,51,000 operating sites around the country. Many of our tower locations are one-of-a-kind and erected on tough terrain. In fact, 60% of our site options have such unique geographic benefits that there are no other sharable sites nearby. This places us at the forefront of the market as a leading player, supporting the uniform growth of telecom digitisation across urban and rural geographies.

Over the past two years, we have come a long way in our journey as one of India’s largest telecom infrastructure providers, but we know we still have to go further. Seeing our team’s extraordinary resilience, I have no doubt that we will cover the rest of the journey with the same grit, determination and innovation.

## BOARD OF DIRECTORS



**MR. MIHIR NERURKAR**  
NON-EXECUTIVE DIRECTOR

Mr. Mihir Nerurkar is the Managing Director and COO of Brookfield Infrastructure Group at Brookfield Asset Management, India. He has more than 18 years of global experience across Real Estate and Professional Services. Prior to his current role, he served as the Senior Vice President and COO India for Brookfield Infrastructure Group. His career has been diverse, where he has held the positions of both entrepreneur and corporate professional. He kickstarted his career as a Management Consultant in New York with Deloitte, managing business process and IT transformation projects, followed by ten years as an entrepreneur involved in multiple Real Estate and Financial Services-focused ventures. He is also an alumnus of Bharati Vidhyapeeth and Syracuse University, where he pursued his Bachelor of Engineering in Industrial Electronics and Master's in Information Resources Management, respectively.



**MR. DHANANJAY JOSHI**  
MANAGING DIRECTOR AND CHIEF EXECUTIVE OFFICER

Mr. Dhananjay Joshi is the Managing Director and Chief Executive Officer. An able demonstration of leadership precedes his ongoing stint through the roles of Chief Executive Officer for QuadGen Wireless Solutions Ltd. and Chief Operating Officer at Bharti Infratel Limited. He is an experienced professional who has a history of working with Ericsson India Private Ltd. and BPL mobile. He has deep experience in the telecom industry and is skilled in Universal Mobile Telecommunications System (UMTS), Code Division Multiple Access Method (CDMA), Pre-sales, Business Development, and Wireless Technologies. He is an alumnus of the University of Mysore, where he pursued his Engineering degree.

**MR. JEFFREY KENDREW**  
NON-EXECUTIVE DIRECTOR



Mr. Jeffrey Kendrew is Vice Chairman, Brookfield Infrastructure Group (Australia) and the Senior Advisor to Brookfield Infrastructure (Asia-Pacific) responsible for the infrastructure asset management functions. He served as Chief Executive Officer of Prime Infrastructure since 2007, before its merger with Brookfield. Previously, he was the General Manager of Corporate Development at a New Zealand-based utility. Mr. Kendrew holds a Bachelor of Engineering from the University of Canterbury, New Zealand and an MBA from Deakin University. He is a member of the Australian Institute of Company Directors and Electrical Engineers, New Zealand.

**MR. ARPIT AGRAWAL**  
NON-EXECUTIVE DIRECTOR



Mr. Arpit Agrawal is the Managing Director and Head of Investments for India and Middle East in Brookfield's Infrastructure Group, where he is responsible for all Infrastructure Investment activities. His career trajectory with Brookfield began from the role of a Senior Associate, from which he rose the ranks to become the Vice President and Senior Vice President. Before joining Brookfield in 2016, he was also associated with Morgan Stanley Infrastructure as the Vice President. He holds a Master of Business Administration from the Indian Institute of Management Bangalore and a Bachelor's degree from the National Institute of Technology Allahabad.

**MS. POOJA AGGARWAL**  
NON-EXECUTIVE DIRECTOR



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



**MR. JAGDISH KINI**

ADDITIONAL INDEPENDENT DIRECTOR

Mr. Jagdish Kini has a deep understanding of the telecom, FMCG & Retail business, combined with vast leadership experience in managing and motivating large teams. He was the Executive Director & CEO of Airtel and MD & CEO of Gillette India. His areas of special interest lie in developing organizational long term strategy, developing Go-to-Market strategies and plans, developing and managing new territories, people management, sales processes and decision making.

Jagdish's focus is on business strategy and execution, coaching and motivational talks for clients. He is also a trained Executive Coach and mentor to young entrepreneurs.



**MR. SUNIL SRIVASTAV**

ADDITIONAL INDEPENDENT DIRECTOR

Mr. Sunil Srivastav is a Banker and retired as Deputy Managing Director of the Corporate Accounts Group at the State Bank of India, where he served for 38 years having joined as a Probationer in 1980.

During his last assignment, Mr. Srivastav was heading the Corporate Banking vertical for the bank responsible for meeting the credit and banking requirements of large corporate customers and also spearheaded on behalf of the banking industry, the resolution and recovery process, both pre and post National Company Law Tribunal.

He has spent a major part of his career in Corporate Banking at State Bank of India ("SBI"), Investment Banking at SBI Capital Markets Ltd., besides a five year stint at the New York Bank which afforded him an exposure in International Banking.

Mr. Srivastav is a graduate of the Delhi University and a Master of Business Administration from Faculty of Management Studies, Banaras Hindu University.

## LEADERSHIP TEAM



**MR. DHANANJAY JOSHI**

MANAGING DIRECTOR AND CHIEF  
EXECUTIVE OFFICER



**MR. DINESH JAIN**

CHIEF FINANCIAL OFFICER



**MR. SACHIN NAIK**

CHIEF OPERATING OFFICER



**MR. DEVESH GARG**

CHIEF SALES AND MARKETING OFFICER



**MR. SUNIL PANJWANI**

CHIEF RISK OFFICER



**MR. DEWANG GOOHYA**

CHIEF HUMAN RESOURCE OFFICER

# BOARD'S REPORT

## Dear Members,

Your Company's Directors are delighted to present their Ninth Report together with the Audited Financial Statements of Summit Digitel Infrastructure Private Limited [formerly known as Reliance Jio Infratel Private Limited] ("Company/Summit/SDIPL") for the financial year ended March 31, 2022 ("year under review/FY2021-22").

## Economic Overview

### Global Economy

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

As the world enters the third year of the COVID-19 crisis, economic developments have been both encouraging and troubling, marred by risk and uncertainty. The good news is that output in many countries rebounded in 2021, after a sharp decline

in 2020. Both advanced and middle-income economies have attained substantial vaccination rates. International trade has picked up and high commodity prices are benefiting many developing countries. Domestic financial crisis and foreign debt restructurings have been less frequent than what was expected in a time of severe global shocks.

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

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





## Indian Economy

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

Between October and December 2021 (Q3 FY2021–22), Gross Domestic Product (“GDP”) grew by ~5.4%, slower than the estimated. Growth in the July–September quarter was revised up to ~8.4%, which explains the fading recovery in the subsequent quarter. The uneven (modest, at best) recovery in few sectors, especially agricultural, manufacturing and contact-intensive services sectors, weighed on the overall growth.

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

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

\*\* Source: rbi.org

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

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

## Change of Registered Office of the Company and Amendment in Memorandum of the Company

During the year under review, pursuant to the approval granted by the Board of Directors of the Company in the meeting held on September 21, 2021 and shareholders at their Extra-Ordinary General Meeting held on September 22, 2021 and pursuant to the order passed by the Regional Director, Ahmedabad, approving the shifting of registered office of the Company from the 'State of Gujarat' to the 'State of Maharashtra', the registered office of SDIPL was shifted from 511, Shapath-V, Near Karnavati Club, S G Highway, Ahmedabad-380015, Gujarat to Unit 2, 9<sup>th</sup> Floor, Tower 4, Equinox Business Park, L.B.S. Marg, Kurla (W), Mumbai-400070, Maharashtra w.e.f. January 25, 2022. Accordingly, the Memorandum of Association of the Company was amended to note the change in the Registered Office.

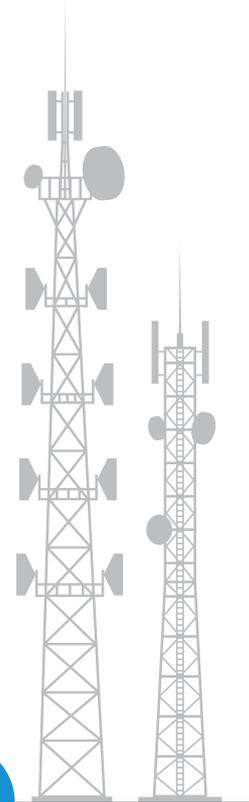
## Business and Operations of the Company

Your Company is engaged in the business of providing passive tower infrastructure and related operations and maintenance services. Summit has a nation-wide presence in all states of India. As on March 31, 2022, SDIPL operated with 1,51,594 towers.

Our main costs typically includes ground rent (which is fixed under long term contract with annual escalation) and power and fuel, all of which may be passed through to our tenants, as well as property taxes and repair and maintenance expenses. Our cell sites have generated consistent growth over last year due to the following attributes:

- 📶 Able to provide excellent operational uptime in network,
- 📶 Consistent demand to provide nationwide 4G coverage,
- 📶 Young and highly fiberised tower portfolio,
- 📶 Lowest opex, and
- 📶 High Ground Base Tower ("GBT") share of towers facilitates multi-tenancies.

SDIPL's strategic tower footprints and superior backhaul connectivity have been areas of excellence and one of the key USPs. In February 2022, the Company signed a Master Services Agreement ("MSA") to commence business with Airtel, one of the largest MNOs in the country. In addition to this, SDIPL is also exploring the opportunity to collaborate with other MNOs and various other internet service providers to open the doors for leasing on our extensive existing asset base.



The Indian telecom sector is, by far, the world's **Second-Largest** telecommunications market.



As of March 31, 2022 SDIPL operated with **1,51,594 towers.**

## Executive Overview:

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

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

## Site Tower Type

Total Sites **1,51,594**

Ground Based Tower

**1,00,111**

Distribution: 66%

Ground Based Mast

**17,366**

Distribution: 11%

Roof-Top Tower/Pole

**32,839**

Distribution: 22%

Cell on Wheel

**1,278**

Distribution: 1%

The outbreak of COVID-19 pandemic globally and in India is causing significant disturbance and slowdown of economic activity. Your Company is engaged in the business of providing tower infrastructure and related operations in India. SDIPL has executed a long-term MSA with Reliance Jio Infocomm Limited ("RJIL") (one of the largest telecommunication service provider in India) as its customer, which results into committed revenues and cash flows for SDIPL on a long-term basis. Moreover, the COVID-19 pandemic has not had a material adverse impact on the operations of the telecommunication industry, to which SDIPL currently caters to. Also, SDIPL has completed substantial portion of its planned capital expenditure and for the balance as well as for the operations and maintenance of the tower sites, SDIPL has in place long-term arrangements with experienced contractors/service providers.

Further, your Company has adequate unutilised borrowing limits available to meet the balance capital expenditure requirements to reach targeted portfolio of 1,74,451 towers. In view of the above, SDIPL does not expect any significant challenges ongoing concern, including emanating out of COVID-19, in the next 12 months.

Due to our exclusive telecom tower portfolio, our tenant lease rates vary considerably depending upon numerous factors, but not limited to type and position of tenant equipment on the tower, remaining tower capacity and tower location. We measure the remaining tower capacity by assessing several factors including tower height, tower type, environmental conditions, existing equipment on the tower and permitting regulations in effect in the jurisdiction where the tower is located. In many instances, tower capacity can be increased with relatively modest tower augmentation capital expenditures.

### We expect existing and potential new tenant demand for our telecom infrastructure will result from:

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

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

- ☛ The deployment of advanced mobile technology, such as 4G and 5G, will provide higher speed data services and further enable fixed broadband. As a result, we expect that our tenants will continue deploying additional equipment across their existing networks,
- ☛ Wireless service providers compete based on the quality of their networks, which is driven by capacity and coverage. To maintain or improve their network performance as overall network usage increases, our tenants continue to deploy additional equipment across their existing sites while also adding new cell sites. We anticipate increasing network expansion over the next several years, as existing network density is anticipated to be insufficient to account for rapidly increasing levels of wireless data usage,

- ☛ Next generation technologies requiring wireless connectivity have the potential to provide incremental revenue opportunities for us. These technologies may include edge computing functionality, autonomous vehicle networks and a number of other internet-of-things, applications, as well as other potential use cases for wireless services. These technologies may create new and complementary use cases for our sites over time, although these use cases are currently in emerging stages,
- ☛ Wireless service providers continue to acquire additional spectrum, and as a result are expected to add additional sites and equipment to their networks as they seek to optimise their network configuration and utilise additional spectrum.

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

## Information Pertaining to the Sector or Sub-sector

### 1.) Industry Overview:

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

### 2.) Key Industry Developments:

#### 2.1) 5G Update:

- ☛ TRAI has slashed the base rate for mid-band 5G airwaves to attract bids from telcos. This might have a positive impact and enable them to participate in the 5G auction,
- ☛ The Telecom Minister indicated that 5G spectrum auctions will be held in 2022,
- ☛ The Department of Telecom has taken multiple initiatives across the nation to come up with 5G use cases,
- ☛ The government began the process of first 5G spectrum auction, with the Telecom Regulatory Authority of India (“TRAI”) recommending a cut of around 35% in the reserve price for 5G spectrum, and
- ☛ The Indian Government has plans for 5G testing with the help of MNOs in the following locations throughout the country: Gurugram, Bengaluru, Kolkata, Mumbai, Chandigarh, Delhi, Jamnagar, Ahmedabad, Chennai, Hyderabad, Lucknow, Pune and Gandhi Nagar.

## 2.2) Adjusted Gross Revenue Update:

FY2021-22 marked a momentous year for the Indian telecom sector. While last year's headlines were dominated by Adjusted Gross Revenue ("AGR") dues, this year heralds the news of auctions, fund raising by telecom operators and 5G readiness. In October 2019, the Supreme court of India issued a ruling regarding the definition of AGR and associated fees and charges, which was reaffirmed in March 2020, that had a material financial impact. In September 2020, the Supreme court of India defined the expected timeline of 10 years for payments owed under the ruling. In September 2021, the Government in India approved a relief package that among other things, included (i) a four year moratorium on the payment of AGR fees owed and (ii) a change in the definition of AGR on a prospective basis.

## 2.3) TRAI Consultation on Street Furniture:

Universal access to broadband is critical for the success of the Digital India programme and therefore creation of supportive Information and Communications Technology (ICT) infrastructure becomes a priority for the Government as well as the industry. TRAI in its paper has focused on various innovative approaches for infrastructure creation to promote the broadband connectivity and enhancement of broadband speed. In this regard, inter alia two important aspects have been dealt by TRAI in the paper – (a) use of street furniture for small cell and (b) the concept of deployment of aerial fiber.

## Risk Factor:

Risks related to our business strategy include the following:

- Our business depends on the demand for telecom infrastructure, driven primarily by demand for data and we may be adversely affected by any slowdown in such demand. Additionally, a reduction in the amount or change in the mix of network investment by our tenants may materially and adversely affect our business,
- If our customers consolidate their operations, exit their businesses or share site infrastructure to a significant degree, our growth, revenue and ability to generate positive cash flows could be materially and adversely affected,
- New technologies or changes in our or a customer’s business model could make our mobile tower leasing business less desirable and result in decreasing revenues and operating results, and
- Our leverage and debt service obligations may materially and adversely affect our ability to raise additional finance to fund capital expenditures, future growth and expansion initiatives and to satisfy our distribution requirements.



## Award & Recognitions:

Your Company has won awards from the World HRD Congress for “Dream Companies to work for in the Telecommunication Sector” category.

During the year, SDIPL won the “Most Innovative Deal” award by The Asset in its Annual Triple A Country Awards 2021 – South Asia, India for its USD 500 million offshore bond issuance.

## Key Company Updates:

We are cognizant of the tremendous responsibility we have undertaken of connecting people. We believe that to achieve this, we must ensure the complete well-being of every employee within our organisation. SDIPL continues its commitment to create a workplace with the target of zero-safety incidents. We continue to accentuate our business values of HSSE to build a safe workplace for each employee, contractor and partner so that they can flourish and thrive.

Your Company takes pride in having signed a MSA with one of the most important MNO - Airtel - thus securing their continued business for many years to come. By leveraging RJIL as our anchor tenant on each site and Airtel as one of the key partners, Summit has risen to the forefront of the industry.

## Operational Performance

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

There has been a marked improvement in how work is performed on the sites. In particular, performance indicators related to sites have improved significantly, namely improvement in network uptime and reduction in repeated/frequent failures. Network sustainability factor, a critical parameter for the growth and profitability of the organisation, is showing a positive trend. SDIPL places a strong focus on performance quality and improvement. As the go-to enablers of telecommunication in India, we have left no stone unturned in upgrading the functioning and efficiency of our assets.

More than 90% of SDIPL's sites have demonstrated a commendable 100% performance uptime level. To further facilitate an upward exponential trend in improvement, robust weekly and monthly operations governance mechanisms have been established with service partners and telecom operators. SDIPL believes that we are well-positioned to generate continued growth in the efficiency parameters.

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

Site audit findings are being addressed through periodic governance meetings with partners. We are achieving optimum people productivity by delegating national/special projects.

Various special projects for incremental loading and reduction in cost for Roof Top Tower ("RTT") and GBT have been implemented. Governance mechanism has been set up with customers for reviewing the performance and taking up improvement plans to continue our journey towards operational excellence. 'Local – Vocal' initiative of automation of preventive maintenance activities has been initiated in several Indian languages, including Tamil, Telugu, Hindi and Malayalam. Focusing on health and safety activities, actions have been started to develop an online platform for granting permit to work and conduct site audits through a mobile application, for which a cross-functional team is working for third-party engagement.

## Internal Control

The Company has adequate internal financial controls commensurate with the size of the business and nature of our operations, designed to provide reasonable assurance with regard to the accuracy and completeness of the accounting records and timely preparation and provision of reliable financial statements.

## Financial Results

Our standalone financial statements have been prepared in accordance with the Indian Accounting Standards as defined in Rule 2(1)(a) of the Companies (Indian Accounting Standards) Rules, 2015 ("Ind AS").

Brief details of financial performance of the Company for the financial year ended March 31, 2022 is as under:

(₹ in Million)

Particulars	FY2021-22	FY2020-21
<b>Revenue from Operations</b>	97,651	82,442
<b>Other Income</b>	318	153
<b>Loss before Tax</b>	<b>(33,059)</b>	<b>(23,380)</b>
Less: Current Tax	-	-
Deferred Tax	-	-
<b>Loss for the Year</b>	<b>(33,059)</b>	<b>(23,380)</b>
Add: Other Comprehensive Income (OCI)	(933)	-
<b>Total Comprehensive Loss for the Year</b>	<b>(33,992)</b>	<b>(23,380)</b>
<b>Add:</b> Opening Balance in Retained Earnings and OCI (Adjusted)	(52,495)	(21,001)
<b>Less:</b> Other Adjustments	-	(8,114)
<b>Closing Balance of Retained Earnings and OCI</b>	<b>(86,487)</b>	<b>(52,495)</b>

Revenue of the Company for FY2020-21 was ₹ 82,442 million, which has increased to ₹ 97,651 million in FY2021-22.

EBITDA of the Company for FY2020-21 was ₹ 30,770 million, which has increased to ₹ 35,304 million in FY2021-22.

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

SDIPL has also raised ₹ 31,500 million from domestic capital markets in FY2021-22. These issuances were rated AAA by CRISIL Limited, ICRA Limited and Care Ratings Limited, the three domestic rating agencies.

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

### Dividend

Your Directors have not recommended any dividend on equity shares and non-convertible preference shares during the year. Since no dividend has been declared by the Company in past, it was not required to transfer any amount to the Investor Education and Protection Fund ("IEPF") and accordingly, no disclosures were required to be made during the FY2021-22.

### Reserves

In view of the losses incurred by your Company during the period under review, no amount is proposed to be transferred to reserves.

## Health, Security, Safety and Environment

SDIPL is committed to the principle that all occupational injuries and illnesses can be prevented and the management of HSSE has already defined the above which is an integral part of its responsibilities at all levels in the organisation.

SDIPL emphasises and considers them top priority, that employees, contractors or members of the public will not have a serious safety incident as a result of our business' operations and activities.

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

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

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

SDIPL's HSSE management system is based on the Train Audit Guide & Govern ("TAGG") strategy.

TAGG is primarily based on elements of training, auditing, guiding, governance, reporting, cross functional guidance and creation of safe work procedures which helps to sustainably implement HSSE management systems, embed improvement in performance whilst ensuring that all business-related activities remain systematic, effective and focused towards proactive reduction and mitigation of HSSE risks.

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

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

As on March 31, 2022, SDIPL's safety scorecard stood at 71%.



Your Company has launched a flagship customised employee training programme titled “Summit Safety Program (SSP)” in December 2021. With SSP, each Summit employee learns about the HSSE risks associated with his role, gets trained-assessed-certified on the required HSSE mitigation measures, thereby enabling safe work execution each and every time. As on March 31, 2022, six out of the eight courses have been delivered to all employees constituting over 1,115 manhours of training.

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

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

With an intent to drive proactive HSSE performance across circles, the Company has developed and launched a comprehensive safety scorecard from

October 2021. The scorecard has leading and lagging parameters which objectively ascertain clear improvement areas and activities requiring attention. As on March 31, 2022, SDIPL’s safety scorecard stood at 71%.

HSSE governance has been working efficiently within the Company and also with our contractors. Weekly, fortnightly and monthly meetings are conducted for all the key stakeholders.

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

Protection of environment and natural resources is also a key priority for SDIPL. The focus is to reduce our carbon foot print and sustainably reduce the use of diesel generators, thereby conserving resources.

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



## Business Outlook

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

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



**1,74,000+**  
**towers**

spanning the length  
and breadth of India

## Governance at Summit

At SDIPL, we believe that good corporate governance is the basis for an ethical and sustainable business. Your Company has adopted transparency, disclosure, accountability and ethics as its business practices. The management believes that these principles will enable us to achieve the long-term objectives and goals. Accordingly, the Company has made additional disclosures in this Report, though not mandated by law, to enable the investors to take informed investment decisions.

Your Company's Ethical Governance Framework and Practices apply to all areas and functions of SDIPL and are extended to third party vendors working with and for SDIPL. The Ethical Governance Framework at SDIPL is primarily driven by Core Governance Policies viz. Code of Conduct, Anti-Bribery and Corruption Policy and Whistle-Blower Policy, accompanied by additional policies like Third Party Management Policy, Gift, Entertainment and Hospitality Policy, Interaction with Public Officials Policy, Conflict of Interest Policy, etc. in order to disseminate detailed principles and guidelines emanating from the core policies.

SDIPL has introduced a dedicated Ethical Hotline for employees and other stakeholders to report any actual or potential violation of SDIPL's Code of Conduct or any unethical or illegal behaviours. Concurrently, to review and address the complaints, SDIPL has also set up an Ethics Committee.



## Core Governance Policies

### Code of Business Conduct and Ethics

SDIPL's expectations and commitment with respect to business ethics and compliance are contained in the Code of Business Conduct and Ethics. It provides guidelines with regard to various aspects of ethical business conduct and the right behaviours expected.

The Company is in the process of adopting the Code of Conduct for Board and Senior Management Personnel pursuant to the requirement of Part D of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

### Whistle-blower Policy

SDIPL's Whistle-blower Policy is adopted to ensure that an independent and effective reporting system is available to our employees and third parties to provide open channels of communication and foster a culture of integrity and ethical decision-making. The Policy accommodates anonymous disclosures and prohibits retaliation or intimidation against the Whistle-blower.

The Board has duly adopted a Whistle-blower Policy ("Policy") which facilitates the stakeholders to have direct access to the management, to report concerns about any unethical behaviour, actual or suspected fraud or violation of the Company's Code of Business Conduct and Ethics ("Code").

The Board has also constituted an Ethics Committee pursuant to the said Policy.

Adequate safeguards are provided against victimisation to those who avail of the mechanism and direct access to the Chairperson of the Board is provided to them.

### Anti-bribery and Corruption ("ABC") Policy

This Policy is aimed to provide guidance to understand, analyse and act in situations where there is a potential ABC related risk. It reiterates SDIPL's commitment of not paying bribes in furtherance of business objectives and also sets the expectation that no one acting for or on behalf of the Company is allowed to either pay or accept bribes.

### Code of Conduct for Prohibition of Insider Trading

At SDIPL, we are in compliance with the applicable provisions of the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, as amended from time-to-time and have adopted the Code of Conduct for Prohibition of Insider Trading to monitor the compliances. Your Company has also implemented the Structured Digital Database platform to monitor the sharing of the price sensitive information of the Company in compliance with the aforesaid regulations.

### Risk Management Policy

The Company has in place a Risk Management Policy which provides for a robust risk management framework to identify and assess risks such as operational, financial, regulatory and other risks. There is an adequate risk management infrastructure in place, capable of addressing these risks.

### Internal Financial Controls

The Company has adequate internal financial controls commensurate with the size of the business and nature of our operations, designed to provide reasonable assurance with regard to the accuracy and completeness of the accounting records and timely preparation and provision of reliable financial statements.

### Corporate Social Responsibility ("CSR") Policy

Pursuant to section 135 of the Companies Act, 2013 ("Act"), the Board of Directors of your Company has approved and adopted a CSR Policy and the same is available on the website of the Company i.e. [www.summitdigitel.com](http://www.summitdigitel.com). During the period under review, the Board, at its meeting held on February 11, 2022, approved and adopted the amended CSR Policy to include reference of Board in place of the committee, pursuant to the dissolution of the CSR Committee in compliance with the provisions of the Act and circulars issued thereunder.

The purpose of the CSR Policy is to articulate what CSR means to the Company, the kind of projects to be undertaken, the broad areas of intervention, the approach to be adopted to achieve the CSR goals and a monitoring mechanism. This policy is aligned with our Company's objectives, principles and values, for delineating its responsibility as a socially and environmentally responsible corporate entity. This document is also an attempt to showcase the linkage of our social objectives with business strategy.

## Human Resources

Employees of Summit come from different organisations that have varied cultures, values and ways of working. Hence, there was a need to create Summit's own unique identity, its singular purpose of existence and a set of guiding principles which are the bedrock of its foundation. With this aim in mind, the leadership team at SDIPL got together to derive the **Vision, Mission, Values and Culture Pillars ("VMVC")** for SDIPL. The objective was to co-create the very foundations on which we will build SDIPL and the values for which our organisation will be known, both internally and externally. There have been multiple initiatives around this that have been planned and implemented, including a 'Train the Trainer' workshop to train the participants to cascade the VMVC to all employees across the organisation.

At SDIPL, we believe that people are our biggest assets. Given the fact that our employees are working across the country, it becomes imperative that there is a strong focus on engagement of employees on a regular basis.

We opened 3 offices in the last financial year – our corporate office in Mumbai, circle offices in Gujarat (Ahmedabad) and Maharashtra (Pune) and Goa. In the next couple of months regional offices in the North (Delhi), South (Bangalore) and East (Kolkata) will get operational.



At SDIPL, we believe that people are our biggest assets. Given the fact that our employees are working across the country, it becomes imperative that there is a strong focus on engagement of employees on a regular basis.

## Environmental, Social and Governance Overview

SDIPL believes that building and sustaining a responsible business goes beyond fulfilling mandated regulations and directives. The Environmental, Social and Governance (“ESG”) tenets guide your Company’s vision and a value that trickles down each of the business’ operations and undertakings. Your Company strives to minimise the environmental impact of the business’ operations and improve the efficient use of resources through sustainability and renewable energy solutions. Your Company supports the global goal of achieving zero greenhouse gas (“GHG”) emissions by 2050. On this front, your Company is in the process of formulating a plan in association with the business partners to upscale the use of solar energy at SDIPL sites. This will not only improve energy efficiency but also reduce GHG emissions. Your Company’s focus areas shall minimise GHG emissions falling under SCOPE 1 and SCOPE 2 segments. HSSE is at the core of your Company’s business operations, and the entire team is committed to driving the safety plan. Your Company operates with leading health and safety practices to support the goal of zero serious safety incidents. Your Company believes that all incidents are preventable, and takes on the responsibility that everyone working for and on SDIPL’s behalf reaches home without as much as a nick. In line with 24x7 business requirements and imminent HSSE risks, your Company’s focus lies in ensuring safe road travel and safe working at heights for all the employees concerned. In addition, your Company wants each of SDIPL’s members to be in good health, both physically and mentally. As a company that started operations in the middle of the pandemic, SDIPL has been involved in various aspects of COVID assistance for employees and their families. Your Company partnered with

healthcare service providers and local authorities to organise mass vaccination drives across India open to all. SDIPL also teamed up with various healthcare organisations for basic testing, diagnostic and medical assistance to employees and their families. To assist SDIPL’s teams and their families for the immediate procurement of oxygen infrastructure, oxygen concentrators were acquired and made available for SDIPL’s members. Your Company had also developed a medicine aggregation system collected from patients that had already recovered in a central repository. As much as our discussions tether around safety, your Company is equally focused on fostering a positive work environment for its members. Respect for human rights, valuing diversity, and zero tolerance for workplace discrimination, violence, or harassment are non-negotiable facets of our culture.

Moreover, being a good corporate citizen is an integral part of maintaining the high-growth ecosystem, which is why your Company also supports philanthropy and volunteerism among employees. Your Company operates with the highest standards of ethics and professionalism and strives to uphold strong governance practices. Conducting business activities by following a Code of Business Conduct and Ethics is of paramount importance to us. The Company sees its stakeholders as the co-creators of our vision, and therefore, we maintain strong relationships with them through transparency and active engagement. To build a solid platform for strong corporate governance, your Company has fortified systems in place. Your Company’s governance protocols include policies and procedures around Anti-Bribery Anti-Corruption (ABC), Code of Business Conduct, Prevention of Sexual Harassment, HSSE, CSR, Whistle-blower program including an Ethics Hotline, Governance Committees, and Cyber Security measures. As we step into newer thresholds of growth, SDIPL will continue reinventing through which we can keep adding value to the lives of our employees, communities, the environment and society at large.



**BOARD'S REPORT (Contd.)****CAPITAL AND DEBT STRUCTURE****Share Capital**

The authorised share capital of your Company as at the end of the year under review was as under:

Type of Shares	No. of Shares	Aggregate Amount (In ₹)
Equity Shares of ₹ 1 each	3,00,00,00,000	3,00,00,00,000
Preference Shares of ₹ 10 each	10,00,00,000	1,00,00,00,000
<b>Total</b>	<b>3,10,00,00,000</b>	<b>4,00,00,00,000</b>

The issued, subscribed and paid-up share capital of your Company as at the end of the year under review was as under:

Type of Shares	No. of Shares	Aggregate Amount (In ₹)
Equity Shares of ₹ 1 each	2,15,00,00,000	2,15,00,00,000
0%, Redeemable, Non-Participating, Non-Cumulative, Non-Convertible Preference Shares of ₹ 10 each*	5,00,00,000	50,00,00,000
<b>Total</b>	<b>2,20,00,00,000</b>	<b>2,65,00,00,000</b>

\*Pursuant to the approval of Board at its meeting held on August 21, 2020 and pursuant to the approval of the equity and preference shareholders vide letters dated August 23, 2020, the terms of 10% Cumulative, Optionally Convertible Preference Shares have been changed to 0%, Redeemable, Non-Participating, Non-Cumulative, Non-Convertible Preference Shares.

During the period under review and as on the date of this Report, there was no change in the authorised, issued, subscribed and paid-up share capital of the Company.

The details of the listed NCDs of the Company as on March 31, 2022, are detailed below:

(₹ in Million)

S. No.	ISIN	Coupon Rate	Issuance Date	Maturity Date	Amount Issued	Amount Outstanding	Interest Frequency
1	INE507T07054	7.97 % p.a.	March 15, 2021	August 31, 2032	1,18,360	53,360	Monthly
2	INE507T07062	6.59% p.a.	June 17, 2021	June 16, 2026	15,000	15,000	Quarterly
3	INE507T07070	7.40% p.a.	September 28, 2021	September 28, 2028	6,500	6,500	Quarterly
4	INE507T07088	7.62% p.a.	November 22, 2021	November 22, 2030	10,000	10,000	Quarterly

**Non-Convertible Debentures ("NCDs")****Listed NCDs of face value ₹ 10,00,000 each**

On March 15, 2021, the Company had issued 1,18,360 Secured, Listed, Redeemable NCDs of face value of ₹ 10,00,000 each, aggregating to ₹ 1,18,360 million, at par, on a private placement basis. The said NCDs carry an interest of SBI 1year MCLR + 0.97% p.a. (Spread) payable monthly and are listed on the Debt Segment of BSE Limited and National Stock Exchange of India Limited w.e.f. March 17, 2021. On June 25, 2021, August 24, 2021, September 17, 2021, October 14, 2021 and November 26, 2021, the Company has redeemed 15,000, 5,000, 18,500, 16,500 and 10,000 NCDs respectively and the total no. of NCDs outstanding as on March 31, 2022 are 53,360.

The Company has further issued 15,000 Secured, Rated, Listed, Redeemable NCDs of the face value of ₹ 10,00,000/- each, aggregating to ₹ 15,000 million, to identified investors, on private placement basis on June 17, 2021. The said NCDs carry an interest of 6.59% p.a. payable quarterly and are listed on the debt market segment of National Stock Exchange of India Limited w.e.f. June 17, 2021.

The Company has issued 6,500 Secured, Rated, Listed, Redeemable NCDs of the face value of ₹ 10,00,000 each, aggregating to ₹ 6,500 million, to identified investors, on private placement basis on September 28, 2021. The said NCDs carry an interest of 7.40% p.a. payable quarterly and are listed on debt segment of National Stock Exchange of India Limited w.e.f. September 30, 2021.

The Company has further issued 10,000 Secured, Rated, Listed, Redeemable NCDs of the face value of ₹ 10,00,000/- each, aggregating to ₹ 10,000 million on private placement basis on November 22, 2021. The said NCDs carry an interest of 7.62% p.a. payable quarterly and are listed on the debt market segment of National Stock Exchange of India Limited w.e.f. November 23, 2021.

## BOARD'S REPORT (Contd.)

### Senior Secured Notes

During the year under review, pursuant to Rule 144A and Regulation S of the US Securities Act, 1933, the Company has raised USD 500,000,000 through issuance of 2.875% Senior Secured Notes to the eligible investors, on August 13, 2021, and the same have been listed on the Singapore Exchange Securities Trading Limited.

### Credit Rating

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

Instrument	Amount	Outstanding amount as on March 31, 2022	Credit Rating Agency	Credit Rating	Credit Rating Date	Reaffirmation Date
Term Loan facilities	₹ 3,00,080 million	₹ 98,183 million	CRISIL Limited	CRISIL AAA/Stable	August 31, 2020	September 20, 2021
1,18,360 NCDs PPD Series 5	₹ 1,18,360 million	₹ 53,360 million	Care Ratings Limited CRISIL Limited	CARE AAA/Stable CRISIL AAA/Stable	March 5, 2021 March 3, 2021	November 12, 2021 September 20, 2021
15,000 NCDs	₹ 15,000 million	₹ 15,000 million	CRISIL Limited	CRISIL AAA/Stable	June 8, 2021	September 20, 2021
2.875% Senior Secured Notes	USD 500 million	₹ 37,879 million	Fitch Ratings Limited S&P Global Ratings	Investment Grade (IG) Ratings: BBB-/Stable	July 30, 2021	-
6,500 NCDs	₹ 6,500 million	₹ 6,500 million	CRISIL Limited	CRISIL/AAA Stable	September 20, 2021	-
10,000 NCDs	₹ 10,000 million	₹ 10,000 million	Care Ratings Limited ICRA Limited	CARE/AAA Stable ICRA/AAA Stable	November 12, 2021 November 12, 2021	-

### Debenture Trustee Details

#### Axis Trustee Services Limited

The Ruby, 2<sup>nd</sup> Floor, SW,  
29 Senapati Bapat Marg,  
Dadar (West), Mumbai – 400028  
Email: [debenturetrustee@axistrustee.in](mailto:debenturetrustee@axistrustee.in)  
Web: [www.axistrustee.in](http://www.axistrustee.in)  
Tel: 022 62300451

#### IDBI Trusteeship Services Limited

Asian Building, Ground Floor,  
17, R. Kamani Marg, Ballard Estate,  
Mumbai – 400001  
Email: [itsl@idbitrustee.com](mailto:itsl@idbitrustee.com)  
Web: [www.idbitrustee.com](http://www.idbitrustee.com)  
Tel: 022 40807000

### Directors' Responsibility Statement

The audited financial statements of your Company for the year under review ("financial statements") are in conformity with the requirements of the Act read with the rules made thereunder and the Accounting Standards. The financial statements fairly reflect the form and substance of transactions carried out during the year under review and reasonably present your Company's financial condition and results of operations.

Your Directors confirm that:

- in the preparation of the annual accounts for the financial year ended March 31, 2022, the applicable accounting standards read with requirements set out under Schedule III to the Act, have been followed and there are no material departures from the same;

**BOARD'S REPORT (Contd.)**

- b) accounting policies selected have been applied consistently and reasonable and prudent judgments and estimates were made and so as to give a true and fair view of the state of affairs of the Company as at March 31, 2022 and the losses of the Company for the year under review;
- c) proper and sufficient care have been taken for the maintenance of adequate accounting records in accordance with the provisions of the Act, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d) the annual accounts of your Company have been prepared on a 'going concern' basis;
- e) adequate internal financial controls were laid down and followed by your Company and such internal financial controls were operating effectively; and
- f) proper systems have been devised by your Company to ensure compliance with the provisions of all applicable laws and such systems are adequate and operating effectively.

**Secretarial Standards**

The Board has devised proper systems to ensure compliance with the provisions of all applicable Secretarial Standards and such systems are adequate and operating effectively.

**AMENDMENTS IN THE SEBI LISTING REGULATIONS & ITS APPLICABILITY**

Pursuant to the Securities and Exchange Board of India ("SEBI") Circular bearing reference no. SEBI/LAD-NRO/GN/2021/47 dated September 7, 2021, your Company is now considered as a High Value Debt Listed entity i.e. a listed entity which has listed its non-convertible debt securities and has an outstanding value of listed non-convertible debt securities of Rs. 500 crore and above, as on March 31, 2021. Subsequently, Regulations 15 to 27 of Chapter IV of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations 2015 ("SEBI Listing Regulations") have become applicable to your Company w.e.f. September 7, 2021. Further, the above provisions are applicable to the Company on comply or explain basis

until March 31, 2023 and mandatory basis thereafter. Further, the Company is in process of implementing the aforesaid regulations and shall comply with the same within the prescribed timeline i.e. by March 31, 2023. Accordingly, the compliance certificate from the practicing company secretaries regarding compliance of conditions of corporate governance as applicable, pursuant to requirement of Part D of Schedule V of the SEBI Listing Regulations, forms part of the 'Corporate Governance Report' forming part of the annual report.

**DISCLOSURES IN TERMS OF THE PROVISIONS OF THE ACT****A. Board of Directors**

The Board composition as on March 31, 2022 was as under:

Sr. No.	Name of Director	Category of Directorship	Director Identification Number
1	Mr. Mihir Anil Nerurkar	Non-Executive Director	02038842
2	Mr. Arpit Agrawal	Non-Executive Director	07769740
3	Mr. Dhananjay Joshi	Managing Director & Chief Executive Officer	09096270
4	Mr. Jeffrey Kendrew	Non-Executive Director	08020501

Post closure of the financial year, Ms. Pooja Aggarwal (DIN: 07515355) was appointed as a Non-Executive Director, pursuant to the approval of the Board of Directors of the Company at their meeting held on May 23, 2022.

During the year under review, the Board of your Company met 8 times. The intervening gap between the meetings was less than 120 days, as stipulated under section 173(1) of the Act and the Secretarial Standards issued by the Institute of Company Secretaries of India. Also, the necessary quorum was present for all the meetings.

## BOARD'S REPORT (Contd.)

Meetings of the Board held during the year, including attendance of each Director at all such meetings, are mentioned below:

Sr. No	Date of Meeting	Name of the Directors			
		Mr. Mihir Nerurkar	Mr. Arpit Agrawal	Mr. Jeffrey Kendrew	Mr. Dhananjay Joshi
1	April 23, 2021	Yes	LOA	Yes	Yes
2	June 3, 2021	Yes	Yes	Yes	Yes
3	July 30, 2021	Yes	LOA	Yes	Yes
	July 30, 2021 (Adjourned)	Yes	Yes	LOA	Yes
4	August 11, 2021	Yes	Yes	Yes	Yes
5	September 21, 2021	Yes	LOA	Yes	Yes
6	November 2, 2021	Yes	LOA	Yes	Yes
7	November 10, 2021	Yes	LOA	LOA	Yes
8	February 11, 2022	Yes	Yes	Yes	Yes

### B. Committee of the Board

As on March 31, 2022, the Company does not have any committee. The provisions of the SEBI Listing Regulations relating to constitution of Audit Committee, Nomination and Remuneration Committee, Risk Management Committee and Stakeholders' Relationship Committee have been made applicable to the Company w.e.f. September 7, 2021, on comply or explain basis until March 31, 2023 and on mandatory basis thereafter. Accordingly, the Company shall constitute all the required Committees in line with the provisions of the SEBI Listing Regulations, in due course, within the specified timelines. Once the committees have been constituted, the Company will simultaneously adopt charters for the respective Committees.

### C. Key Managerial Personnel

As on the date of this Report, the provisions of section 203 of the Act are not applicable to your Company. Although, your Company has already appointed Chief Executive Officer ("CEO"), Chief Financial Officer ("CFO") and Company Secretary ("CS") of the Company, whose details are as follows:

1. Mr. Dhananjay Joshi as the Managing Director and CEO;
2. Mr. Chandra Kant Sharma as the CS;
3. Mr. Rishi Tibriwal as the CFO (resigned w.e.f. July 15, 2021); and
4. Mr. Dinesh Jain as the CFO (appointed w.e.f. September 21, 2021).

### D. Remuneration of Directors and employees

Since Summit is a private limited company, disclosure as required in terms of the provisions of section 197(12) of the Act read with rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, is not applicable to the Company.

Further, a statement containing such particulars of employees as required in terms of the provisions of section 197(12) of the Act read with rules 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, is not applicable to the Company.

### E. Related Party Transaction

Pursuant to the applicable provisions of the Act, all related party transactions entered into during the year under review were approved by the Board.

Prior to the amendment in the SEBI Listing Regulations on September 7, 2021, the Company was not required to constitute an Audit Committee. Hence, all the RPTs were approved by the Board during FY2021-22. In line with the provisions of the SEBI Listing Regulations, the Company shall constitute an Audit Committee within the specified timelines and shall obtain the requisite approvals from the Audit Committee.

Further, all the transactions entered into by the Company with its related parties, during the year under review, were in "ordinary course of business" of the Company and "at arm's length basis".

## BOARD'S REPORT (Contd.)

The Board of Directors of the Company draw attention of the members to Note 32 to the financial statement which sets out related party disclosures pursuant to the Ind AS.

Accordingly, Form AOC-2 prescribed under the provisions of section 134(3)(h) of the Act and Rule 8 of the Companies (Accounts) Rules, 2014, for disclosure of details of Related Party Transactions, which are "not at arm's length basis" and also which are "material and at arm's length basis", is not applicable and hence, not provided in this Report.

### F. Holding Company

The Company is a Special Purpose Vehicle (SPV) of Data Infrastructure Trust (formerly known as Tower Infrastructure Trust) ("Data InvIT/Trust"), a trust registered as an Infrastructure Investment Trust under Securities and Exchange Board of India (Infrastructure Investment Trust) Regulations, 2014 ("SEBI InvIT Regulations"), having registration number IN/InvIT/18-19/0009.

### G. Subsidiaries, Joint Ventures and Associate Companies

During the financial year under review and till the date of this Report, no company has become or ceased to be the subsidiary or associate or joint venture of the Company.

### H. Auditors and Auditors' Report

#### (i) Statutory Auditors

M/s. Pathak H. D. & Associates LLP, Chartered Accountants (ICAI Firm Registration No 107783W/W100593) were appointed as Joint Auditors of the Company, for a second term of 5 (five) consecutive years at the Annual General Meeting held on September 30, 2019.

M/s. Deloitte Haskins & Sells Chartered Accountants LLP, (ICAI Firm Registration No 117364W/W100739), were appointed as Joint Auditors of the Company, for a first term of 5 (five) consecutive years at the Annual General Meeting held on September 30, 2019.

M/s. Deloitte Haskins & Sells Chartered Accountants LLP and M/s. Pathak H. D. & Associates LLP have confirmed their eligibility and qualifications required under the Act for holding the office as the Joint Statutory Auditors of the Company.

The notes on financial statement referred to in the Auditors' Report are self-explanatory and do not call for any further comments.

There have been no instances of fraud reported by the Auditors under section 143(12) of the Act.

Report given by the Joint Statutory Auditors on the financial statement of the Company is un-modified i.e. it does not contain any qualification, reservation or adverse remark and is disclosed as part of the financial statement, forming part of this Annual Report.

#### (ii) Secretarial Auditor

During the year under review, pursuant to the provisions of section 204 of the Act, M/s. Mayekar & Associates, Company Secretaries (Firm Registration No. P2005MH007400), were appointed as the Secretarial Auditor, to undertake the secretarial audit of the Company for the financial year 2021-22. M/s. Mayekar & Associates, Company Secretaries has also issued the Secretarial Compliance report of the Company for the financial year 2021-22.

There has been no qualification, reservation, adverse remark or disclaimer given by the secretarial auditor in their report for the year under review.

The Secretarial Audit Report given by the Secretarial Auditor of the Company is annexed as **Annexure I** to this Report.

Further, pursuant to Regulation 24A of the SEBI Listing Regulations, the secretarial auditor has also issued a secretarial compliance report for the financial year ended March 31, 2022, which is required to be submitted to the stock exchanges, where the securities of the Company are listed, within 60 days from the end of the financial year.

#### (iii) Internal Auditor

During the year under review, the Board, at its meeting held on August 11, 2021, has appointed Mr. Nilesh Salatry, Vice President – Internal Audit & ERM of the Company as the Internal Auditor of the Company, to be co-sourced with professional audit firms, as per the requirements of the approved Internal Audit plan.

## BOARD'S REPORT (Contd.)

The said appointment shall remain valid until the same has been rescinded by the Board.

### I. Particulars of loans given, investments made, guarantees given and securities provided

The Company, being engaged in the business of providing infrastructural facilities, is exempted from the applicability of provisions of section 186 of the Act relating to investments made, loan made, guarantee given, and security provided by the Company.

Accordingly, disclosures under section 186(4) of the Act are not applicable to the Company.

### J. Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo

Your Company consciously makes all efforts to conserve energy across all its operations. A report containing details with respect to conservation of energy, technology absorption and foreign exchange earnings and outgo, required to be disclosed in terms of section 134(3)(m) of the Act read with the Companies (Accounts) Rules, 2014, is annexed as **Annexure II** to this Report.

### K. Annual Return

As required under the provisions of sections 92(3) and 134(3)(a) of the Act and read with the Companies (Management and Administration) Rules, 2014, a copy of the Annual Return of the Company for FY2020-21 is uploaded on the website of the Company i.e. [www.summitdigitel.com](http://www.summitdigitel.com).

Further, Annual Return of the Company for FY2021-22 will be filed with the Ministry of Corporate Affairs in due course within the prescribed timelines and a copy of the same shall be uploaded on the website of the Company i.e. [www.summitdigitel.com](http://www.summitdigitel.com).

### L. Prevention of Sexual Harassment at Workplace

Your Company has in place a Prevention of Sexual Harassment of Women at Workplace Policy ("POSH Policy"), which is in line with requirements of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 ("POSH Act"). The objective of the POSH Policy is to provide an effective complaint redressal mechanism if there is an occurrence of sexual harassment.

This policy is applicable to all employees, irrespective of their level and it also includes

'third party harassment' cases i.e. where sexual harassment is committed by any person who is not an employee of the Company.

Your Company has also set up an Internal Complaints Committee, which is duly constituted in compliance with the provisions of the POSH Act.

Further, during the year under review, the Company has conducted interactive training sessions for all employees to build awareness amongst them about the POSH Policy and the provisions of POSH Act.

During the year under review, disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013:

- a. number of complaints filed during the financial year - Nil
- b. number of complaints disposed of during the financial year - Nil
- c. number of complaints pending as on end of the financial year - Nil.

### M. Other Disclosures

The Board of Directors of the Company state that no disclosure or reporting is required in respect of the following items as there were no transactions or applicability on these items during the financial year under review:

- i) There was no change in the nature of business of your Company.
- ii) Details relating to deposits covered under Chapter V of the Act.
- iii) Issue of equity shares with differential rights as to dividend, voting or otherwise.
- iv) Issue of shares (including sweat equity shares and employees stock option scheme) to employees of the Company under any scheme.
- v) As the Company did not have any subsidiary, associate or joint venture during the year, the reporting requirements under rules 6, 8(1) and 8(5)(iv) of the Companies (Accounts) Rules, 2014 are not applicable to the Company.
- vi) No significant or material orders passed by the Regulators or Courts or Tribunals which impact the going concern status of the Company.
- vii) There is no proceeding pending under the Insolvency and Bankruptcy Code, 2016.

**BOARD'S REPORT (Contd.)**

- viii) There was no instance of one-time settlement with any Banks or Financial Institution.
- ix) Maintenance of Cost records as per section 148 of the Act;
- x) The Company does not have any scheme of provision of money for the purchase of its own shares by employees or by trustees for the benefit of employees.
- xi) There have been no material changes and commitments, affecting the financial position of the Company, which have occurred between the end of the financial year to which the financial statement relates and as on the date of this Report.

**Acknowledgement**

The Board of Directors would like to express their sincere appreciation for the assistance and co-operation received from the financial institutions, banks, government authorities, debenture holders, customers, vendors, members and stakeholders during the year under review. Your Directors also wish to place on record their deep sense of appreciation for the committed services by the Company's executives and employees.

**For and on behalf of the Board of Directors of  
Summit Digitel Infrastructure Private Limited**  
(formerly known as Reliance Jio Infratel Private Limited)

Place: Mumbai  
Date: May 23, 2022

**Mihir Nerurkar**  
Chairperson of the Board  
DIN: 02038842

## ANNEXURE I TO THE BOARD'S REPORT

Form No. MR-3

### SECRETARIAL AUDIT REPORT

for the Financial Year ended March 31, 2022

[Pursuant to section 204(1) of the Companies Act, 2013 and rule no. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,  
The Members,  
**Summit Digital Infrastructure Private Limited**  
**(formerly known as Reliance Jio Infratel Private Limited)**  
CIN - U64200MH2013PTC375466.

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Summit Digital Infrastructure Private Limited** ("Company"). Secretarial Audit 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 books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorised representatives during the conduct of Secretarial Audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on March 31, 2022 ("Financial Year"), complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company, for the Financial Year, according to the applicable provisions of:

- (i) The Companies Act, 2013 ('Act') and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and applicable rules and regulations made thereunder to the extent of Foreign Direct Investments and Overseas Direct Investments and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):
  - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011; - **Not Applicable to the Company during the Audit Period;**
  - (b) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 - **Not Applicable to the Company during the Audit Period;**
  - (c) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 - **Not Applicable to the Company during the Audit Period;**
  - (d) The Securities and Exchange Board of India (Issue and Listing of Non-convertible Securities) Regulations, 2021 [erstwhile SEBI (Issue and Listing of Debt Securities) Regulations, 2008];
  - (e) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client - **Not Applicable to the Company during the Audit Period;**
  - (f) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009- **Not Applicable to the Company during the Audit Period;**
  - (g) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 - **Not Applicable to the Company during the Audit Period;**
  - (h) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;
  - (i) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015.

**ANNEXURE I TO THE BOARD'S REPORT (Contd.)**

We have relied on the representations made by the Company and its officers for compliance under other laws specifically applicable to the industry to which the Company belongs, as under:

- (a) Telecom Regulatory Authority of India (TRAI) Act 1997
- (b) Indian Wireless Telegraph Act, 1933
- (c) The Indian Telegraph, DG Set Installation Guidelines
- (d) The Information Technology Act, 2000
- (e) State Telecom Infrastructure Policy

We have also examined compliance with the applicable clauses of the following:

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India;
- (ii) Debt Listing Agreement entered into by the Company with BSE Limited and National Stock Exchange of India Limited.

During the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

We further report that,

During the Financial year, there were no changes in the Board of Directors of the Company. However, pursuant to the amendment in the SEBI Listing Regulations, the Company is required to re-constitute its Board by March 31, 2023. Further, the Company is in the process of re-constituting its Board to ensure compliance with all the applicable laws i.e. the Act and the SEBI Listing Regulations, in due course, within the specified timelines.

Following changes in the position of Chief Financial officer ("CFO") took place during the Financial Year:

- a) Resignation of Mr. Rishi Tibriwal (PAN - AAAPT5595R) as CFO of the Company w.e.f. July 15, 2021; and
- b) Appointment of Mr. Dinesh Jain (PAN - AAAPJ4850F) as CFO of the Company w.e.f. September 21, 2021.

Adequate notice is given to all the Directors about the schedule of Board/Committee Meetings. The agenda along with detailed notes on agenda were sent at least seven days in advance, and a system for seeking and obtaining further information and clarifications on the agenda items before the meeting for meaningful participation at the meeting.

All decisions made at Board Meetings have unanimous consent of the directors eligible to vote, as recorded in the minutes of the meetings of the Board of Directors.

All Circular Resolutions of the Board of Directors are approved by the requisite majority and are duly recorded in the respective minutes. Majority decisions were carried through and there has been no dissenting views of the Directors on any of the matters.

We further report that having regard to the compliance system prevailing in the Company and as per explanations obtained and relied upon by us, the Company has adequate systems and processes commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that during the audit period, the following specific event/ action having major bearing on the Company's affairs had taken place:

- a) On June 17, 2021, the Company has issued 15,000 Secured, Rated, Listed, Redeemable Non-Convertible Debentures ("NCDs") in the denomination of ₹ 1,000,000 each aggregating to ₹ 15,000 million. These NCDs carry a coupon rate of 6.59% p.a. payable quarterly and are listed on Debt Segment of National Stock Exchange of India Limited w.e.f. June 17, 2021.
- b) On August 13, 2021 the Company has raised USD 500,000,000 through allotment of Senior Secured Notes i.e. USD 500,000,000, 2.875% p.a. Senior Secured Noted due 2031 ("Notes") to the eligible investors pursuant to Rule 144A and Regulation S of the US Securities Act, 1933 and the applicable laws. The Notes are listed on the Singapore Exchange Securities Trading Limited.
- c) On September 28, 2021, the Company has further issued 6,500 Secured, Rated, Listed, Redeemable NCDs in the denomination of ₹ 1,000,000/- each, aggregating to ₹ 6,500 million. These NCDs carry a coupon rate of 7.40% p.a. payable quarterly and are listed on Debt Segment of National Stock Exchange of India Limited w.e.f. September 30, 2021.

**ANNEXURE I TO THE BOARD'S REPORT (Contd.)**

- d) On November 22, 2021, the Company has further issued 10,000 Secured, Rated, Listed, Redeemable NCDs in the denomination of ₹ 1,000,000/- each, aggregating to ₹ 10,000 million. These NCDs carry a coupon rate of 7.62% p.a. payable quarterly and are listed on Debt Segment of National Stock Exchange of India Limited w.e.f. November 23, 2021.
- e) During the year ended March 31, 2022, the Company has exercised its call options to redeem 65,000 outstanding NCDs of ₹ 1,000,000 each in full at their face value aggregating to ₹ 65,000 million, along with the interest accrued thereon, which were issued on March 15, 2021 and the amount outstanding as on March 31, 2022 is ₹ 53,360 million.
- f) Pursuant to the approval granted by the Board of Directors and the members of the Company and upon issuance of order by Regional Director, Ahmedabad approving the shifting of registered office of the Company from the 'State of Gujarat' to the 'State of Maharashtra', the registered office of the Company has shifted from the State of Gujarat to the State of Maharashtra i.e. from "511, Shapath-V, Near Karnavati Club, S G Highway Ahmedabad - 380015, Gujarat to Unit-2, 9<sup>th</sup> Floor, Tower 4, Equinox Business Park, LBS Marg, Kurla (W), Mumbai - 400070, Maharashtra with effect from January 25, 2022 (vide Regional Director, North/Western Region Order No. (NWR)/SEC. 13/93/2021/3012, dated December 23, 2021). Accordingly, the situation clause of the Memorandum of Association of the Company has been changed from 'Gujarat' to 'Maharashtra'.

For **Mayekar & Associates**  
Firm U.I.N - P2005MH007400  
U.D.I.N - F007282D000366586

**Jatin Prabhakar Patil**  
(Partner)  
F.C.S – 7282  
C.O.P – 7954

**PR-777/2020**

Place: - Mumbai  
Date: May 23, 2022

*This Report is to be read with our letter of even date which is annexed as "Annexure A" and forms an integral part of this report.*

**ANNEXURE I TO THE BOARD'S REPORT (Contd.)****ANNEXURE A**

To,  
The Members,  
**Summit Digital Infrastructure Private Limited**  
**(formerly known as Reliance Jio Infratel Private Limited)**  
CIN - U64200MH2013PTC375466.

**1) Management's responsibility**

The Management along with the Board of Directors are responsible for ensuring that the Company complies with the provisions of all applicable laws and maintains the required statutory records and documents in the prescribed manner.

**2) Auditor's responsibility**

Based on audit, our responsibility is to express an opinion on the compliance with the applicable laws and maintenance of records by the Company. We conducted our audit in accordance with the auditing standards CSAS 1 to CSAS 4 ("**CSAS**") prescribed by the Institute of Company Secretaries of India ("ICSI"). These standards require that the auditor complies with statutory and regulatory requirements and plans and performs the audit to obtain reasonable assurance about compliance with applicable laws and maintenance of records.

Due to the inherent limitations of an audit including internal, financial and operating controls, there is an unavoidable risk that some misstatements or material non-compliances may not be detected, even though the audit is properly planned and performed in accordance with the CSAS

**3) Basis for Opinion**

- i. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial Records. The verification was done on test basis to ensure that correct facts are reflected in the Secretarial Records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
- ii. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
- iii. Wherever required, we have obtained a Management Representation about the compliance of laws, rules and regulations and happening of events, etc.
- iv. The Secretarial Audit report is neither an assurance as to future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For **Mayekar & Associates**  
Firm U.I.N - P2005MH007400  
U.D.I.N - F007282D000366586

**Jatin Prabhakar Patil**  
(Partner)

F.C.S - 7282  
C.O.P - 7954

**PR-777/2020**

Place: - Mumbai  
Date: May 23, 2022

## ANNEXURE II TO THE BOARD'S REPORT

### PARTICULARS OF ENERGY CONSERVATION, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO REQUIRED UNDER THE COMPANIES (ACCOUNTS) RULES, 2014

#### A. Conservation of Energy

##### (i) Steps taken for conservation of energy:

Summit has been focusing on providing best in class digital infrastructure experience to its customers in a highly innovative and sustainable manner. The engineering and design of field infrastructure has been optimised to ensure environmental friendliness while setting highest service delivery standards in the industry. Energy has always been an area of high concentration to ensure service deliveries at lowest cost. The Company has deployed Lithium Ion battery banks as energy storage devices and power backup systems at all its tower sites not only to reduce its dependence on Diesel Generated power but also improve grid power utilisation. This in turn has enhanced uptime availability and reduced operating cost.

Showing its concern towards protection of environment, we have extensively worked on maximising deployment of renewable sources of energy such as solar cells across length and width of the country. Company is headed towards making its tower portfolio Diesel free in near future through leveraging latest technological intervention such as use of Green Hydrogen Cells and other renewable sources of energy to power up the telecom equipment specially at remote sites where availability of grid power is still a challenge.

The Company recognises the importance of energy conservation in decreasing the adverse effects of global warming and climate change. The Company carries on its activities in an environmentally friendly and energy efficient manner.

##### (ii) Steps taken by the Company for utilising alternate sources of energy:

During the year under review, the Company has extensively worked on uses of solar cells for deployment as alternate source of power on its tower sites. As a result of these efforts, the Company today has good number of sites powered by solar energy in many of its circles. This initiative is bringing down the cost and started to deliver on promise of a clean energy future by replacing fossil fuel and offering the benefit of lower emission of carbon and other types of pollution.

The Company is extensively studying deployment of other clean energy sources such as Green Hydrogen cells, etc. to control emission of Green House Gases and minimise damage to environment.

##### (iii) The capital investment on energy conservation equipment: Nil

#### B. Technology Absorption

**(i) Major efforts made towards technology absorption:** The Company has not entered into any technology agreement or collaborations.

**(ii) The benefits derived like product improvement, cost reduction, product development or import substitution:** Not Applicable.

**(iii) Information regarding imported technology (Imported during last three years):** The Company has not imported any technology during the last three years.

**(iv) Expenditure incurred on research and development:** Nil

#### C. Foreign Exchange Earnings and Outgo:

Particulars	₹ in Million
Foreign Exchange earned in Terms of Actual Inflows	-
Foreign Exchange outgo in Terms of Actual Outflows	₹ 954

**For and on behalf of the Board of Directors  
Summit Digital Infrastructure Private Limited**  
(formerly known as Reliance Jio Infratel Private Limited)

**Mihir Nerurkar**  
Chairperson of the Board  
DIN: 02038842

Place: Mumbai  
Date: May 23, 2022

## CORPORATE GOVERNANCE REPORT

### Summit's Philosophy on Code of Governance:

Summit fully subscribes to the principles and spirit of Corporate Governance. The Company has adopted transparency, disclosure, accountability and ethics as its business practices. The management believes that these principles will enable it to achieve the long-term objectives and goals. As part of its Corporate Governance philosophy, Summit focuses its energies in safeguarding the interests of its stakeholders by utilising its resources for maximum benefits.

### BOARD OF DIRECTORS

#### Composition and Size:

The Board is entrusted with an ultimate responsibility of the management, directions and performance of the Company. As its primary role is fiduciary in nature, the Board provides leadership, strategic guidance, objective and independent view to the Company's management while discharging its responsibilities, thus ensuring that the Company's management adheres to ethics, transparency and disclosures.

The Board operates within the framework of well-defined responsibility matrix and is duly supported by the senior management, while discharging its fiduciary duties and in ensuring effective functioning of your Company.

Detailed profile of the Board of Directors of your Company is available on the website of the Company i.e. [www.summitdigitel.com](http://www.summitdigitel.com).

#### Change in Composition:

During the year under review, there were no changes in the composition of Board of Directors of the Company. However, after completion of the financial year, the Company has appointed Ms. Pooja Aggarwal (DIN: 07515355) as an Additional Non-executive Director w.e.f. May 23, 2022, subject to approval of the shareholders of the Company at their next general meeting.

The composition of the Board is in compliance with the requirements under the Companies Act, 2013 ("Act"). However, pursuant to the applicability of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations 2015 ("SEBI Listing Regulations"), the Company is required to reconstitute its Board. Accordingly, your Company is in the process of re-constituting its Board to ensure compliance with all the applicable laws within the prescribed timelines.

### Board Evaluation:

Since Summit is a private limited company pursuant to the Act, the disclosure on annual evaluation of the performance of the Board is presently not applicable to the Company.

The Directors are not related to each other in terms of the definition of "relative" under the Companies Act, 2013.

### Board Meeting:

The Board meets at regular intervals to discuss and decide on strategies, policies and reviews the financial performance of the Company.

During FY2021-22, the Board met 8 (Eight) times and the meetings conducted through Video Conferencing ("VC") were in compliance with the Act and relevant circulars issued by Ministry of Corporate Affairs ("MCA").

The requisite quorum was present in all the Meetings. The intervening gap between the meetings was in accordance with the provisions of the Act, the SEBI Listing Regulations and the Secretarial Standards issued by the Institute of Company Secretaries of India.

Board Meetings are pre-scheduled and a tentative annual calendar is circulated to the Directors well in advance.

However, in case of urgent business need, the Board's approval is either taken by passing circular resolutions, which are noted and confirmed in the subsequent Board Meeting or by convening the meeting at shorter notice.

In line with our sustainability vision and with a view to reduce paper consumption and leverage technology, paperless mechanism of conducting meetings has been adopted by the Company and the meetings are conducted through a web-based application. The said application meets high standards of security and integrity required for storage and transmission of data.

Notice and agenda, including the detailed notes on the matters to be considered at the meeting, in terms of the Act and the SEBI Regulations, are circulated to all the Directors within the prescribed timelines, by uploading on the web-based application.

Further, 8<sup>th</sup> Annual General Meeting ("AGM") of the Company was held on September 27, 2021 through VC, in line with the applicable provisions of the Act and relevant circulars issued by the MCA.

## CORPORATE GOVERNANCE REPORT (Contd.)

The composition of the Board of Directors, the number of other Directorships and Committee positions held by each Director as on March 31, 2022 is as under:

Name of Director	Category of Directorship	Total Number of Directorship	Number of other Directorship*	Number of Chairmanship/ Membership in committees of other companies**	
			Public Listed Companies	Chairman	Member
Mr. Mihir Nerurkar	Non-Executive Director-Chairman	6	Nil	Nil	Nil
Mr. Arpit Agrawal	Non-Executive Director	Nil	Nil	Nil	Nil
Mr. Jeffrey Kendrew	Non-Executive Director	Nil	Nil	Nil	Nil
Mr. Dhananjay Joshi	Executive-Managing Director and CEO	Nil	Nil	Nil	Nil

\*Excluding the Company, private companies, foreign companies, high value debt listed entities, companies registered under section 8 of the Act and alternate directorships.

\*\*Includes positions held only in Audit Committee and Stakeholders' Relationship Committee in all public limited companies excluding public companies which are high value debt listed entities.

### Names of the Listed entities where the person is a director and the category of directorship

Name of Director	Name of Listed entity	Category of Directorship
Mr. Mihir Nerurkar	Pipeline Infrastructure Limited (Debt Listed) (CIN:U60300MH2018PLC308292)	Non- Executive Director
Mr. Jeffrey Kendrew	Pipeline Infrastructure Limited (Debt Listed) (CIN:U60300MH2018PLC308292)	Non- Executive Director

#### Note:

- None of the Directors of the Company were members of more than 10 committees or acted as Chairperson of more than 5 committees across all public limited companies in which they were Directors in terms of Regulation 26 of the SEBI Listing Regulations.
- None of the Directors held directorship in more than 7 Listed entities.

Further, based on the disclosures received from the Directors as on March 31, 2022 and as on the date of this Report, it is confirmed that none of the Directors:

- have any inter-se relationship with each other;
- hold directorships/memberships/ chairpersonships more than the limit prescribed under the Act and the SEBI Listing Regulations;
- hold any shares or convertible instruments issued by the Company.

### Attendance of each Director at the Board Meetings held in financial year 2021-22 and at the last Annual General Meeting of the Company:

Name of the Director	No. of Board Meetings held during the year	No. of Board Meetings attended	Attendance at the last AGM held on September 27, 2021
Mr. Mihir Nerurkar	8	8	Absent
Mr. Arpit Agrawal	8	4	Absent
Mr. Jeffrey Kendrew	8	7	Present
Mr. Dhananjay Joshi	8	8	Present

**CORPORATE GOVERNANCE REPORT (Contd.)****SKILLS/EXPERTISE/ COMPETENCE OF THE BOARD OF DIRECTORS OF THE COMPANY**

The following is the list of core skills / expertise / competencies identified by the Board of Directors as required in the context of the Company's business and that the said skills are available with the Board Members:

- i) Knowledge on Company's businesses, policies and culture (including the Mission, Vision and Values), major risks / threats and potential opportunities and knowledge of the industry in which the Company operates
- ii) Behavioural skills - attributes and competencies to use their knowledge and skills to contribute effectively to the growth of the Company
- iii) Business Strategy, Sales & Marketing, Corporate Governance, Administration, Decision Making
- iv) Financial and Management skills
- v) Technical / Professional skills and specialised knowledge in relation to Company's business

The Directors so appointed are drawn from diverse backgrounds and possess special skills with regard to the industries / fields from where they come.

**Total fees for all services paid by the Company on a consolidated basis, to the joint statutory auditor and all entities in the network firm/network entity of which the statutory auditor is a part:**

<b>Payment to Joint Statutory Auditors FY2021-22</b>	Amount in ₹
Statutory Audit fees (Including Limited Review Fees)	90,00,000
Other audit fees (Towards Certificates, Tax Audit and out of pocket expenses)	1,01,35,834
<b>Total</b>	<b>1,91,35,834</b>

**RELATED PARTY TRANSACTIONS**

All transactions entered into with Related Parties as defined under the Act and Regulation 23 of the SEBI Listing Regulations during the financial year were in the ordinary course of business and on an arm's length basis and do not attract the provisions of section 188 of the Act. There were no materially significant transactions with related parties during the financial year which were in conflict with the interest of the Company. Suitable disclosure as required in compliance with Indian Accounting Standard has been made in the notes to the Financial Statements.

**GENERAL BODY MEETINGS:**

**Corporate Identity Number (CIN):** U64200MH2013PTC375466

The Company is registered at Mumbai in the State of Maharashtra, India.

**Annual General Meeting:**

The details of the last three Annual General Meetings held:

<b>Financial Year</b>	<b>AGM</b>	<b>Date</b>	<b>Time</b>	<b>Location of the AGM</b>	<b>Special Resolution(s) Passed</b>
FY2020-21	8 <sup>th</sup>	September 27, 2021	11.00 a.m.	Through Video Conferencing	None
FY2019-20	7 <sup>th</sup>	December 9, 2020	11.30 a.m.	Through Video Conferencing	Ratification of the remuneration of the Cost Auditor for the financial year ending March 31, 2021
FY2018-19	6 <sup>th</sup>	September 30, 2019	11.00 a.m.	9 <sup>th</sup> Floor, Maker Chamber IV, 222, Nariman Point, Mumbai 400021	None

## CORPORATE GOVERNANCE REPORT (Contd.)

### Details of Extra-ordinary General Meeting (“EGM”) and Postal Ballot during the year under review:

During the year under review or as on the date of this Report, no resolution was passed through Postal Ballot and no special resolution is being proposed to be passed through Postal Ballot. Further, details of the EGM held during the year are as below :

EGM Date	Time	Location of the EGM	Special Resolution(s) Passed
June 04, 2021	9.30 a.m.	Through Video Conferencing	Issuance of Secured Redeemable Non-Convertible Debentures on Private Placement
September 22, 2021	11.30 a.m.	Through Video Conferencing	Issuance of Secured Redeemable Non-Convertible Debentures on Private Placement
November 11, 2021	10.30 a.m.	Through Video Conferencing	Issuance of Secured Redeemable Non-Convertible Debentures on Private Placement

### MEANS OF COMMUNICATION:

**Website:** The Company’s website i.e. www.summitdigitel.com, contains a separate dedicated section ‘Investor Relations’ where information for investors is available. Also, any official news release is updated on the website of the Company.

**Annual Report:** The Annual Report containing, inter alia, Audited Financial Statements, Board’s Report, Auditors’ Report and other important information, is circulated to the Members of the Company and other stakeholders’ entitled thereto. The Annual Report is also available in downloadable form on the website of the Company.

**Quarterly Results:** The Company’s quarterly/half-yearly/annual financial results alongwith the Limited Review/Audit Report are sent to the Stock Exchange and published in ‘Financial Express’. They are also available on the website of the Company.

**BSE Listing Centre:** Listing Centre is a web-based application designed by BSE Limited for corporates. All periodical and other compliance filings are filed electronically on the Listing Centre and the same can be accessed from the website of BSE Limited.

**NEAPS Portal:** NEAPS portal is a web-based application designed by National Stock Exchange of India Limited (“NSE”) for corporates. All periodical and other compliance filings are filed electronically on the Listing Centre and the same can be accessed from the website of NSE.

**SEBI Complaints Redress System (SCORES):** Investor complaints are processed at SEBI in a centralized web-based complaints redress system.

**Designated email ID:** The Company has designated the following email ID exclusively for investor servicing : secretarial@summitdigitel.com

### GENERAL SHAREHOLDER INFORMATION:

Annual General Meeting for FY2021-22:

Date & Time	Wednesday, September 28, 2022 at 11:00 a.m.
Venue	Through Video Conferencing, in compliance with provisions of the Act and relevant circulars issued by the MCA.
Financial Year	April 1, 2021 to March 31, 2022
Date of Book closure	Not Applicable
Dividend Payment Date	No dividend is recommended by Directors of the Company on Equity Shares for the current Financial Year.

### Listing on Stock Exchanges:

The Non-Convertible Debentures of the Company are listed on BSE Limited and the NSE. Annual Listing Fees for FY 2021-22 and FY 2022-23 paid to the exchanges and there is no outstanding payment as on date.

### Securities Code

BSE Limited	973056
NSE	Not Applicable

### MARKET PRICE DATA

NCDs listed on BSE Limited and NSE have been issued on private placement basis and are not regularly traded on-market.

**CORPORATE GOVERNANCE REPORT (Contd.)**

Hence, market price data such as high/ low/ closing prices and trading volumes etc. during the year under review, is not available on the Exchange. Further, equity shares issued by the Company are not listed on any of the Exchange. Distribution of Shareholding as on March 31, 2022 of Equity Shares:

Share range	No. of shareholders	% of total shareholders	Total shares for the range	% of issued capital
1-500	1*	50	1	0
10,001 and above	1	50	2,14,99,99,999	100
<b>Total</b>	<b>2</b>	<b>100</b>	<b>2,15,00,00,000</b>	<b>100</b>

\* Nominee Shareholder of Data Infrastructure Trust

**Category-wise Shareholding as on March 31, 2022 of Equity Shares:**

**Promoter & Promoter Group**

Indian	Numbers	%
Individuals	-	-
Bodies Corporate	2,15,00,00,000	100
Person Acting in Concert	-	-
<b>Total (A)</b>	<b>2,15,00,00,000</b>	<b>100</b>

**Public Shareholdings**

Institutions	Numbers	%
Mutual Funds/UTI	-	-
Alternate Investment Funds	-	-
Foreign Portfolio Investors	-	-
Insurance Companies	-	-
<b>Total (B)</b>	<b>-</b>	<b>-</b>

Non Institutions	Numbers	%
Other Bodies Corporate	-	-
NRI & Foreign National	-	-
Clearing Members	-	-
Public & Others	-	-
<b>Total (C)</b>	<b>-</b>	<b>-</b>
<b>Total (A + B+ C)</b>	<b>2,15,00,00,000</b>	<b>100</b>

**Disclosure of information on pledged shares:**

The details of shares pledged by promoter: Nil

**Details showing Shareholding of more than 1% of the Capital as on March 31, 2022:**

Name of Shareholder	Number of Shares	% of Capital
Data Infrastructure Trust (formerly known as Tower Infrastructure Trust)	2,14,99,99,999	100

**Outstanding GDRs/ADRs/Warrants or any Convertible instruments, conversion date and likely impact on equity**

The Company has not issued any GDRs/ADRs/Warrants or any Convertible instruments.

**Dematerialisation Information**

The equity shares of your Company are available in Dematerialised form with National Securities Depository Limited (“NSDL”) & Central Depository Services (I) Limited (“CDSL”). The ISIN of the Company is INE507T01024.

**Credit Rating(s)**

Details in this regard have been provided in the ‘Board’s Report’, forming part of the Annual Report.

**Whistle blower policy/vigil mechanism**

Details of the credit ratings obtained by the Company are provided in the ‘Boards’ Report’, forming part of the Annual Report.

**Dematerialisation of shares:**

As on March 31, 2022, the number of equity shares of the Company in the demat form is as shown below:

<b>Total No. of Shares of the Company</b>	<b>2,15,00,00,000</b>
No. of Shares in demat mode	2,15,00,00,000
% No. of Shares of the Company in demat mode	100%
<b>Total No. of Shareholders of the Company</b>	<b>2</b>
No. of Shareholders with dematerialised shares	2
% No. of Shareholders of the Company holding shares in demat mode	100

## CORPORATE GOVERNANCE REPORT (Contd.)

### Registrar & Share Transfer Agent:

Kfin Technologies Limited  
Address: Selenium Tower B, Plot 31-32, Financial District, Nankramguda, Serilingampally, Hyderabad, Rangareddi, Telangana - 500032.  
e-mail : [rnt.helpdesk@linkintime.co.in](mailto:rnt.helpdesk@linkintime.co.in)  
Phone No. : 022-49186000

### Address for correspondence:

Shareholders may address their communication to Company's Registrars and Share Transfer Agent or the Secretarial Department of the Company at the following address:

(1) **Kfin Technologies Limited**

Selenium Tower B,  
Plot 31-32, Financial District,  
Nankramguda, Serilingampally,  
Hyderabad, Rangareddi,  
Telangana - 500032  
Contact Person: **Mr. S P Venugopal**  
Tel. No.: +91 40 6716 1700  
Email id: [venu.sp@karvy.com](mailto:venu.sp@karvy.com)

(2) **Secretarial Department**

Summit Digital Infrastructure Private Limited  
Unit-2, 9<sup>th</sup> Floor,  
Tower 4, Equinox Business Park,  
L.B.S. Marg, Kurla(W),  
Mumbai – 400070  
Contact Person: **Mr. Chandra Kant Sharma**  
Tel No.: +91 22 69075252  
Email id: [secretarial@summitdigitel.com](mailto:secretarial@summitdigitel.com)

### Compliances under the SEBI Listing Regulation

The Company is in process of implementing the corporate governance requirements specified under Regulation 15 to 27 of SEBI Listing Regulations. Accordingly, the Company shall comply with all the requirements in line with the provisions of the SEBI Listing Regulations, in due course, within the specified timelines. The Company has obtained the requisite certificate from the Secretarial Auditors of the Company confirming compliance with the conditions of corporate governance, as applicable, annexed hereto marked as "**Annexure A**"

### CEO and CFO Certification

The Managing Director & CEO and CFO of the Company have given the certification on financial reporting and internal controls to the Board in terms of Regulation 17(8) of the SEBI Listing Regulations, is annexed hereto marked as "**Annexure B**" and forms part of this Report.

### Certification from Company Secretary in Practice

M/s Mayekar & Associates, Practicing Company Secretary, has issued a certificate as required under the SEBI Listing Regulations, confirming that none of the directors on the Board of the Company has been debarred or disqualified from being appointed or continuing as director of companies by the SEBI / MCA or any such statutory authority. The certificate is enclosed with this report as "**Annexure C**".

## ANNEXURE A

### CERTIFICATE OF COMPLIANCE WITH THE CORPORATE GOVERNANCE REQUIREMENTS UNDER SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015

To,  
The Members of  
**Summit Digital Infrastructure Private Limited**  
**(formerly known as Reliance Jio Infratel Private Limited)**  
(CIN - U64200MH2013PTC375466)

We have examined the compliance of applicable conditions of corporate governance by Summit Digital Infrastructure Private Limited ("the Company") for the year ended on 31 March 2022 as stipulated in Chapter IV of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 pursuant to the Listing Agreement of the Company with Stock Exchanges.

The Management along with the Board of Directors are responsible for ensuring the compliance of conditions of corporate governance as stipulated under the Listing Regulations. This responsibility includes the design, implementation and maintenance of internal controls and making requisite disclosures and filings with the stock exchanges from time to time as stipulated in the Listing Regulations.

Pursuant to the Securities and Exchange Board of India Circular dated September 7, 2021, Regulations 15 to 27 of Chapter IV of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations 2015 have become applicable to the Company on comply or explain basis till March 31, 2023 and on mandatory basis thereafter. Accordingly, in our opinion, and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the requirements of Corporate Governance, as applicable, under the aforesaid regulations and pursuant to the Listing Agreement of the Company with Stock Exchanges.

We state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For **Mayekar & Associates**  
Firm U.I.N - P2005MH007400  
U.D.I.N - F007282D000366621

**Jatin Prabhakar Patil**  
(Partner)  
F.C.S - 7282  
C.O.P - 7954

Place: - Mumbai  
Date: May 23, 2022

## ANNEXURE B

### CHIEF EXECUTIVE OFFICER (CEO) AND CHIEF FINANCIAL OFFICER (CFO) CERTIFICATION

We, Dhananjay Joshi, Managing Director & CEO and Dinesh Jain, Chief Financial Officer of Summit Digital Infrastructure Private Limited, certify that:

1. We have reviewed the financial statements and the cash flow statement for the year ended March 31, 2022 and to the best of our knowledge and belief:
  - a) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
  - b) these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
2. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's code of conduct.
3. We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of the internal control systems of the Company pertaining to financial reporting and we have disclosed to the auditors and Audit Committee, deficiencies in the design or operation of internal controls and we have taken steps to rectify these deficiencies.
4. We have indicated to the auditors,
  - a) significant changes in internal control over financial reporting, if any, during the financial year;
  - b) significant changes in accounting policies, if any, during the financial year and that the same have been disclosed in the notes to the financial statements; and
  - c) instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having significant role in the company's internal control system over financial reporting.
5. The annual financial statements for the financial year have been prepared on a 'going concern' basis.

**Mr. Dhananjay Joshi**  
Managing Director & CEO

**Mr. Dinesh Jain**  
Chief Financial Officer

Place: Mumbai  
Date: May 23, 2022

# ANNEXURE C

## CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

(Pursuant to Schedule V Para C clause (10)(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

To,  
The Members of  
**Summit Digital Infrastructure Private Limited**  
**(formerly known as Reliance Jio Infratel Private Limited)**  
(CIN - U64200MH2013PTC375466)

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **Summit Digital Infrastructure Private Limited having CIN - U64200MH2013PTC375466** and having registered office at Unit-2, 9<sup>th</sup> Floor, Tower-4, Equinox Business Park, LBS Marg, Kurla (W), Mumbai – 400070 (hereinafter referred to as 'the Company'), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Schedule V Para-C sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to us by the Company & its officers, we hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on March 31, 2022 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such other Statutory Authority.

Sr. No.	Name of Director / Managing Director	DIN Number	Date of Appointment in Company	Date of Cessation from Company
1.	Mihir Anil Nerurkar	02038842	August 31, 2020	----
2.	Arpit Agrawal	07769740	August 31, 2020	----
3.	Jeffrey Wayne Kendrew	08020501	August 31, 2020	----
4.	Dhananjay Joshi	09096270	March 08, 2021	----

Ensuring the eligibility of for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company.

Our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For **Mayekar & Associates**  
Firm U.I.N - P2005MH007400  
U.D.I.N – F007282D000366575

**Jatin Prabhakar Patil**  
(Partner)  
F.C.S – 7282 C.O.P – 7954  
PR-777/2020

Place: Mumbai  
Date: May 23, 2022



# FINANCIAL STATEMENTS

# INDEPENDENT AUDITOR'S REPORT

## To The Members of

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

## REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

### Opinion

We have audited the accompanying financial statements of Summit Digital Infrastructure Private Limited (formerly known as Reliance Jio Infratel Private Limited) ("the Company"), which comprise the Balance Sheet as at March 31, 2022, and the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Cash Flows and the Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information (hereinafter referred to as "financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2022, its loss, total comprehensive loss, its cash flows and the changes in equity for the year ended on that date.

### Basis for Opinion

We conducted our audit of the financial statements in accordance with the Standards on Auditing specified under section 143(10) of the Act (SAs). Our responsibilities under those Standards are further described in the Auditor's Responsibility for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the 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 financial statements.

### Key Audit Matters

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

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

- The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Board's report including its annexures, but does not include the financial statements and our auditor's report thereon.
- Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.
- In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.
- If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

### Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the Ind AS and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company 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

## INDEPENDENT AUDITOR'S REPORT (Contd.)

operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company'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 Company or to cease operations, or has no realistic alternative but to do so.

Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

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

Our objectives are to obtain reasonable assurance about whether the 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 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 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. Under section 143(3)(i) of the Act, we are also responsible for expressing our

opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company'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 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 Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the 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 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, including any significant deficiencies in internal control that we identify during our audit.

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

**INDEPENDENT AUDITOR'S REPORT (Contd.)****Report on Other Legal and Regulatory Requirements**

1. As required by Section 143(3) of the Act, based on our audit we report, that:
  - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
  - c. The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, the Statement of Cash Flows and Statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of account.
  - d. In our opinion, the aforesaid financial statements comply with the Ind AS specified under Section 133 of the Act.
  - e. On the basis of the written representations received from the directors as on March 31, 2022 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2022 from being appointed as a director in terms of Section 164(2) of the Act.
  - f. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
  - g. In our opinion and to the best of our information and according to the explanations given to us, the Company being a private company, section 197 of the Act related to the managerial remuneration is not applicable.
  - h. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:
    - i. The Company does not have any pending litigations which would impact its financial position;
    - ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts;
    - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
    - iv.
      - a. The Management has represented that, to the best of its knowledge and belief, as disclosed in note 42(X) to the financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
      - b. The Management has represented, that, to the best of its knowledge and belief, as disclosed in note 42(XI) to the financial statements, no funds have been received by the Company from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

**INDEPENDENT AUDITOR'S REPORT (Contd.)**

- c. Based on the audit procedures performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.
  - v. The Company has not declared or paid any dividend during the year and has not proposed final dividend for the year.
2. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order.

**For Pathak H. D. & Associates LLP**

Chartered Accountants  
(Registration No. 107783W/W100593)

**Gopal Chaturvedi**

Partner  
Membership No. 090903  
Mumbai, May 23, 2022  
UDIN: 22090903AJKJAE8775

**For Deloitte Haskins & Sells Chartered Accountants LLP**

Chartered Accountants  
(Registration No. 117364W/W100739)

**Mohammed Bengali**

Partner  
Membership No. 105828  
Mumbai, May 23, 2022  
UDIN: 22105828AJKIPW8879

## ANNEXURE “A” TO THE INDEPENDENT AUDITOR’S REPORT

(Referred to in paragraph 1 (f) under ‘Report on Other Legal and Regulatory Requirements’ section of our report of even date)

### REPORT ON THE INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING UNDER CLAUSE (I) OF SUB-SECTION 3 OF SECTION 143 OF THE COMPANIES ACT, 2013 (“THE ACT”)

We have audited the internal financial controls over financial reporting of Summit Digitel Infrastructure Private Limited (formerly known as Reliance Jio Infratel Private Limited) (“the Company”) as of March 31, 2022 in conjunction with our audit of the Ind AS financial statements of the Company for the year ended on that date.

#### Management’s Responsibility for Internal Financial Controls

The Company’s management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

#### Auditor’s Responsibility

Our responsibility is to express an opinion on the Company’s internal financial controls over financial reporting of the Company based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the “Guidance Note”) issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor’s judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company’s internal financial controls system over financial reporting.

#### Meaning of Internal Financial Controls Over Financial Reporting

A company’s internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company’s internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company’s assets that could have a material effect on the financial statements.

#### Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also,

**ANNEXURE “A” TO THE INDEPENDENT AUDITOR’S REPORT (Contd.)**

projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

**Opinion**

In our opinion, to the best of our information and according to the explanations given to us, the

Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2022, based on the criteria for internal financial control over financial reporting established by the respective Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

**For Pathak H. D. & Associates LLP**

Chartered Accountants  
(Registration No. 107783W/W100593)

**Gopal Chaturvedi**

Partner  
Membership No. 090903  
Mumbai, May 23, 2022  
UDIN: 22090903AJKJAE8775

**For Deloitte Haskins & Sells Chartered Accountants LLP**

Chartered Accountants  
(Registration No. 117364W/W100739)

**Mohammed Bengali**

Partner  
Membership No. 105828  
Mumbai, May 23, 2022  
UDIN: 22105828AJKIPW8879

## ANNEXURE “B” TO THE INDEPENDENT AUDITOR’S REPORT

(Referred to in paragraph 2 under ‘Report on Other Legal and Regulatory Requirements’ section of our report of even date)

In terms of the information and explanations sought by us and given by the Company and the books of account and records examined by us in the normal course of audit and to the best of our knowledge and belief, we state that:

(i) In respect of Company’s Property Plant and Equipment and Intangible Assets:

(a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment, capital work in progress and relevant details of right of use assets.

(B) The Company has maintained proper records showing full particulars of intangible assets under development. The Company does not hold any intangible assets.

(b) Some of the Property, Plant and Equipment including capital work in progress and right of use assets (except for telecom towers identified as Plant and Equipment) were physically verified during the year by the Management in accordance with a programme of verification, which in our opinion provides for physical verification of all the Property, Plant and Equipment including capital work in progress and right of use assets (except for telecom towers identified as Plant and Equipment) at reasonable intervals having regard to the size of the Company and the nature of its activities. To verify the physical existence of telecom towers, the Company relies on reports from its customer which confirms the existence of active telecom infrastructure on its telecom tower, this in our opinion, is reasonable having regard to the size of the Company and the nature of its assets.

According to the information and explanations given to us, no material discrepancies were noticed on such verification.

(c) Based on the examination of the registered sale deed / memorandum of agreement provided to us, we report that, the title

deeds of all the immovable properties, (other than those that have been taken on lease) disclosed in the financial statements included in (property, plant equipment and capital work in progress) are held in the name of the Company as at the balance sheet date. In respect of immovable properties that have been taken on lease and disclosed in the financial statements as right of use asset, as at the balance sheet date, the lease agreements are duly executed in favour of the Company. The title deeds of freehold land with carrying value aggregating ₹ 120 million and right of use assets with carrying value aggregating ₹ 185 million which were transferred from Reliance Jio Infocomm Limited consequent to a scheme of arrangement (appointed date of the scheme being March 31, 2019) are in the name of the Transferor Company viz. Reliance Jio Infocomm Limited and the Company is in process of transferring the same in the name of the Company.

(d) The Company has not revalued any of its property, plant and equipment (including right of use assets) during the year.

(e) No proceedings have been initiated during the year or are pending against the Company as at March 31, 2022 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.

(ii) (a) The Company does not have any inventory and hence reporting under clause (ii)(a) of the Order is not applicable.

(b) According to the information and explanations given to us, at any point of time of the year, the Company has not been sanctioned any working capital facility from banks or financial institutions and hence reporting under clause (ii)(b) of the Order is not applicable.

(iii) The Company has not made any investments in, provided any guarantee or security, and granted any loans or advances in the nature of loans, secured or unsecured, to Companies, Firms, Limited Liability Partnerships or any other parties during the year, and hence reporting under clause (iii) of the Order is not applicable.

## ANNEXURE “B” TO THE INDEPENDENT AUDITOR’S REPORT (Contd.)

- (iv) The Company has not granted any loans, made investments or provided guarantees or securities and hence reporting under clause (iv) of the Order is not applicable.
- (v) The Company has not accepted any deposit or amounts which are deemed to be deposits. Hence, reporting under clause (v) of the Order is not applicable.
- (vi) The maintenance of cost records has not been specified for the activities of the Company by the Central Government under section 148(1) of the Companies Act, 2013.
- (vii) In respect of statutory dues:
- (a) Undisputed statutory dues, including Goods and Services tax, Provident Fund, Employees’ State Insurance, Income-tax, Sales Tax, Service Tax, duty of Custom, duty of Excise, Value Added Tax, cess and other material statutory dues applicable to the Company have generally been regularly deposited by it with the appropriate authorities.
- There were no undisputed amounts payable in respect of Goods and Services tax, Provident Fund, Employees’ State Insurance, Income-tax, Sales Tax, Service Tax, duty of Custom, duty of Excise, Value Added Tax, cess and other material statutory dues in arrears as at March 31, 2022 for a period of more than six months from the date they became payable.
- (b) There are no statutory dues referred in sub-clause (a) above which have not been deposited on account of disputes as on March 31, 2022.
- (viii) There were no transactions relating to previously unrecorded income that were surrendered or disclosed as income in the tax assessments under the Income Tax Act, 1961 (43 of 1961) during the year.
- (ix) (a) In our opinion, the Company has not defaulted in the repayment of loans or other borrowings or in the payment of interest thereon to any lender during the year.
- (b) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.
- (c) To the best of our knowledge and belief, in our opinion, term loans availed by the Company were, applied by the Company during the year for the purposes for which the loans were obtained.
- (d) On an overall examination of the financial statements of the Company, funds raised on short-term basis have, prima facie, not been used during the year for long-term purposes by the Company.
- (e) The Company did not have any subsidiary or associate or joint venture during the year and hence, reporting under clause (ix)(e) and (ix) (f) of the Order is not applicable.
- (x) (a) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) during the year and hence reporting under clause (x)(a) of the Order is not applicable.
- (b) During the year the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally) and hence reporting under clause (x)(b) of the Order is not applicable to the Company.
- (xi) (a) To the best of our knowledge, no fraud by the Company and no material fraud on the Company has been noticed or reported during the year.
- (b) To the best of our knowledge, no report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and upto the date of this report.
- (c) As represented to us by the Management, there were no whistle blower complaints received by the Company during the year.
- (xii) The Company is not a Nidhi Company and hence reporting under clause (xii) of the Order is not applicable.
- (xiii) In our opinion, the Company is in compliance with section 188 of the Companies Act for all transactions with the related parties and the details of related party transactions have been disclosed in the financial statements as required by the applicable accounting standards. The Company is a private company and hence the provisions of section 177 of the Companies Act, 2013 are not applicable.

**ANNEXURE “B” TO THE INDEPENDENT AUDITOR’S REPORT (Contd.)**

- (xiv) (a) In our opinion the Company has an adequate internal audit system commensurate with the size and the nature of its business.
- (b) We have considered, the internal audit reports issued to the Company during the year covering the period upto December 2021 and the draft internal audit reports which were issued after the balance sheet date covering the period January 2022 to March 2022 for the period under audit.
- (xv) In our opinion during the year the Company has not entered into any non-cash transactions with its directors or persons connected with its directors and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.
- (xvi) (a) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clause (xvi)(a), (b) and (c) of the Order is not applicable.
- (b) The Group does not have any Core Investment Company (CIC) as part of the group and accordingly reporting under clause (xvi)(d) of the Order is not applicable.
- (xvii) Having regard to the terms of the loan agreement (refer note 15 (ii) to the financial statements) entered into with Data Infrastructure Trust (the ‘Trust’ registered as an infrastructure investment trust under the SEBI InvIT regulations) (Parent), wherein the interest accrued on such loan is payable only on availability of surplus cash with the Company. In computing the cash losses we have not considered accrued interest expense payable to the Trust aggregating ₹ 20,562 million and ₹ 3,494 million for the current year and immediately preceding year respectively. Accordingly, the Company has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.
- (xviii) There has been no resignation of the statutory auditors of the Company during the year.
- (xix) On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- (xx) The Company does not have any obligation towards Corporate Social Responsibility (CSR) since it was incurring losses in immediately preceding three financial years. Accordingly, reporting under clause 3(xx) of the Order is not applicable for the year.

**For Pathak H. D. & Associates LLP**  
Chartered Accountants  
(Registration No. 107783W/W100593)

**Gopal Chaturvedi**  
Partner  
Membership No. 090903  
Mumbai, May 23, 2022  
UDIN: 22090903AJKJAE8775

**For Deloitte Haskins & Sells Chartered Accountants LLP**  
Chartered Accountants  
(Registration No. 117364W/W100739)

**Mohammed Bengali**  
Partner  
Membership No. 105828  
Mumbai, May 23, 2022  
UDIN: 22105828AJKIPW8879

# BALANCE SHEET

AS AT MARCH 31, 2022

(₹ in Million)

Particulars	Notes	As at March 31, 2022	As at March 31, 2021
<b>ASSETS</b>			
<b>NON-CURRENT ASSETS</b>			
Property, plant and equipment	3	4,04,149	3,80,019
Right of use assets	4	366	292
Capital work in progress	3	29	18
Intangible assets under development	3	16	-
Other financial assets	5	5,837	4,571
Other non-current assets	6	13,539	3,236
<b>Total non-current assets</b>		<b>4,23,936</b>	<b>3,88,136</b>
<b>CURRENT ASSETS</b>			
Financial assets:			
Investments	7	1,366	-
Trade receivables	8	417	153
Cash and cash equivalents	9	5,787	9,914
Other bank balances	10	7	3
Other financial assets	11	4,364	4,531
Other current assets	12	3,473	11,589
<b>Total current assets</b>		<b>15,414</b>	<b>26,190</b>
<b>Total assets</b>		<b>4,39,350</b>	<b>4,14,326</b>
<b>EQUITY AND LIABILITIES</b>			
<b>EQUITY</b>			
Equity share capital	13	2,150	2,150
Other equity	14	(86,487)	(52,495)
<b>Total equity</b>		<b>(84,337)</b>	<b>(50,345)</b>
<b>LIABILITIES</b>			
<b>Non - current liabilities</b>			
Financial liabilities:			
Borrowings	15	4,61,199	4,31,851
Lease liabilities	4	165	88
Other financial liabilities	19	11,679	-
Provisions	16	13,255	11,235
<b>Total Non-current liabilities</b>		<b>4,86,298</b>	<b>4,43,174</b>
<b>Current liabilities</b>			
Financial liabilities:			
Short - term borrowings	17	7,316	-
Lease liabilities	4	33	18
Trade payables			
- total outstanding dues of micro enterprises and small enterprises	18	3	0
- total outstanding dues of creditors other than micro enterprises and small enterprises	18	2,996	1,945

**BALANCE SHEET  
AS AT MARCH 31, 2022 (Contd.)**

(₹ in Million)

Particulars	Notes	As at March 31, 2022	As at March 31, 2021
Other financial liabilities	19	22,853	14,708
Other current liabilities	20	4,187	4,822
Provisions	16	1	4
<b>Total current liabilities</b>		<b>37,389</b>	<b>21,497</b>
<b>Total Liabilities</b>		<b>5,23,687</b>	<b>4,64,671</b>
<b>Total equity and liabilities</b>		<b>4,39,350</b>	<b>4,14,326</b>

See accompanying notes to the financial statements

1-45

As per our report of even date.

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

For and on behalf of the Board of Directors of  
**Summit Digital Infrastructure Private Limited**  
formerly known as Reliance Jio Infratel Private Limited)

**Gopal Chaturvedi**  
Partner

**Mihir Nerurkar**  
Chairperson of the Board  
DIN:02038842

**Dhananjay Joshi**  
Managing Director and  
Chief Executive Officer  
DIN: 09096270

Date: May 23, 2022  
Place: Mumbai

Date: May 23, 2022  
Place: Mumbai

Date: May 23, 2022  
Place: Mumbai

For **Deloitte Haskins & Sells  
Chartered Accountants LLP**  
Chartered Accountants  
Firm Regn No: 117364W/W100739

**Dinesh Jain**  
Chief Financial Officer  
PAN: AAAPJ4850F

**Chandra Kant Sharma**  
Company Secretary  
Membership No: F8322  
PAN: BSDPS2436J

**Mohammed Bengali**  
Partner  
Date: May 23, 2022  
Place: Mumbai

Date: May 23, 2022  
Place: Mumbai

Date: May 23, 2022  
Place: Mumbai

## STATEMENT OF PROFIT AND LOSS

FOR THE YEAR ENDED MARCH 31, 2022

(₹ in Million)

Particulars	Notes	Year ended March 31, 2022	Year ended March 31, 2021
<b>INCOME</b>			
Revenue from operations	21	97,651	82,442
Other income	22	318	153
<b>Total Income</b>		<b>97,969</b>	<b>82,595</b>
<b>EXPENSES</b>			
Network operating expenses	23	60,654	51,360
Employee benefits expense	24	579	164
Finance costs	25	55,144	34,590
Depreciation and amortisation expense	26	13,219	19,560
Other expenses	27	1,432	301
<b>Total expenses</b>		<b>1,31,028</b>	<b>1,05,975</b>
<b>Loss before tax</b>		<b>(33,059)</b>	<b>(23,380)</b>
Tax expenses			
i) Current tax		-	-
ii) Deferred tax		-	-
<b>Total tax expense</b>		<b>-</b>	<b>-</b>
<b>Loss for the year</b>		<b>(33,059)</b>	<b>(23,380)</b>
<b>Other comprehensive income</b>			
<b>A. Items which will not be reclassified to Statement of Profit and Loss</b>			
Remeasurements of the net defined benefit plans		(2)	-
Income tax relating to items that will not be reclassified to profit or loss		-	-
		<b>(2)</b>	<b>-</b>
<b>B. Items that will be reclassified to Statement of Profit and Loss</b>			
<b>Cash flow hedges:</b>			
Fair value loss arising on hedging instrument during the year		(113)	-
<b>Cost of hedging</b>			
Changes in the fair value during the year in relation to time-period related hedged items		(818)	-
Income tax relating to items that will be reclassified to Statement of Profit and Loss		-	-
		<b>(931)</b>	<b>-</b>
<b>Total other comprehensive loss (A+B)</b>		<b>(933)</b>	<b>-</b>
<b>Total comprehensive loss for the year</b>		<b>(33,992)</b>	<b>(23,380)</b>

**STATEMENT OF PROFIT AND LOSS  
FOR THE YEAR ENDED MARCH 31, 2022 (Contd.)**

(₹ in Million)

Particulars	Notes	Year ended March 31, 2022	Year ended March 31, 2021
<b>Earnings per equity share (of face value of Re. 1 each)</b>	28		
Basic per share (in Rupees)		<b>(15.38)</b>	<b>(10.87)</b>
Diluted per share (in Rupees)		<b>(15.38)</b>	<b>(10.87)</b>

See accompanying notes to the financial statements

1-45

As per our report of even date.

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

For and on behalf of the Board of Directors of  
**Summit Digital Infrastructure Private Limited**  
formerly known as Reliance Jio Infratel Private Limited)

**Gopal Chaturvedi**

Partner

Date: May 23, 2022

Place: Mumbai

**Mihir Nerurkar**

Chairperson of the Board  
DIN:02038842

Date: May 23, 2022

Place: Mumbai

**Dhananjay Joshi**

Managing Director and Chief Executive Officer  
DIN: 09096270

Date: May 23, 2022

Place: Mumbai

For **Deloitte Haskins & Sells  
Chartered Accountants LLP**

Chartered Accountants  
Firm Regn No: 117364W/W100739

**Mohammed Bengali**

Partner

Date: May 23, 2022

Place: Mumbai

**Dinesh Jain**

Chief Financial Officer  
PAN: AAAPJ4850F

Date: May 23, 2022

Place: Mumbai

**Chandra Kant Sharma**

Company Secretary  
Membership No: F8322  
PAN: BSDPS2436J

Date: May 23, 2022

Place: Mumbai

## STATEMENT OF CASH FLOW

FOR THE YEAR ENDED MARCH 31, 2022

(₹ in Million)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
<b>A CASH FLOW FROM OPERATING ACTIVITIES:</b>		
<b>Net Loss before tax as per Statement of Profit and Loss</b>	(33,059)	(23,380)
Adjustments for :		
Depreciation and amortisation expense	13,219	19,560
Gain on sale of investments	(16)	(49)
Interest income on fixed deposits	(261)	(64)
Interest on income tax refund	-	(40)
Ineffectiveness on derivative contracts designated as cashflow hedge	2	-
Net fair value gains from investments at FVTPL	(1)	-
Balances written off	1,089	-
Exchange loss (attributable to finance cost)	769	409
Finance costs	54,375	34,181
<b>Operating profit before working capital changes</b>	<b>36,117</b>	<b>30,617</b>
Adjustments for :		
Trade and other receivables	(4,568)	12,505
Trade and other payables	743	(40,910)
<b>Cash generated from operating activities</b>	<b>32,292</b>	<b>2,212</b>
Income taxes (paid) / refund (net)	(48)	488
<b>Net cash flows from operating activities (A)</b>	<b>32,244</b>	<b>2,700</b>
<b>B CASH FLOW FROM INVESTING ACTIVITIES:</b>		
Purchase of property, plant and equipment (including Capital Work in Progress and Intangible Assets under Development)	(35,024)	(1,10,631)
Purchase of investments	(18,670)	(45,029)
Sale of investments	17,321	45,078
Investments in bank deposits	(30)	(30)
Interest received	264	55
<b>Net cash flow used in investing activities (B)</b>	<b>(36,139)</b>	<b>(1,10,557)</b>
<b>C CASH FLOW FROM FINANCING ACTIVITIES:</b>		
Payment of lease liabilities	(32)	(4)
Proceeds from long term borrowings (net)	1,09,420	5,51,835
Repayment of long term borrowings	(74,000)	(3,56,720)
Repayment of short term borrowings	-	(30,050)
Working capital adjustment (refer note 14 (i))	-	(3,824)
Finance costs paid	(35,620)	(43,912)
<b>Net cash flow (used in) / from financing activities (C)</b>	<b>(232)</b>	<b>1,17,325</b>
<b>Net (decrease)/increase in cash and cash equivalents (A+B+C)</b>	<b>(4,127)</b>	<b>9,468</b>
<b>Opening balance of cash and cash equivalents</b>	<b>9,914</b>	<b>446</b>
<b>Closing balance of cash and cash equivalents</b>	<b>5,787</b>	<b>9,914</b>

**STATEMENT OF CASH FLOW  
FOR THE YEAR ENDED MARCH 31, 2022 (Contd.)**

(₹ in Million)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
<b>Cash and cash equivalents comprises of</b>		
Balances with banks in current account	1,787	2,864
Fixed deposits with banks	4,000	7,050
<b>Cash and cash equivalents (refer note 9)</b>	<b>5,787</b>	<b>9,914</b>

**Changes in Liability arising from financing activities**

(₹ in Million)

Particulars	As at April 1, 2021	Cash flow	Non cash		As at March 31, 2022
			Unamortised prepaid finance charges	Unrealised exchange loss	
Borrowings (refer note - 15 and 17)	4,31,851	35,420	475	769	4,68,515
<b>Total</b>	<b>4,31,851</b>	<b>35,420</b>	<b>475</b>	<b>769</b>	<b>4,68,515</b>

(₹ in Million)

Particulars	As at April 1, 2020	Cash flow	Non cash	Transfer from Equity	As at March 31, 2021
			Unamortised prepaid finance charges		
Borrowings (Refer Note - 15)	2,38,194	1,95,115	(1,584)	126	4,31,851
Short - term borrowings (Refer Note - 17)	30,050	(30,050)	-	-	(0)
<b>Total</b>	<b>2,68,244</b>	<b>1,65,065</b>	<b>(1,584)</b>	<b>126</b>	<b>4,31,851</b>

See accompanying notes to the financial statements 1-45

As per our report of even date.

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

For and on behalf of the Board of Directors of  
**Summit Digitel Infrastructure Private Limited**  
formerly known as Reliance Jio Infratel Private Limited)

**Gopal Chaturvedi**  
Partner

**Mihir Nerurkar**  
Chairperson of the Board  
DIN:02038842

**Dhananjay Joshi**  
Managing Director and Chief Executive Officer  
DIN: 09096270

Date: May 23, 2022  
Place: Mumbai

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For **Deloitte Haskins & Sells**  
**Chartered Accountants LLP**  
Chartered Accountants  
Firm Regn No: 117364W/W100739

**Mohammed Bengali**  
Partner

**Dinesh Jain**  
Chief Financial Officer  
PAN: AAAPJ4850F

**Chandra Kant Sharma**  
Company Secretary  
Membership No: F8322  
PAN: BSDPS2436J

Date: May 23, 2022  
Place: Mumbai

Date: May 23, 2022  
Place: Mumbai

Date: May 23, 2022  
Place: Mumbai

## STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED MARCH 31, 2022

### (A) Equity share capital

(₹ in Million)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
<b>Balance at the beginning of the year</b>	2,150	2,150
Changes in equity share capital during the year	-	-
<b>Balance at the end of the year</b>	<b>2,150</b>	<b>2,150</b>

### (B) Other equity:

(₹ in Million)

Particulars	Instrument classified as Equity: 10% Cumulative Optionally Convertible Preference Share Capital Fully paid up	Reserves and surplus: Retained earnings	Other comprehensive income			Total
			Cash flow hedges	Cost of hedging reserve	Other items of other comprehensive income / (loss)	
<b>As on March 31, 2021</b>						
Balance at the beginning of the year i.e. April 1, 2020	500	(21,001)	-	-	-	<b>(20,501)</b>
Loss for the year	-	(23,380)	-	-	-	<b>(23,380)</b>
Other adjustments (refer note 14)	(500)	(8,114)	-	-	-	<b>(8,614)</b>
Balance at the end of the year i.e. March 31, 2021	-	<b>(52,495)</b>	-	-	-	<b>(52,495)</b>

**STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED MARCH 31, 2022 (Contd.)**

(₹ in Million)

Particulars	Instrument classified as Equity: 10% Cumulative Optionally Convertible Preference Share Capital Fully paid up	Reserves and surplus: Retained earnings	Other comprehensive income			Total
			Cash flow hedges	Cost of hedging reserve	Other items of other comprehensive income / (loss)	
<b>As on March 31, 2022</b>						
Balance at the beginning of the year i.e. April 1, 2021	-	(52,495)	-	-	-	<b>(52,495)</b>
Loss for the year	-	(33,059)	-	-	-	<b>(33,059)</b>
Cost of hedging	-	-	(205)	-	-	<b>(205)</b>
Change in fair value of time value of option	-	-	-	(976)	-	<b>(976)</b>
Amounts reclassified to Statement of Profit and Loss	-	-	92	158	-	<b>250</b>
Remeasurement of defined benefit plans	-	-	-	-	(2)	<b>(2)</b>
Balance at the end of the year i.e. March 31, 2022	-	<b>(85,554)</b>	<b>(113)</b>	<b>(818)</b>	<b>(2)</b>	<b>(86,487)</b>

See accompanying notes to the financial statements

1-45

As per our report of even date.

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

For and on behalf of the Board of Directors of  
**Summit Digital Infrastructure Private Limited**  
formerly known as Reliance Jio Infratel Private Limited)

**Gopal Chaturvedi**  
Partner

**Mihir Nerurkar**  
Chairperson of the Board  
DIN:02038842

**Dhananjay Joshi**  
Managing Director and Chief Executive Officer  
DIN: 09096270

Date: May 23, 2022  
Place: Mumbai

Date: May 23, 2022  
Place: Mumbai

Date: May 23, 2022  
Place: Mumbai

For **Deloitte Haskins & Sells  
Chartered Accountants LLP**  
Chartered Accountants  
Firm Regn No: 117364W/W100739

**Mohammed Bengali**  
Partner

**Dinesh Jain**  
Chief Financial Officer  
PAN: AAAPJ4850F

**Chandra Kant Sharma**  
Company Secretary  
Membership No: F8322  
PAN: BSDPS2436J

Date: May 23, 2022  
Place: Mumbai

Date: May 23, 2022  
Place: Mumbai

Date: May 23, 2022  
Place: Mumbai

# NOTES FORMING PART OF THE FINANCIAL STATEMENTS

## FOR THE YEAR ENDED MARCH 31, 2022

### 1 CORPORATE INFORMATION

Summit Digital Infrastructure Private Limited [formerly known as Reliance Jio Infratel Private Limited] ("SDIPL" or "the Company") is a private limited company incorporated on January 18, 2013 under the provisions of the Companies Act, 1956. Data Infrastructure Trust (formerly known as Tower Infrastructure Trust) holds 100% of the equity shares of the Company. The name of the Company was changed from "Reliance Jio Infratel Private Limited" to "Summit Digital Infrastructure Private Limited" effective from November 18, 2020. The registered office address of the Company was shifted from 511, Shapath-V, Near Karnavati Club, S G Highway, Ahmedabad, Gujarat-380015 to Unit-2, 9<sup>th</sup> Floor, Tower 4, Equinox Business Park, LBS Marg, Kurla (W), Mumbai - 400070, Maharashtra w.e.f. January 25, 2022. The Principal business of the Company is setting up and maintaining passive tower infrastructure and related assets and providing passive tower infrastructure services.

### 2 SIGNIFICANT ACCOUNTING POLICIES

#### 2.1 BASIS OF ACCOUNTING AND PREPARATION OF FINANCIAL STATEMENTS

The Financial Statements of the Company, comprise the Balance Sheet as at March 31, 2022, the Statement of Profit and Loss (including other comprehensive income), the Statement of Changes in Equity and the Statement of Cash Flow for year ended March 31, 2022 and notes to the Financial Statements, including a summary of significant accounting policies and other explanatory information.

#### Statement of compliance with Ind AS:

The financial statements of the Company have been prepared in accordance with Indian Accounting Standards ("Ind AS") as notified by the Ministry of Corporate Affairs pursuant to Section 133 of the Companies Act, 2013 (the Act) read with the Companies (Indian Accounting Standards) Rules, 2015 as amended and other relevant provisions of the Act. These financial statements have been prepared and presented on a historical cost convention, except for certain financial assets and liabilities measured at fair values at the end of each reporting period, as stated in the accounting policies below. Accounting policies have been consistently applied except where a newly issued Indian Accounting Standard is initially adopted or

a revision to an existing Indian Accounting Standard requires a change in the accounting policy hitherto in use. The financial statements are presented in ₹ million and all values are rounded to the nearest ₹ million, except when otherwise indicated.

#### 2.2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

##### (a) Current and non-current classification:

The Company presents assets and liabilities in the Balance Sheet based on Current/ Non-Current classification as per Schedule III division II of Act.

An asset is treated as Current when it is:

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

All other assets are classified as non-current.

A liability is treated as Current when:

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

The Company classifies all other liabilities as non-current.

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

The Company 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

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

cost and any cost directly attributable to bringing the assets to its working condition for its intended use.

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

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

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

Freehold land is not depreciated. Leasehold land and leasehold improvements are amortised over the period of lease.

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

Based on internal assessment the management believes the residual value of plant and equipments is estimated to be 6% and 5% for other assets of the original cost of those respective assets. The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

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.

#### Capital work in progress and intangible assets under development

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

#### (c) Leases

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

##### As a Lessee

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

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

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

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

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

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

The lease liability is initially measured at amortised 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 Company changes its assessment if whether it will exercise an extension or a termination option.

**As a Lessor**

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

Leases where the Company 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 recognised as income on a straight-line basis over the lease term. Contingent rents are recognised as revenue in the period in which they are earned.

**(d) Finance cost**

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

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

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

**(e) Provisions**

Provisions are recognised when the Company 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

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

reliable estimate can be made of the amount of the obligation.

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

#### Asset Retirement Obligation:

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

#### (f) Impairment of financial assets

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

Expected credit losses are measured through a loss allowance at an amount equal to:

The 12-months expected credit losses (expected credit losses that result from those default events on the financial instrument that are possible within 12 months after the reporting date); or

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

For trade receivables, the Company applies' simplified approach which requires expected life time losses to be recognised from initial recognition of the receivables.

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

#### (g) Taxation

The tax expense comprises of current and deferred tax. Tax is recognised in Statement

of Profit and Loss, except to the extent that it relates to items recognised in the comprehensive income or in equity. In which case, the tax is also recognised in other comprehensive income and equity.

#### Current tax

Current income-tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities in accordance with the Income-tax Act, 1961. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

#### Deferred tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date. Deferred tax assets are recognised for all deductible temporary differences and the carry forward of any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax losses can be utilised. Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

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

#### (h) Cash and cash equivalents

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

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

the purpose of the statement of cash flow, cash and cash equivalents consist of cash and short term benefits, as defined above, net of outstanding bank overdrafts, if any as they are considered an integral part of the Company's cash management.

### (i) Impairment of non-financial assets - property, plant and equipment

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

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

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

### (j) Foreign currencies

#### Transactions and translation

Transactions in foreign currencies are recorded at the exchange rate prevailing on the date of transaction. Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date. Exchange differences arising on settlement or translation of monetary items are recognised in Statement of Profit and Loss except to the extent of exchange differences which are regarded as an adjustment to

interest costs on foreign currency borrowings and that are directly attributable to the acquisition or construction of qualifying assets, are capitalised 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 Statement of Profit or Loss are also recognised in OCI or Statement of Profit or Loss, respectively).

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

### (k) Revenue recognition

The Company earns revenue i.e. infrastructure provisioning fees (IP Fees) and related income primarily from providing passive infrastructure and related services. Revenue is recognised when the Company satisfies the performance obligation by transferring the promised services to the customers. IP Fees are recognised as and when services are rendered on a monthly basis as per the contractual terms prescribed under master services agreement entered with customers. Revenue is recognised to the extent it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured, regardless of when the payment is being made. Revenues from fixed-price and fixed-time frame contracts, where the performance obligations are satisfied over time and where there is no uncertainty

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

as to measurement or collectability of consideration, are recognised to the extent the Company has rendered the services, as per the contractual arrangements. Revenue is measured at the fair value of the consideration received or receivable in exchange for transferring the promised services, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government.

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

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

**Interest income**

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

**Dividends**

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

**(I) Financial instruments****i) Financial assets****A. Initial recognition and measurement:**

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

**B. Subsequent measurement****a) Financial assets carried at amortised cost (AC)**

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

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

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

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

**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 recognised initially at fair value and in case of borrowings, net of directly attributable cost. Fees of recurring nature are directly recognised in Statement of Profit and Loss as finance cost.

**B. Subsequent measurement:**

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

**C. Derivative financial instruments and hedge accounting :**

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

in Statement of Profit and Loss depends on the nature of the hedged item.

The Company designates certain hedging instruments, which includes derivatives in respect of foreign currency as either cash flow hedge or fair value hedge. At the inception of the hedge relationship, the Company documents the relationship between the hedging instrument and the hedged item, along with its risk management objectives and its strategy for undertaking the said transactions. Furthermore, at the inception of the hedge and on an ongoing basis, the Company documents whether the hedging instrument is highly effective in offsetting changes in fair values or cash flows of the hedged item attributable to the hedged risk. The effectiveness of hedging instruments to reduce the risk associated with the exposure being hedged is assessed and measured at inception and on an ongoing basis (including its analysis of the sources of hedge ineffectiveness and how it determines the hedge ratio). The ineffective portion of designated hedges is recognised immediately in the Statement of Profit and Loss.

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

**Fair Value Hedge**

Changes in the fair value of the designated portion of derivatives that qualify as fair value hedges are recognised in the statement of profit and loss immediately, together with any changes in the fair value of the hedged asset or liability that are attributable to the hedged risk. The change in the fair value of the designated portion of hedging instrument and the change in the hedged item attributable to hedged risk

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

are recognised in the statement of profit and loss in the line item relating to the hedged item. When the Company designates only the intrinsic value of the option as the hedging instrument, it accounts for the changes in the time value in OCI. This amount is removed from OCI and recognised in statement of profit and loss, either over the period of the hedge if the hedge is time related, or when the hedged transaction affects Statement of Profit and Loss if the hedge is transaction related.

#### Cash Flow Hedge

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

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

of the underlying transaction. If the forecasted transaction is no longer expected to occur, then the amount accumulated in cash flow hedging reserve is reclassified in the Statement of Profit and Loss.

#### (m) Earnings per share

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

#### (n) Cash flow statement

Cash flows are reported using indirect method, whereby net profits / loss before tax is adjusted for the effects of transactions of a non-cash nature and any deferrals or accruals of past or future cash receipts or payments and items of income or expenses associated with investing or financing cash flows. The cash flows from regular revenue generating (operating activities), investing and financing activities of the Company 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 Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made.

#### (p) Fair value measurement

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

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

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 categorised within the fair value hierarchy, described as follows,

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

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

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

**(q) Retirement benefits**

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

**Defined contribution plan**

A defined contribution plan is a post-employment benefit plan under which the Company pays specified contributions

to a separate entity. The Company makes specified monthly contributions towards Provident Fund. The Company's contribution is recognised as an expense in the Statement of Profit and Loss during the period in which the employee renders the related service.

**Defined benefit plan**

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

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

Remeasurement as a result of experience adjustments and changes in actuarial assumptions are recognised in the Statement of Profit and Loss.

**2.3 Critical accounting judgements and key sources of estimation uncertainty:**

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

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

**(a) Depreciation and useful lives of property, plant and equipment**

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

**(b) Asset retirement obligation**

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

**(c) Revenue from operations**

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

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

**(d) Recoverability of trade receivable**

Judgements are required in assessing the recoverability of overdue trade receivables and determining whether a provision against those receivables is required. Factors considered include the credit rating of the counterparty, the contractual terms, the amount and timing of anticipated future payments and any possible actions

that can be taken to mitigate the risk of non-payment.

**(e) Provisions**

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

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

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

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

**(g) Leases****As a lessee - determination of lease term**

The Company determines the lease term as the non-cancellable period of a lease, together with both periods covered by an

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

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

**(h) Recognition of deferred tax assets and liabilities**

Deferred tax assets and liabilities are recognised for deductible temporary

differences and unused tax losses for which there is probability of utilisation against the future taxable profit. The Company 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.

**New Standards and interpretations issued but not yet applicable:**

Corporate Affairs (MCA) notifies new standard or amendments to the existing standards. On March 23, 2022, the MCA has notified Companies (Indian Accounting Standard) Amendment Rules, 2022. The notification has resulted into amendments in the following existing accounting standards which are applicable to the company from April 01, 2022.

- i. Ind AS 101 – First time adoption of Ind AS
- ii. Ind AS 103 – Business Combination
- iii. Ind AS 109 – Financial Instrument
- iv. Ind AS 16 – Property, Plant and Equipment
- v. Ind AS 37 – Provisions, Contingent Liabilities and Contingent Assets
- vi. Ind AS 41 - Agriculture

Application of above standards are not expected to have any significant impact on the financial Statements of the Company.

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

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

(₹ in Million)

Particulars	Freehold Land (refer note ii and 41)	Leasehold Improvements	Computers	Plant and Equipments (refer note i)	Office Equipments	Furniture and Fixtures	Total
<b>Gross carrying value as at April 1, 2020</b>	<b>120</b>	<b>-</b>	<b>-</b>	<b>4,04,829</b>	<b>-</b>	<b>-</b>	<b>4,04,949</b>
Addition during the year	-	-	6	12,376	-	-	12,382
Deletion during the year	-	-	-	-	-	-	-
<b>Gross carrying value as at March 31, 2021</b>	<b>120</b>	<b>-</b>	<b>6</b>	<b>4,17,205</b>	<b>-</b>	<b>-</b>	<b>4,17,331</b>
Addition during the year	-	19	28	37,257	0	6	37,310
Deletion during the year	-	-	-	-	-	-	-
<b>Gross carrying value as at March 31, 2022</b>	<b>120</b>	<b>19</b>	<b>34</b>	<b>4,54,462</b>	<b>0</b>	<b>6</b>	<b>4,54,641</b>
<b>Accumulated Depreciation as at April 1, 2020</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>17,773</b>	<b>-</b>	<b>-</b>	<b>17,773</b>
Depreciation during the year	-	-	1	19,538	-	-	19,539
Deletion during the year	-	-	-	-	-	-	-
<b>Accumulated Depreciation as at March 31, 2021</b>	<b>-</b>	<b>-</b>	<b>1</b>	<b>37,311</b>	<b>-</b>	<b>-</b>	<b>37,312</b>
Depreciation during the year	-	4	8	13,167	0	1	13,180
Deletion during the year	-	-	-	-	-	-	-
<b>Accumulated Depreciation as at March 31, 2022</b>	<b>-</b>	<b>4</b>	<b>9</b>	<b>50,478</b>	<b>0</b>	<b>1</b>	<b>50,492</b>
<b>Net carrying value as at March 31, 2021</b>	<b>120</b>	<b>-</b>	<b>5</b>	<b>3,79,894</b>	<b>-</b>	<b>-</b>	<b>3,80,019</b>
<b>Net carrying value as at March 31, 2022</b>	<b>120</b>	<b>15</b>	<b>25</b>	<b>4,03,984</b>	<b>0</b>	<b>5</b>	<b>4,04,149</b>

(₹ in Million)

Particulars	As at March 31, 2022	As at March 31, 2021
Capital work in progress (Refer note iii)	29	18
Intangible assets under development (Refer note iv)	16	-

**Notes**

- (i) With effect from April 1, 2021, based on an internal assessment supported by a technical evaluation conducted by an independent external engineer, the Company has revised the estimated useful life of Plant and Equipments. The effect of the above change in the accounting estimate has been provided prospectively as per Ind AS 8 on "Accounting policies, Changes in Accounting Estimates and Errors". Consequently, depreciation for the year ended March 31, 2022 is lower by ₹ 7,557 Million.
- (ii) For properties mortgaged / hypothecated (refer note 15)

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

(iii) Ageing of Capital Work In Progress (CWIP):

(₹ in Million)

CWIP	As on March 31, 2022		As at March 31, 2021	
	Amount in CWIP for a period of:			
	Less than 1 year	Total	Less than 1 year	Total
Projects in progress	29	29	18	18

(iv) Ageing of Intangible Assets Under Development (IAUD):

(₹ in Million)

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

(v) None of the ongoing project costs have exceeded its original plan or is overdue as on the reporting date for both CWIP and Intangible assets under development.

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

### 4A Right of use assets (ROU)

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

(₹ in Million)

Particulars	Buildings	Land (refer note 41)	Total
Balance as on April 1, 2020	-	207	207
Additions during the year	106	-	106
Depreciation	(10)	(11)	(21)
<b>Balance as on March 31, 2021</b>	<b>96</b>	<b>196</b>	<b>292</b>
Additions during the year	113	-	113
Depreciation	(28)	(11)	(39)
<b>Balance as on March 31, 2022</b>	<b>181</b>	<b>185</b>	<b>366</b>

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

### 4B Lease liabilities

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

(₹ in Million)

Particulars	As at March 31, 2022	As at March 31, 2021
Current lease liabilities	33	18
Non-current lease liabilities	165	88
<b>Total</b>	<b>198</b>	<b>106</b>

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

The following is the movement in lease liabilities :

(₹ in Million)

Particulars	As at March 31, 2022	As at March 31, 2021
Balance as at the beginning of the year	106	-
Additions	113	106
Finance cost accrued during the year	11	4
Payment of lease liabilities	(32)	(4)
<b>Balance as at the end of the year</b>	<b>198</b>	<b>106</b>

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

(₹ in Million)

Particulars	As at March 31, 2022	As at March 31, 2021
Less than one year	46	26
One to five years	151	100
More than five years	45	-
<b>Total</b>	<b>242</b>	<b>126</b>

**5 OTHER FINANCIAL ASSETS - NON CURRENT**

(₹ in Million)

Particulars (Unsecured and considered good)	As at March 31, 2022	As at March 31, 2021
Security deposits	5,778	4,538
Bank deposits with more than 12 months maturity	59	33
<b>Total</b>	<b>5,837</b>	<b>4,571</b>

5.1 Bank deposits with more than 12 months maturity of ₹ 59 million (Previous year ₹ 33 million) have been pledged against bank guarantees issued to State Governments and other regulatory authorities.

**6 OTHER NON-CURRENT ASSETS**

(₹ in Million)

Particulars (Unsecured and considered good)	As at March 31, 2022	As at March 31, 2021
Advance Income Tax / TDS (refer note below)	301	253
Amount paid under protest - GST*	13,192	2,944
Prepaid expenses	46	39
<b>Total</b>	<b>13,539</b>	<b>3,236</b>

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

**Note:****a) Advance income tax:**

Balance at the start of the year	253	701
Income tax refund	-	(668)
Tax deducted at source during the year	48	220
<b>Balance at the end of the year</b>	<b>301</b>	<b>253</b>

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

(₹ in Million)

Particulars (Unsecured and considered good)	As at March 31, 2022	As at March 31, 2021
<b>b) Significant component of deferred tax asset / (liabilities):</b>		
<b>Deferred tax liabilities in relation to:</b>		
Written down value of Property, Plant and Equipment	(28,622)	(19,505)
Others	(24)	
<b>Deferred tax asset in relation to:</b>		
Cash Flow hedges and Fair Value hedges	269	-
Carried forward business losses and unabsorbed depreciation losses	46,873	29,488
<b>Total</b>	<b>18,496</b>	<b>9,983</b>

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

**c) The amount of unused tax losses for which no deferred tax asset is recognised:**
**Tax loss carried forward**

(₹ in Million)

Particulars	March 31, 2022	March 31, 2021
Depreciation loss (carried forward indefinitely)	73,491	39,667

**d) The amount of unused tax losses for which deferred tax is recognised**
**Tax loss carried forward**

(₹ in Million)

Particulars	March 31, 2022	March 31, 2021
Business loss (can be c/f till 2027-2028)	2,110	2,235
Business loss (can be c/f till 2028-2029)	3,482	3,820
Business loss (can be c/f till 2029-2030)	19,829	-
Depreciation loss (carried forward indefinitely)	87,330	71,444
<b>Total</b>	<b>1,12,751</b>	<b>77,499</b>
<b>Deferred tax assets on above</b>	<b>28,377</b>	<b>19,505</b>

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

(₹ in Million)

Particulars	March 31, 2022	March 31, 2021
Loss before tax	(33,059)	(23,380)
Applicable tax rate	25.17%	25.17%
Computed tax expense / (income)	(8,320)	(5,884)
<b>Tax effect on account of:</b>		
Unused tax losses for which no deferred tax assets is recognised	8,320	5,884
Income tax expense recognised in the statement of profit and loss	-	-

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

**7 CURRENT INVESTMENTS**

(₹ in Million)

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

**8 TRADE RECEIVABLES**

(₹ in Million)

Particulars (Unsecured and considered good)	As at March 31, 2022	As at March 31, 2021
Trade receivables	417	153
<b>Total</b>	<b>417</b>	<b>153</b>

**Ageing of trade receivables** [undisputed trade receivables (considered good)]

(₹ in Million)

Outstanding for following periods from due date of payment	As at March 31, 2022	As at March 31, 2021
Less than 6 months	264	-
6 months to 1 year	-	-
1 - 2 years	-	-
2 - 3 years*	-	153
More than 3 years*	153	-
<b>Total</b>	<b>417</b>	<b>153</b>

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

**9 CASH AND CASH EQUIVALENTS**

(₹ in Million)

Particulars	As at March 31, 2022	As at March 31, 2021
Balances with banks in current account	1,787	2,864
Fixed deposits with banks	4,000	7,050
<b>Total</b>	<b>5,787</b>	<b>9,914</b>

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

**10 BANK BALANCES OTHER THAN COVERED IN CASH AND CASH EQUIVALENTS**

(₹ in Million)

Particulars	As at March 31, 2022	As at March 31, 2021
Fixed deposits with banks	7	3
<b>Total</b>	<b>7</b>	<b>3</b>

Fixed deposits with bank of ₹ 7 million (previous year ₹ 3 million) have been pledged against bank guarantees issued to State Governments and other regulatory authorities.

**11 OTHER FINANCIAL ASSETS - CURRENT**

(₹ in Million)

Particulars (Unsecured and considered good)	As at March 31, 2022	As at March 31, 2021
Unbilled revenue*	4,311	4,531
Other receivables	53	-
<b>Total</b>	<b>4,364</b>	<b>4,531</b>

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

**12 OTHER CURRENT ASSETS**

(₹ in Million)

Particulars (Unsecured and considered good)	As at March 31, 2022	As at March 31, 2021
Balance with GST authorities	768	9,276
Prepaid expenses	818	655
Advance to vendors	1,887	1,658
<b>Total</b>	<b>3,473</b>	<b>11,589</b>

**13 SHARE CAPITAL**

(₹ in Million)

Particulars	As at March 31, 2022	As at March 31, 2021
<b>Authorised share capital :</b>		
3,000,000,000 Equity Shares of Re.1 each	3,000	3,000
100,000,000 Preference Shares of ₹10 each	1,000	1,000
	<b>4,000</b>	<b>4,000</b>
<b>Issued, subscribed and fully paid up:</b>		
2,150,000,000 (Previous year: 2,150,000,000) Equity Shares of Re.1 each	2,150	2,150
<b>Total</b>	<b>2,150</b>	<b>2,150</b>

**13.1 Terms, rights and restrictions attached to equity shares**

The Company has only one class of equity shares having face value of Re.1 each.

The Equity Shares of the Company, rank pari passu in all respects including voting rights and entitlement to dividend. Each holder of equity shares is entitled to one vote per share. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

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

## 13.2 The reconciliation of the number of Equity shares outstanding is set out below:

(₹ in Million)

Particulars (No. of shares)	As on March 31, 2022		As at March 31, 2021	
	Number of Shares	Amount	Number of Shares	Amount
Equity Shares at the beginning of the year	2,150	2,150	2,150	2,150
Add: Issue of Shares	-	-	-	-
<b>Equity Shares at the end of the year</b>	<b>2,150</b>	<b>2,150</b>	<b>2,150</b>	<b>2,150</b>

## 13.3 The details of Equity shareholders holding more than 5% shares:

Name of Shareholders	As on March 31, 2022		As at March 31, 2021	
	No. of Shares (in Million)	% held	No. of Shares (in Million)	% held
Data Infrastructure Trust (formerly known as Tower Infrastructure Trust) (Parent along with nominee) (refer note below)	2,150	100%	2,150	100%

**Note:**

As on April 1, 2020, Data Infrastructure Trust ("Parent / Trust") held 51% of the equity shares of the Company. On August 31, 2020, the Trust acquired remaining 49% of the Equity Shares from Reliance Industries Limited pursuant to the investment in the Trust majorly by BIF IV Jarvis India Pte. Limited, Singapore.

As on March 31, 2022 the Trust owns 100% of the equity shares of the Company.

## 13.4 Aggregate numbers of Equity Shares issued for consideration other than cash during the period of 5 years immediately preceding the reporting date:

Pursuant to the Scheme, (Refer Note 41) 2,000,000,000 Equity Shares of Re. 1 each were issued and allotted as fully paid, as consideration other than in cash, to Reliance Jio Infocomm Limited for the transfer and vesting of its Tower Undertaking.

## 13.5 Shares held by promoters as on March 31, 2022 :

(₹ in Million)

Promoter name	No. of Shares (in Million)	% of total shares	% Change during the year
Data Infrastructure Trust (formerly known as Tower Infrastructure Trust) (Parent along with nominee)	2,150	100%	No change

## Shares held by promoters as on March 31, 2021 :

(₹ in Million)

Promoter name	No. of Shares (in Million)	% of total shares	% Change during the year
Data Infrastructure Trust (formerly known as Tower Infrastructure Trust) (Parent along with nominee)	2,150	100%	49%

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

**14 OTHER EQUITY**

(₹ in Million)

Particulars	As at March 31, 2022	As at March 31, 2021
<b>Reserves and surplus</b>		
<b>Retained earnings</b>		
At the beginning of the year	(52,495)	(21,001)
Loss for the year	(33,059)	(23,380)
Other adjustments (Refer Note i and ii Below)	-	(8,114)
<b>Balance at end of the year (a)</b>	<b>(85,554)</b>	<b>(52,495)</b>
<b>Other comprehensive income</b>		
<b>Cash flow hedge reserve</b>		
At the beginning of the year	-	-
Fair value loss arising on hedging instrument during the year	(205)	-
Amounts reclassified to Statement of Profit and Loss	92	-
<b>Balance at end of the year (b)</b>	<b>(113)</b>	<b>-</b>
<b>Cost of hedging</b>		
At the beginning of the year	-	-
Changes in the fair value during the year in relation to time value of hedging instruments	(976)	-
Amounts reclassified to Statement of Profit and Loss	158	-
<b>Balance at end of the year (c)</b>	<b>(818)</b>	<b>-</b>
<b>Other items of other comprehensive income / (loss)</b>		
Remeasurement of defined benefit plans		
At the beginning of the year	-	-
Changes during the year	(2)	-
<b>Balance at end of the year (d)</b>	<b>(2)</b>	<b>-</b>
<b>Total (b+c+d)</b>	<b>(933)</b>	<b>-</b>
<b>TOTAL (a+b+c+d)</b>	<b>(86,487)</b>	<b>(52,495)</b>

**Notes:**

- (i) The Company had recorded Net current liability of ₹ 8,505 Million towards the working capital adjustment payable to Reliance Jio Infocomm Limited ("RJIL") under Amended and Restated Master Service Agreement ("MSA") with a corresponding impact to 'other equity' as this relates to aquisition transaction referred in note 13.3. As at March 31, 2022, Net current liability of ₹ 2,588 Million (As at March 31, 2021 - ₹ 4,681 Million) was payable to RJIL.
- (ii) These adjustments are in the nature of transaction with owners and will not impact distributions / dividends.
- (iii) Debenture Redemption Reserve (DRR) is not required to be created due to absence of profits available for payment of dividend during the current year. The Company has accumulated losses as at March 31, 2022.

**NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022 (Contd.)****(iv) The reconciliation of the number of 10% Cumulative Optionally Convertible Preference Shares is set out below:**

Particulars	As on March 31, 2022		As at March 31, 2021	
	No. of Shares	Amount	No. of Shares	Amount
Preference shares at the beginning of the year	-	-	50,000,000	500
Add: Issue of shares	-	-	-	-
Less: Reclassification due to modification in terms (refer note below)	-	-	(50,000,000)	(500)
Preference shares at the end of the year	-	-	-	-

**Note:**

The Company had outstanding 50,000,000 Cumulative, Participating, Optionally Convertible Preference Shares of ₹ 10/- each aggregating to ₹ 500,000,000 as on April 1, 2020. With effect from August 21, 2020, the terms of the Cumulative, Participating, Optionally Convertible Preference Shares of ₹ 10/- each were amended to Redeemable, Non-Participating, Non-Cumulative, Non-Convertible Preference Shares of ₹ 10/- each. The preference shares are mandatorily redeemable at par for an amount equal to the aggregate par value at the end of 20 years from the date of issuance i.e. March 31, 2039. Accordingly, the Preference Shares have been classified as a liability and have been recognised at the present value of redemption amounting to ₹ 137 Million as on March 31, 2022 (₹ 126 million as on March 31, 2021).

**(v) Nature and purpose of other reserves****a) Cash flow hedging reserve -**

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

**b) Costs of hedging reserve -**

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

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

### 15 BORROWINGS

(₹ in Million)

Particulars	As at March 31, 2022	As at March 31, 2021
<b>(I) Term Loans</b>		
(a) Secured:		
(i) From banks	90,423	62,115
Less: Unamortised finance cost	(1,419)	(1,714)
	<b>89,004</b>	<b>60,401</b>
(ii) From others	2,851	3,000
Less: Unamortised finance cost	(59)	(36)
	<b>2,792</b>	<b>2,964</b>
(b) Unsecured:		
(i) From Parent - Data Infrastructure Trust (formerly known as Tower Infrastructure Trust) (refer note 32)	2,50,000	2,50,000
<b>(II) Redeemable Non Convertible Debentures (Secured)</b>	82,192	1,18,360
Less: Unamortised finance cost	(53)	-
	<b>82,139</b>	<b>1,18,360</b>
<b>(III) Senior Secured Notes (Secured)</b>	37,879	-
Less: Unamortised finance cost	(752)	-
	<b>37,127</b>	<b>-</b>
<b>(IV) Liability component of compound financial instrument -</b>		
Non-cumulative Redeemable Preference shares (refer note 14(iv))	137	126
<b>Total</b>	<b>4,61,199</b>	<b>4,31,851</b>

#### Year ended March 31, 2022

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

- ₹ 24,649 million of loan, carrying interest rate of 1Y MCLR + 70bps p.a. repayable till September 01, 2032 in 40 equal consecutive quarterly instalments starting from December 2022. In addition to the security disclosed in note (v) below, secured by a first charge by way of hypothecation on the Designated Accounts of the Company for receipt of Receivables and all proceeds lying to the credit thereof from time to time and deposits maintained utilising funds from the Designated Accounts.
- ₹ 8,000 million of loan, carrying interest rate of 1Y MCLR + 45 bps p.a. repayable till September 1, 2032 in 40 equal consecutive quarterly instalments starting from December 2022.
  - ₹ 5,000 million of loan, carrying fixed interest rate of 6.30 % p.a. for three years from date of first disbursement or June 30, 2024. From July 1, 2024 interest rate will be 1Y MCLR + 45 bps p.a. repayable till September 1, 2032 in 40 equal consecutive quarterly instalments starting from December 2022.
  - ₹ 7,356 million of loan, carrying interest rate of 1Y MCLR + 10 bps p.a. repayable till September 01, 2032 in 40 equal consecutive quarterly instalments starting from December 2022.

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

- ₹ 6,000 million of loan, carrying interest rate of 1Y MCLR + 65 bps p.a. repayable till September 1, 2032

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

- in 40 equal consecutive quarterly instalments starting from December 2022.
- (b) ₹ 4,680 million of loan, carrying interest rate of 1Y MCLR + 0 bps p.a. repayable till September 1, 2032 in 40 equal consecutive quarterly instalments starting from December 2022.
- (c) ₹ 4,500 million of loan, carrying interest rate of 1Y MCLR + 20 bps p.a. repayable till September 1, 2032 in 40 equal consecutive quarterly instalments starting from December 2022.
4. (a) ₹ 12,000 million of loan, carrying interest rate of 1Y MCLR + 75 bps p.a. repayable till September 1, 2032 in 40 equal consecutive quarterly instalments starting from December 2022.
- (b) ₹ 10,000 million of loan, carrying interest rate of Repo rate (Quarterly reset) + 225 bps p.a. repayable till September 1, 2032 in 40 equal consecutive quarterly instalments starting from December 2022.
- (c) ₹ 7,000 million of loan, carrying fixed interest rate of 6.15% p.a. for next 3 years and floating interest rate of 1Y MCLR + 75 bps p.a. thereafter until maturity repayable till September 01, 2032. The loan is repayable in 40 equal consecutive quarterly instalments starting from December 2022.
5. ₹ 3,000 million of loan, carrying interest rate of 1Y BPLR - 195 bps p.a. repayable till September 1, 2032 in 39 equal consecutive quarterly instalments (covering 97% of loan) and last instalment for balance 3% of loan starting from December 2022.

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

6. ₹ 5,997 million of loan, carrying interest rate of 1Y MCLR + 35 bps p.a. repayable till September 1, 2032 in 39 equal consecutive quarterly instalments (covering 98% of loan) and last instalment for balance 2% of loan starting from December 2022.
- (ii) Unsecured Loan from Data Infrastructure Trust (formerly known as Tower Infrastructure Trust):

₹ 2,50,000 million of shareholder loan carrying interest rate of 9.5% p.a. and under the terms of this loan, the rate of interest increases to 15% p.a. after certain operational thresholds are met. These thresholds were met in April, 2021 and, accordingly, the rate of interest has increased effective that date.

The interest and principal is payable subject to availability of surplus cash with the Company.

If payment of any amount due and payable to the Data Infrastructure Trust ("Lender") ("Parent") is not made on the respective due date, interest shall accrue on the unpaid sum from the respective due date up to the date of actual payment at a rate of 0.5% p.a. and the applicable interest rate, at the option of the lender.

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

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

1. 118,360 (SBI 1Y MCLR + 0.97% p.a.) Secured Redeemable Non-Convertible Debentures (Series PPD 5) ("NCDs") of face value of ₹1,000,000 each redeemable at par, on or before August 31, 2032. The NCDs are redeemable at par in 40 equal quarterly consecutive instalments of ₹ 2,959 million.

With respect to the listed NCDs, the holders have the ability in certain circumstances to opt for early redemption of all or part of the NCDs at par. This option is available 2 years after the date of allotment but 6 months before expiry. The terms of the NCD also give an option to the Company for early redemption on maximum 20,000 NCDs at par and before expiry of 6 months from date of allotment either in full or in part after the expiry of six months from the date of allotment.

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

In addition to the security disclosed in note (v) below, Secured by first ranking charge pari-passu with all existing and future secured debt of the Company on all (a) Receivables and rights appurtenant thereto; (b) the designated accounts of the Company for receipt of all payments under the Master Services

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

Agreement entered into with Reliance Jio Infocomm Limited by the Company and all proceeds lying to the credit thereof from time to time; over which the security interest is created under hypothecation in favour of / for the benefit of the Debenture Holder(s).

2. 6.59 % p.a., 15,000 secured, redeemable, listed and rated non-convertible debentures of a nominal value of ₹ 1,000,000 each redeemable at single instalment at par on June 16, 2026. However the Company has right to buyback all or part of the Debentures on any day before the final redemption date.  
In addition to the security disclosed in note (v) below, Secured by way of first ranking pari-passu charge on receivables of the Company pursuant to the Master Services Agreement and all rights appurtenant thereto.
  3. 7.40% p.a., 6,500 secured, redeemable, listed and rated non-convertible debentures of a nominal value of ₹ 1,000,000 each redeemable at single instalment at par on September 28, 2028. However the Company has right to buyback all or part of the Debentures on any day before the final redemption date.  
In addition to the security disclosed in note (v) below, Secured by way of first ranking pari-passu charge on receivables of the Company pursuant to the Master Services Agreement and all rights appurtenant thereto.
  4. 7.62% p.a., 10,000 secured, redeemable, listed and rated non-convertible debentures of a nominal value of ₹ 1,000,000 each redeemable at single instalment at par on November 22, 2030. However the Company has right to buyback all or part of the Debentures on any day before the final redemption date.  
In addition to the security disclosed in note (v) below, Secured by way of first ranking pari-passu charge on receivables of the Company pursuant to the Master Services Agreement and all rights appurtenant thereto.
- (iv) The Company has issued offshore USD 500 million Senior Secured Notes listed on Singapore stock exchange with amount of ₹ 37,110 million. The notes are repayable on August 12, 2031 in single instalment. At any time prior to August 12, 2030, the Company has the option to redeem up to 40% of the aggregate principal amount of the notes with proceeds from equity offerings at a redemption price of 102.875% of the principal amount of the notes, plus accrued and unpaid interest, if any, to the redemption date August 12, 2031. These notes carries interest rate of 2.875% p.a. payable every six months in August and February.  
In addition to the security disclosed in note (v) below, the rights of the Company in the receivables are provided as collateral.
- (v) All the term loans from banks and financial institutions, Secured Redeemable Non-Convertible Debentures and Senior Secured Notes are secured by first ranking pari passu charge by way of hypothecation on the following assets:
- (a) All movable fixed assets (present and future) of the Company;
  - (b) All current assets (present and future) of the Company; and
  - (c) All rights of the Company under the Material Documents.

### Year ended March 31, 2021

- (i) Secured Loans from Banks and Financial Institutions consist of:
1. ₹ 14,115 million of loan, carrying interest rate of 1Y MCLR + 70bps p.a. repayable till September 1, 2032 in 40 equal consecutive quarterly instalments starting from December 2022. In addition to the security disclosed in note (iv) below, secured by a first charge by way of hypothecation on the Designated Accounts of the Company for receipt of Receivables and all proceeds lying to the credit thereof from time to time and deposits maintained utilising funds from the Designated Accounts.
  2. ₹ 6,000 million of loan, carrying interest rate of 1Y MCLR + 50bps p.a. repayable till September 1, 2032 in 40 equal consecutive quarterly instalments starting from December 2022.
  3. ₹ 8,000 million of loan, carrying interest rate of 1Y MCLR + 45 bps p.a. repayable till September 1, 2032 in 40 equal consecutive quarterly instalments starting from December 2022.  
In addition to the security disclosed in note (iv) below, secured by way of hypothecation (to the extent it can be hypothecated) of all rights, titles, interests, benefits, claims and demands whatsoever of the Company under all the Major Contracts / licenses entered into (which do not require a no objection certificate /consent/approval from Department of Telecommunications/ Telecom Regulatory Authority of India).
  4. ₹ 3,000 million of loan, carrying interest rate of 1Y MCLR + 75 bps p.a. repayable till September 1, 2032 in

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

40 equal consecutive quarterly instalments starting from December 2022.

5. ₹ 6,000 million of loan, carrying interest rate of 1Y MCLR + 65 bps p.a. repayable till September 1, 2032 in 40 equal consecutive quarterly instalments starting from December 2022.
6. ₹ 12,000 million of loan, carrying interest rate of 1Y MCLR + 75 bps p.a. repayable till September 1, 2032 in 40 equal consecutive quarterly instalments starting from December 2022.
7. ₹ 7,000 million of loan, carrying fixed interest rate of 6.15% p.a. for next 3 years and floating interest rate of 1Y MCLR + 75 bps p.a. thereafter until maturity repayable till September 1, 2032. The loan is repayable in 40 equal consecutive quarterly instalments starting from December 2022.
8. ₹ 3,000 million of loan, carrying interest rate of 1Y BPLR - 195 bps p.a. repayable till September 1, 2032 in 40 consecutive quarterly instalments starting from December 2022.

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

9. ₹ 6,000 million of loan, carrying interest rate of 1Y MCLR + 35 bps p.a. repayable till September 1, 2032 in 40 equal consecutive quarterly instalments starting from December 2022.
- (ii) Unsecured Loan from Data Infrastructure Trust (formerly known as Tower Infrastructure Trust):
- ₹ 2,50,000 million of shareholder loan carrying interest rate of 9.5% p.a. and under the terms of this loan, the rate of interest increases to 15% p.a. after certain operational thresholds are met.

The interest and principal is payable subject to availability of surplus cash with the Company.

If payment of any amount due and payable to the Data Infrastructure Trust ("Lender") ("Parent") is not made on the respective due date, interest shall accrue on the unpaid sum from the respective due date up to the date of actual payment at a rate of 0.5% p.a. and the applicable interest rate, at the option of the lender.

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

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

118,360 (SBI 1Y MCLR + 0.97% p.a.) Secured Redeemable Non-Convertible Debentures (Series PPD 5) ("NCDs") of face value of ₹1,000,000 each redeemable at par, on or before August 31, 2032. The NCDs are redeemable at par in 40 equal quarterly consecutive instalments of ₹ 2,959 million.

With respect to the listed Non-Convertible Debentures, the holders have the ability in certain circumstances to opt for early redemption of all or part of the NCDs at par. This option is available 2 years after the date of allotment but 6 months before expiry. The terms of the NCD also give an option to the Company for early redemption on maximum 20,000 NCDs at par and before expiry of 6 months from date of allotment either in full or in part after the expiry of six months from the date of allotment.

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

- (iv) All the term loans from banks and financial institutions and the Secured Redeemable Non-convertible Debentures are secured by first ranking pari passu charge by way of hypothecation on the following assets:

- (a) All movable fixed assets (present and future) of the borrower;
- (b) All current assets (present and future) of the borrower; and
- (c) All rights of the borrower under the Material Documents,

(The security creation in respect of Secured Redeemable Non-convertible Debentures has been completed subsequent to March 31, 2021.)

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

**16 PROVISION**

(₹ in Million)

Particulars	As on March 31, 2022		As at March 31, 2021	
	Non-Current	Current	Non-Current	Current
Asset retirement obligation (refer note 30)	13,236	-	11,234	-
Provision for gratuity and leave encashment (refer note 31)	19	1	1	4
<b>Total</b>	<b>13,255</b>	<b>1</b>	<b>11,235</b>	<b>4</b>

**17 SHORT - TERM BORROWINGS**

(₹ in Million)

Particulars	As at March 31, 2022	As at March 31, 2021
Current maturities of long term debt (secured) (refer note 15)	7,316	-
<b>Total</b>	<b>7,316</b>	<b>-</b>

**18 TRADE PAYABLES**

(₹ in Million)

Particulars	As at March 31, 2022	As at March 31, 2021
Total outstanding dues of micro enterprises and small enterprises (MSME) (refer note 29)	3	0
Total outstanding dues of creditors other than micro enterprises and small enterprises	2,996	1,945
<b>Total</b>	<b>2,999</b>	<b>1,945</b>

**Ageing of trade payables (undisputed trade payables)**

**As at March 31, 2022**

(₹ in Million)

Particulars	Outstanding for following periods from the date of transaction					Total
	Not due	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	
(i) MSME	-	3	-	-	-	3
(ii) Others	1,832	903	148	113	0	2,996
<b>Total</b>	<b>1,832</b>	<b>906</b>	<b>148</b>	<b>113</b>	<b>0</b>	<b>2,999</b>

**As at March 31, 2021**

(₹ in Million)

Particulars	Outstanding for following periods from the date of transaction					Total
	Not due	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	
(i) MSME	-	0	-	-	-	0
(ii) Others	711	1,056	178	0	-	1,945
<b>Total</b>	<b>711</b>	<b>1,056</b>	<b>178</b>	<b>0</b>	<b>-</b>	<b>1,945</b>

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

**19 OTHER FINANCIAL LIABILITIES**

(₹ in Million)

Particulars	As on March 31, 2022		As at March 31, 2021	
	Non-Current	Current	Non-Current	Current
Derivatives - Call options	463	475	-	-
Derivatives - Coupon only swaps	-	129	-	-
Interest accrued but not due	-	21,938	-	4,029
Security deposit	11,216	-	-	10,173
Capital creditors	-	311	-	-
Others	-	-	-	506
<b>Total</b>	<b>11,679</b>	<b>22,853</b>	<b>-</b>	<b>14,708</b>

**20 OTHER CURRENT LIABILITIES**

(₹ in Million)

Particulars	As at March 31, 2022	As at March 31, 2021
Other liabilities (refer note 14 (i))	2,588	4,681
Statutory liabilities	1,599	141
<b>Total</b>	<b>4,187</b>	<b>4,822</b>

**21 REVENUE FROM OPERATIONS**

(₹ in Million)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Sale of services (Refer Note 38)	97,651	82,442
<b>Total</b>	<b>97,651</b>	<b>82,442</b>

**22 OTHER INCOME**

(₹ in Million)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Interest income on fixed deposits	261	64
Interest on income tax refund	-	40
Gain on sale of investments	16	49
Net gains from Investments at FVTPL	1	-
Others	40	-
<b>Total</b>	<b>318</b>	<b>153</b>

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

**23 NETWORK OPERATING EXPENSES**

(₹ in Million)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Power and fuel	39,312	33,108
Rent	14,819	13,241
Repairs and maintenance	6,516	5,011
Other network related expense	7	-
<b>Total</b>	<b>60,654</b>	<b>51,360</b>

**24 EMPLOYEE BENEFITS EXPENSE**

(₹ in Million)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Salaries and wages	545	158
Contribution to provident fund and other funds (refer note 31)	17	4
Staff welfare expenses	13	1
Gratuity (refer note 31)	4	1
<b>Total</b>	<b>579</b>	<b>164</b>

**25 FINANCE COSTS**

(₹ in Million)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Interest on:		
Borrowings	53,539	33,831
Lease	11	4
Exchange loss (attributable to finance cost)	769	409
Other borrowing cost	825	346
<b>Total</b>	<b>55,144</b>	<b>34,590</b>

**26 DEPRECIATION AND AMORTISATION EXPENSE**

(₹ in Million)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Depreciation on property, plant and equipment	13,180	19,539
Depreciation on right to use assets	39	21
<b>Total</b>	<b>13,219</b>	<b>19,560</b>

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

**27 OTHER EXPENSES**

(₹ in Million)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Legal and professional fees	214	152
Rates and taxes	7	18
Payment to Auditors (Refer Note 37)	19	11
Travelling expenses	16	3
Balances written off	1,089	-
Exchange loss (net)	7	-
Ineffectiveness on derivatives designated as cashflow hedge	2	-
Miscellaneous expenses	78	117
<b>Total</b>	<b>1,432</b>	<b>301</b>

**28 EARNINGS PER SHARE (EPS)**

(₹ in Million except per share data)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
i. Net loss after tax as per Statement of Profit and Loss attributable to Equity Shareholders	(33,059)	(23,380)
ii. Weighted average number of equity shares used as denominator for calculating EPS	2,150	2,150
iii. Basic earnings per share (₹)	(15.38)	(10.87)
iv. Diluted earnings per share (₹)	(15.38)	(10.87)
v. Face value per equity share (Re.)	1	1

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

### 29 DUES TO MICRO, SMALL AND MEDIUM ENTERPRISES AS DEFINED UNDER THE MSMED ACT, 2006

Below is the Company outstanding dues to the micro, small and medium enterprises as defined in Micro, Small and Medium Enterprises Development Act, 2006. The identification of micro and small enterprises is based on information available with the management.

(₹ in Million)

Particulars	As at March 31, 2022	As at March 31, 2021
a Principal amount due to micro and small enterprises	3	-
b Interest due on above	-	-
c The amount of interest paid by the buyer in terms of section 16 of the MSMED Act 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year.	-	-
d The amount of interest due and payable for the year of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act 2006.	-	-
e The amount of interest accrued and remaining unpaid at the end of each accounting year.	-	-
f The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the MSMED Act 2006.	-	-

### 30 ASSETS RETIREMENT OBLIGATION (ARO)

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

#### Movement in assets retirement obligation (ARO)

(₹ in Million)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
At beginning of the year	11,234	10,854
Addition during the year	2,002	380
<b>At end of the year</b>	<b>13,236</b>	<b>11,234</b>

### 31 AS PER INDIAN ACCOUNTING STANDARD 19 "EMPLOYEE BENEFITS" THE DISCLOSURES AS DEFINED ARE GIVEN BELOW :

#### Defined contribution plans

Contribution to defined contribution plans, recognised as expense for the year is as under :

(₹ in Million)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Employer's contribution to Provident Fund	17	4

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

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

**I) Reconciliation of opening and closing balances of Defined Benefit Obligation**

(₹ in Million)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Defined benefit obligation at beginning of the year	1	-
Add : Transfers	-	-
Current service cost	4	1
Interest cost	0	-
Actuarial (gain) / loss	2	-
<b>Defined benefit obligation at year end</b>	<b>7</b>	<b>1</b>

**II) Reconciliation of fair value of assets and obligations**

(₹ in Million)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Fair value of plan assets	-	-
Present value of obligation	7	1
<b>Amount recognised in Balance Sheet</b>	<b>7</b>	<b>1</b>

**III) Expenses recognised during the year**

(₹ in Million)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Current service cost	4	1
Interest cost	0	-
Actuarial (gain) / loss	-	-
<b>Net cost</b>	<b>4</b>	<b>1</b>

IV) The actuarial liability for compensated absences as at March 31, 2022 is ₹ 13 million (March 31, 2021: ₹ 4 million).

**V) Actuarial assumptions**

(₹ in Million)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Mortality Table	IALM (2012-14) Ultimate	IALM (2012-14) Ultimate
Withdrawal rate	10%	10%
Retirement age (years)	65	65
Discount rate (per annum)	6.95%	6.41%
Rate of escalation in salary (per annum)	8.00%	8.00%

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

**VI) Maturity Profile**

(₹ in Million)

Particulars	As at March 31, 2022	As at March 31, 2021
Average expected future working life (years)	8.77	8.73
<b>Expected future cashflows</b>		
Year 1	0.04	0.01
Year 2	0.04	0.01
Year 3	0.04	0.01
Year 4	0.96	0.01
Year 5	0.80	0.43
Year 6 to year 10	3.88	0.52
Above 10 Years	3.97	0.56

**VII) Sensitivity analysis**

(₹ in Million)

Particulars	As at March 31, 2022	As at March 31, 2021
<b>Discount rate</b>		
a. Discount rate - 100 basis points	8	1
a. Discount rate - 100 basis points impact (%)	10.46%	9.78%
b. Discount rate + 100 basis points	6	1
b. Discount rate + 100 basis points impact (%)	(9.10%)	(8.59%)
<b>Salary increase rate</b>		
a. rate - 100 basis points	6	1
a. rate - 100 basis points impact (%)	(9.51%)	(8.54%)
b. rate + 100 basis points	8	1
b. rate + 100 basis points impact (%)	10.76%	9.53%

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

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

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

**NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022 (Contd.)****32 RELATED PARTY DISCLOSURES**

As per Ind AS 24, the disclosures of transactions with the related parties are given below:

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

**(i) Name of Related Party**

<b>Entity which exercises control on the Company</b>	
Brookfield Asset Management (from August 31, 2020)	Ultimate Parent
Data Infrastructure Trust (formerly known as Tower Infrastructure Trust)	Parent
<b>Entity under common control (Fellow Subsidiary)</b>	
Space Teleinfra Private Limited (w.e.f. March 10, 2022)	
<b>Members of same group w.e.f. August 31, 2020</b>	
BIF IV Jarvis India Pte Limited, Singapore	
Equinox Business Parks Private Limited	
Vrihis Properties Private Limited (Brookfield Real Estate)	
RMZ Infotech Private Limited	
Schloss Udaipur Private Limited	
Schloss Chennai Private Limited	
Schloss Bangalore Private Limited	
Schloss Chanakya Private Limited	
<b>Key Managerial Personnel</b>	
Ratnesh Rukhariyar (Resigned w.e.f. August 31, 2020)	Non-executive Director
Venkataraman Ramachandran (Resigned w.e.f. August 31, 2020)	Non-executive Director
Thriveni Shetty (Resigned w.e.f. August 31, 2020)	Non-executive Director
Mihir Nerurkar (Appointed w.e.f. August 31, 2020)	Non-executive Director
Jeffrey Wayne Kendrew (Appointed w.e.f. August 31, 2020)	Non-executive Director
Arpit Agrawal (Appointed w.e.f. August 31, 2020)	Non-executive Director
Dhananjay Joshi (Appointed w.e.f. September 1, 2020)	Managing Director and Chief Executive Officer
Rishi Tibriwal (Appointed w.e.f. September 1, 2020 and resigned w.e.f. July 15, 2021)	Chief Financial Officer
Dinesh Jain (Appointed w.e.f. September 21, 2021)	Chief Financial Officer
Priyadarshi Sidhartha (Appointed w.e.f. September 25, 2020 and resigned w.e.f. January 31, 2021)	Company Secretary
Chandra Kant Sharma (Appointed w.e.f. February 1, 2021)	Company Secretary

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

**(ii) Transactions during the year with related parties**

(₹ in Million)

Sr No	Particulars	Relationship	Year ended March 31, 2022	Year ended March 31, 2021
<b>1</b>	<b>Loan Taken</b>			
	Data Infrastructure Trust (formerly known as Tower Infrastructure Trust)	Entity which exercises control on the Company	-	2,50,000
<b>2</b>	<b>Interest expense</b>			
	Data Infrastructure Trust (formerly known as Tower Infrastructure Trust)	Entity which exercises control on the Company	39,042	13,860
<b>3</b>	<b>Working Capital adjustment</b>	Refer Note 14(i)	-	8,505
<b>4</b>	<b>Payment to Key Managerial Personnel:</b>			
	Dhananjay Joshi (Appointed w.e.f. September 1, 2020)		34	13
	Priyadarshi Sidhartha (Appointed w.e.f. September 25, 2020 and resigned w.e.f. January 31, 2021)		-	2
	Dinesh Jain (Appointed w.e.f. September 21, 2021)		11	-
	Chandra Kant Sharma (Appointed w.e.f. February 1, 2021)		3	0
<b>5</b>	<b>Deposit paid</b>			
	Equinox Business Parks Private Limited	Members of same group	-	14
<b>6</b>	<b>Expenses Incurred</b>			
	Equinox Business Parks Private Limited	Members of same group	30	5
	Vrihis Properties Private Limited (Brookfield Real Estate)	Members of same group	8	12
	Schloss Bangalore Private Limited	Members of same group	0	-
	Schloss Udaipur Private Limited	Members of same group	1	1
	Schloss Chennai Private Limited	Members of same group	1	2
	Schloss Chanakya Private Limited	Members of same group	1	1

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

## (iii) Balance as at year ended

(₹ in Million)

Sr No	Particulars	Relationship	As at March 31, 2022	As at March 31, 2021
<b>1</b>	<b>Loan payable</b>			
	Data Infrastructure Trust (formerly known as Tower Infrastructure Trust)	Entity which exercises control on the company	2,50,000	2,50,000
<b>2</b>	<b>Deposit receivable</b>			
	Equinox Business Parks Private Limited	Members of same group	14	14
	RMZ Infotech Private Limited	Members of same group	0	-
	Schloss Chennai Private Limited	Members of same group	0	-
<b>3</b>	<b>Payable</b>			
	Vrihis Properties Private Limited (Brookfield Real Estate)	Members of same group	(0)	0
	Equinox Business Parks Private Limited	Members of same group	(0)	-
	Schloss Chennai Private Limited	Members of same group	-	0
	Schloss Bangalore Private Limited	Members of same group	(0)	-
	Schloss Chanakya Private Limited	Members of same group	(0)	0
	Data Infrastructure Trust (formerly known as Tower Infrastructure Trust) - Interest Payable	Entity which exercises control on the Company	20,562	3,494

**Compensation of Key Management Personnel**

The remuneration of key management personnel during the year was as follows:

(₹ in Million)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
i) Short-term benefits (Refer Note i below)	62	15
ii) Post employment benefits (Refer Note ii below)	-	-
	<b>62</b>	<b>15</b>

**Note -**

- This includes provision towards short-term benefit employee expense.
- Post employment benefits are actuarially determined on overall basis and hence not separately provided.

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

### 33 CONTINGENT LIABILITIES AND COMMITMENTS

#### (i) Contingent liabilities

Municipal Tax:

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

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

#### (ii) Commitments

Particulars	(₹ in Million)	
	Year ended March 31, 2022	Year ended March 31, 2021
Estimated amount of contracts remaining to be executed on Capital account not provided for	42,130	74,809

The Company's network operating expenses include repairs and maintenance for which the Company has entered into an operations and maintenance agreement for 30 years. Costs are recognised as services are rendered by the service provider.

### 34 FINANCIAL INSTRUMENTS

#### A. Capital management

The Company adheres to a disciplined capital management framework, the pillars of which are as follows:

- i) Maintain diversity of sources of financing and spreading the maturity across tenure buckets in order to minimize liquidity risk.
- ii) The primary objective of the Company's capital management is to ensure that it maintains a strong credit rating and healthy capital ratios in order to support its business and maximise shareholder value.
- iii) Manage financial market risks arising from foreign exchange and interest rates, and minimise the impact of market volatility on earnings.

#### Net Gearing Ratio

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

Particulars	(₹ in Million)	
	As at March 31, 2022	As at March 31, 2021
Debt (refer note (i))	4,68,515	4,31,851
Cash and cash equivalents (refer note 9)	(5,787)	(9,914)
<b>Net debt (A)</b>	4,62,728	4,21,937
<b>Total Equity (B)</b>	(84,337)	(50,345)
<b>Net Gearing ratio (A/B)*</b>	-	-

\*Net debt to equity ratio cannot be calculated as the total equity is negative.

**Note:** (i) Debt is defined as long - term and short - term borrowings as described in note 15 and 17.

**NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022 (Contd.)****B. Categories of financial instruments and fair value measurement hierarchy:**

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

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

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

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

(₹ in Million)

Particulars	As on March 31, 2022			As at March 31, 2021		
	Carrying amount	Fair value hierarchy Level of input used in		Carrying amount	Fair value hierarchy Level of input used in	
		Level 1	Level 2		Level 1	Level 2
<b>Financial assets:</b>						
<b>At Amortised Cost:</b>						
Trade receivables	417	-	-	153	-	-
Cash and cash equivalents	5,787	-	-	9,914	-	-
Other bank balances	7	-	-	3	-	-
Other financial assets	10,201	-	-	9,102	-	-
<b>At Fair Value through Profit and Loss (FVTPL):</b>						
Investments	1,366	1,366	-	-	-	-
<b>Financial liabilities:</b>						
<b>At Fair Value through Profit and Loss (FVTPL):</b>						
Derivative instruments - Call options	938	-	938	-	-	-
Derivative instruments - Coupon only Swaps	129	-	129	-	-	-
<b>At Amortised Cost:</b>						
Borrowings	4,68,515	-	-	4,31,851	-	-
Trade payables	2,999	-	-	1,945	-	-
Lease liabilities	198	-	-	106	-	-
Other financial liabilities (excluding derivative instruments)	33,465	-	-	14,708	-	-

**Valuation methodology:**

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

- The fair value of investment in Mutual Funds is measured at Net Asset Value as at the reporting date.
- The fair value of Coupon only Swaps and Option contracts is determined using most frequently applied valuation techniques using present value calculations. The models incorporate various inputs including the credit quality of counterparties, foreign exchange spot and future rates and interest rate curves of the underlying as at the balance sheet date.

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

### C. Financial Risk Management

The different types of risks the Company is exposed to are market risk, credit risk and liquidity risk. The Company 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 Company uses derivative financial instruments such as Option and Coupon only Swaps contracts to minimise any adverse effect on its financial performance. All such activities are undertaken within an approved risk management policy framework.

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

(₹ in Million)

Particulars	Foreign Currency Exposure	
	As at March 31, 2022	As at March 31, 2021
<b>USD</b>		
Other Financial Liabilities - Derivatives - Call Options	938	-
Other Financial Liabilities - Derivatives - Coupon only Swaps	129	-
Borrowings - Senior Secured Notes	37,879	-
<b>Net Exposure</b>	<b>38,946</b>	-

The following table details the Company's sensitivity to a 1% increase and decrease against the relevant foreign currency. 1% represents management's assessment of a reasonably possible change in foreign exchange rate.

(₹ in Million)

Particulars	Foreign Currency Sensitivity	
	As at March 31, 2022	As at March 31, 2021
<b>1% Depreciation in ₹</b>	<b>(389)</b>	-
Impact on Other Comprehensive Income	(11)	-
Impact on Profit and Loss	(379)	-
<b>1% Appreciation in ₹</b>	<b>389</b>	-
Impact on Other Comprehensive Income	11	-
Impact on Profit and Loss	379	-

**NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022 (Contd.)****b) Interest Rate Risk**

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

The exposure of the Company's borrowings at the end of the reporting period are as follows:

(₹ in Million)

Particulars	Interest Rate Exposure	
	March 31, 2022	March 31, 2021
<b>Borrowings</b>		
Non-Current - Floating (Includes Current Maturities)*	1,49,905	1,81,725
<b>Total</b>	<b>1,49,905</b>	<b>1,81,725</b>

\*Includes ₹1,638 million (March 31, 2021: 1,750 million) as prepaid finance charges and ₹12,000 million (March 31, 2021 ₹7,000 million) pertaining to term loan with a fixed interest rate for initial 3 years.

Note: The above table excludes net borrowings of ₹ 318,610 million (previous year - ₹ 250,126 million) having fixed rate of interest as the Company is not exposed to any interest rate risk on such borrowings.

Fair value sensitivity analysis for fixed-rate borrowings:

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

The following table details the Company's sensitivity analysis to 1% (floating rate borrowings) change in Interest rate. 1% represents management's assessment of a reasonably possible change in foreign exchange rate.

(₹ in Million)

Particulars	Interest Rate Sensitivity as at			
	March 31, 2022		March 31, 2021	
	Up Move	Down Move	Up Move	Down Move
<b>Total Impact</b>	(1,499)	1,499	(1,817)	1,817
Impact on Other Comprehensive Income	-	-	-	-
Impact on Profit and Loss	(1,499)	1,499	(1,817)	1,817

**ii) Credit risk**

Credit risk is the risk that a customer or counterparty to a financial instrument will fail to meet its contractual obligations causing financial loss to the Company. Credit risk arises from Company's receivables, deposits given, investments made and balances at bank.

The Company has a prudent and conservative process for managing its credit risk arising in the course of its business activities. Credit risk is actively managed by continuously monitoring the credit worthiness of customers.

**iii) Liquidity Risk**

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

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

**The table below provides details regarding the contractual maturities of financial liabilities as at March 31, 2022**

(₹ in Million)

Particulars	0-1 Years	1-3 Years	3-5 Years	Above 5 years	Total
Trade payable (refer note 18)	2,999	-	-	-	<b>2,999</b>
Creditors for capital expenditure	311	-	-	-	<b>311</b>
Lease liabilities	46	96	55	45	<b>242</b>
Other non current financial liabilities	-	463	-	11,216	<b>11,679</b>
Other current financial liabilities	22,542	-	-	-	<b>22,542</b>
Borrowings* (refer note 15 and 17)	7,316	29,787	44,796	3,86,616	<b>4,68,515</b>
<b>Total</b>	<b>33,214</b>	<b>30,346</b>	<b>44,851</b>	<b>3,97,877</b>	<b>5,06,288</b>

\*Includes ₹2,543 million as prepaid finance charges.

**The table below provides details regarding the contractual maturities of financial liabilities as at March 31, 2021**

(₹ in Million)

Particulars	0-1 Years	1-3 Years	3-5 Years	Above 5 years	Total
Trade payable (refer note 18)	1,945	-	-	-	<b>1,945</b>
Creditors for capital expenditure	-	-	-	-	<b>-</b>
Lease liabilities	26	55	45	-	<b>126</b>
Other current financial liabilities	14,708	-	-	-	<b>14,708</b>
Borrowings* (refer note 15 and 17)	-	27,025	61,325	3,43,501	<b>4,31,851</b>
<b>Total</b>	<b>16,679</b>	<b>27,080</b>	<b>61,370</b>	<b>3,43,501</b>	<b>4,48,630</b>

\*Includes ₹1,750 million as prepaid finance charges.

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

**35 a) Disclosure of effects of hedge accounting on financial position -**

The impact of the hedging instruments on the financial position as on March 31, 2022 is as follows:

(There were no Derivative instruments for the year ended March 31, 2021)

(₹ in Million)

Type of hedge and risks	Nominal value - Assets / (Liabilities) ₹ in Million	Carrying amount of hedging instrument - Assets / (Liabilities) ₹ in Million	Maturity date	Hedge ratio	Weighted average strike rate for out-standing hedging instruments	Change in the fair value of hedging instrument used to determine hedge ineffectiveness	Line item in the balance sheet that includes the hedging instrument
<b>Cash flow hedge</b>							
(i) Foreign currency options (excluding premium payable)	5,333	182	08-Aug-31	1:1	USD 1 : ₹ 111	-	Other financial liabilities
(ii) Coupon only swaps	(4,655)	(129)	12-Aug-26	1:1	USD 1 : ₹ 85	129	Other financial liabilities
<b>Fair value hedge</b>							
(i) Foreign currency options (excluding premium payable)	37,101	1,657	08-Aug-31	1:1	USD 1 : ₹ 125	-	Other financial liabilities

The impact of hedged items on the financial position as on March 31, 2022 is as follows:

(₹ in Million)

Type of hedge and risks	Carrying amount of hedged item		Cash flow hedge reserve	Cost of hedging reserve	Change in the value of hedged item used to determine hedge ineffectiveness	Line item in the balance sheet that includes the hedged item
	Assets	Liabilities				
<b>Cash flow hedge</b>						
(i) Foreign currency options	NA	NA	-	142	-	
(ii) Coupon only swaps	NA	NA	113	-	127	
<b>Fair value hedge</b>						
(i) Foreign currency options		37,879	-	677	-	Non current Borrowings

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

**(b) Disclosure of effects of hedge accounting on financial performance for the year ended March 31, 2022**

(₹ in Million)

Type of hedge	Change in the value of the hedging instrument recognised in other comprehensive income	Change in fair value of hedging instrument recognised in cost of hedging reserve (OCI)	Hedge ineffectiveness recognised in profit or loss	Amount reclassified from cash flow hedging reserve to profit or loss	Amount reclassified from cost of hedging reserve to profit or loss	Line item affected in statement of profit and loss because of the reclassification	Line item in the profit and loss that includes the recognised hedge ineffectiveness
<b>Cash flow hedge</b>							
(i) Foreign exchange risk	205	142	(2)	(92)	-	Finance Cost	Other expense
<b>Fair value hedge</b>							
(i) Foreign exchange risk		835	-	-	(158)	Finance Cost	NA

The Company has undertaken USD/₹ call options with various counterparties to hedge the currency risk in respect of its USD foreign currency borrowing and future foreign currency interest payments. The principal repayment of this borrowing is considered in a fair value hedge relationship and future interest payments is considered in a cashflow hedge relationship. The hedged items creates variability of fair values and cash flows arising from the future changes in USD exchange rates. An appreciation in USD in the future would put the Company at a risk of making higher ₹ payments (both future interest payments and repayment of loan at the end of the tenure). The call option undertaken mitigates the underlying risk by fixing the price at which the Company will buy USD, without giving up the upside of benefitting from an appreciation in ₹ vis-a-vis USD (one-sided risk). As the hedged exposure is exactly matched by the USD leg of the option (that is, they both have the same USD notional amounts and the same tenure), an economic relationship exists.

Hedge effectiveness is assessed at inception of the hedge, at each reporting date and upon a significant change in the circumstances affecting the hedge effectiveness requirements to ensure that an economic relationship exists between the hedged item and hedging instrument. In respect of hedge using USD/₹ call options, the following potential sources of ineffectiveness are identified:

- A change in the credit risk of Company or the counterparty to the option contract;
- Changes in the contractual terms or timing of the payments on the hedged items.

There was no recognised ineffectiveness during financial year ended March 31, 2022 in relation to the USD/₹ call option contracts.

The Company has also undertaken USD/₹ Coupon Only Swap with various counterparties to hedge the currency risk in respect of its future interest payments on USD foreign currency borrowing. As per 'the cash flow hedge on foreign currency exposure policy', critical terms shall be applied to assess qualitatively the economic relationship between the hedging instrument and the hedged item. The hedged item creates an exposure to settle foreign currency denominated interest amounts in local currency terms. As the hedged exposure is exactly matched by the USD leg of the swap (that is, they both have the same USD amounts) and similar payment dates, an economic relationship exists.

Hedge ineffectiveness for USD/₹ coupon only swaps is assessed using the same principles as for hedges of foreign currency repayment of borrowings and future foreign currency interest using USD/₹ European options contract. It may occur due to:

- The fair value of the hedging instrument on the hedge relationship designation date (if not zero);

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

- changes in the contractual terms or timing of the payments on the hedged item; and
- A change in the credit risk of Company or the counterparty to the coupon only swap.

The ineffectiveness recognised during financial year ended March 31, 2022 was ₹ 2 million (March 31, 2021: ₹ Nil) in relation to the coupon only swaps.

To comply with the risk management policy, the hedge ratio is based on a hedging instrument with the same notional amount as the underlying exposure. This results in a hedge ratio of 1:1 or 100%.

**Movements in cash flow hedging reserve and costs of hedging reserve -**

(₹ in Million)

Risk category	Foreign currency risk		Total
	Foreign currency options	Coupon only swaps	
<b>Derivative instruments</b>			
<b>(i) Cash flow hedging reserve</b>			
<b>As at April 1, 2021</b>	-	-	-
Add: Changes in fair value of coupon only swaps	-	205	205
Less: Amounts reclassified to Statement of Profit or Loss	-	(92)	(92)
<b>As at March 31, 2022</b>	-	<b>113</b>	<b>113</b>
<b>(ii) Costs of hedging reserve</b>			
<b>As at April 1, 2021</b>	-	-	-
Add: Deferred time value of foreign currency option contracts	976	-	976
Less: Amounts reclassified to Statement of Profit or Loss	(158)	-	(158)
<b>As at March 31, 2022</b>	<b>818</b>	-	<b>818</b>

(c) The following tables detail various information regarding option contracts and coupon only swap contracts outstanding at the end of the reporting period:

(₹ in Million)

Particulars	Maturity				Total
	Less than 1 year	1 to 2 years	2 to 5 years	5 years +	
<b>As at March 31, 2022</b>					
<b>Foreign currency options</b>					
- Notional amounts	-	-	533	41,901	42,434
- Average strike price	-	-	97	123	NA
<b>Coupon only swap</b>					
- Notional amounts	1,067	2,134	1,454	-	4,655
- Average strike price	-	-	85	-	NA

**Financial risk management objectives and policies-**

The Company's risk management is predominantly controlled by a treasury department under policies approved by the Board of directors. Treasury identifies, evaluates and hedges financial risks in close co-operation with the operating units. The board provides written principles for overall risk management, as well as policies covering specific areas, such as foreign exchange risk, interest rate risk, credit risk, use of derivative financial instruments and non-derivative financial instruments, and investment of excess liquidity.

Where all relevant criteria are met, hedge accounting is applied to remove the accounting mismatch between the hedging instrument and the hedged item. This will effectively result in reducing the foreign currency risk in respect of its foreign currency borrowings including future foreign currency interest payments to an acceptable level.

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

The Company has issued 2.875 basis point semi-annual USD 500 million 10-year Senior Secured Notes. This exposes the Company to foreign exchange risk arising from variability in the foreign exchange rates, thereby increasing the Profit and loss volatility. As per the risk management policy of the Company, the Company has entered into USD/₹ call option contracts for principal bullet repayment at the end of loan tenure along with multiple call option strip of coupon repayment from February 2027 to August 2031. The Company has also entered into Coupon only swaps to eliminate the foreign exchange risk on payment of semi-annual coupon in USD on every coupon date from February 2022 to August 2026.

### 36 SEGMENT REPORTING

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

### 37 PAYMENT TO AUDITORS

Particulars	(₹ in Million)	
	Year ended March 31, 2022	Year ended March 31, 2021
Audit fees	9	8
Tax audit fee	1	1
Certification and other audit services	9	2
<b>Total</b>	<b>19</b>	<b>11</b>

### 38 REVENUE FROM CONTRACTS WITH CUSTOMERS

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

Revenue by nature:

Particulars	(₹ in Million)	
	Year ended March 31, 2022	Year ended March 31, 2021
Infrastructure provisioning fees (Including reimbursement of power and fuel and site rent)	97,651	82,442

Note: The Company derives its revenue from the transfer of services over time.

The Company has entered into a 30 year master service agreement with one of its customer pursuant to which the Company provides the passive infrastructure and related services. Revenue related to the same will be accrued as services are provided.

B. Reconciliation of revenue recognised:

Particulars	(₹ in Million)	
	Year ended March 31, 2022	Year ended March 31, 2021
Contracted price	97,651	83,712
Less: Discounts to customers	-	(1,270)
<b>Net Revenue recognised</b>	<b>97,651</b>	<b>82,442</b>

C. Transaction price allocated to unsatisfied performance obligations as at March 31, 2022 - Nil (March 31, 2021 - ₹ Nil).

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

## D. Contract balances

(₹ in Million)

Particulars	As at March 31, 2022	As at March 31, 2021
Unbilled Receivables	4,311	4,522

**39** The outbreak of Coronavirus (COVID-19) pandemic globally and in India is causing significant disturbance and slowdown of economic activity. The Company is engaged in the business of providing tower infrastructure and related operations in India. The Company has executed a long term MSA with RJIL (one of the largest telecommunication service provider in India) as its customer, which results into committed revenues and cash flows for the Company, on a long term basis. Moreover, the COVID-19 pandemic has not had a material adverse impact on the operations of the telecommunication industry to which the Company currently caters to. 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 tower sites, the Company has in place long-term arrangements with experienced contractors/service providers. Further, the Company has sanctioned unutilised borrowing limits which are available to the Company to meet its liquidity requirements. In view of all of the above, the Company does not expect any significant challenges on going concern, including emanating out of COVID-19, particularly in the next 12 months.

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

**41 COMPOSITE SCHEME OF ARRANGEMENT**

The Board of Directors of the Company at their meeting held on January 2, 2019 approved a composite scheme of arrangement (herein after referred to as "the scheme") between RJIL, Jio Digital Fibre Private Limited (JDFPL) and the Company and their respective shareholders and creditors, inter-alia for purchase of the Tower Infrastructure undertaking (Transferred undertaking) of RJIL for a lumpsum consideration, with effect from the appointed date March 31, 2019. Consequent to the scheme, the Company is in the process of transferring the Freehold Land with carrying value aggregating ₹ 120 million and land reflected in Right of Use Assets with carrying value aggregating ₹ 185 million in its name.

**42 ADDITIONAL REGULATORY INFORMATION REQUIRED BY SCHEDULE III****I Key Financial Ratios & analysis**

Sr. No	Ratio	Numerator	Denominator	As on March 31, 2022	As on March 31, 2021	% Change	Reason for variance
i)	<b>Current Ratio</b>	Current Assets	Current Liabilities	0.41	1.22	-66%	Refer note (i)
ii)	<b>Debt Equity Ratio</b>	Total Debt including lease liabilities	Shareholder's Equity	-	-	-	Refer note (ii)
iii)	<b>Debt Service Coverage Ratio</b>	Earnings available for Debt service	Debt Service	0.64	0.89	-28%	Refer note (iii)
		Earning for Debt Service = Net Profit after taxes + depreciation and other amortisations + 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)	<b>Return on Equity</b>	Net Losses after taxes	Average Shareholders Equity	(49%)	(68%)	(28%)	Refer note (iv)

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

Sr. No	Ratio	Numerator	Denominator	As on March 31, 2022	As on March 31, 2021	% Change	Reason for variance
v)	<b>Inventory Turnover</b>	Cost of Goods Sold	Average Inventory	NA	NA	NA	
vi)	<b>Trade receivable Turnover (in days)</b>	Net Credit Sales (Gross Credit Sales - Sale Returns)	Average Trade Receivables	0.94	1.48	(37%)	Refer note (v)
vii)	<b>Trade payable Turnover (in days)</b>	Purchases of services and other expenses	Average Trade Payables	0.07	0.06	20%	
viii)	<b>Net Capital Turnover</b>	Net Sales (Total Sales - Sale Return)	Working Capital (Current Assets - Current Liabilities)	(4.44)	17.57	(125%)	Refer note (i)
ix)	<b>Net Profit</b>	Net Profit	Net Sales	(34%)	(28%)	19%	
x)	<b>Return on capital employed</b>	Earning before interest and taxes	Capital Employed (Tangible Net Worth + Total Debt)	6%	3%	96%	Refer note (vi)
xi)	<b>Return on Investment</b>	Income generated on investments	Average investments	4%	3%	40%	Refer note (vii)

**Notes:**

- (i) The ratio decreased during the year mainly on account of current maturities of non current borrowing for instalments due during the next year and increase in interest accrued as on the reporting date.
  - (ii) As the ratio is less than zero, it is shown as NIL.
  - (iii) The change is on account of higher interest expense during the current year.
  - (iv) The change is on account of higher losses during the current year.
  - (v) The change is on account of better collection of the increased revenue recorded during the current year.
  - (vi) The change is on account of higher borrowings and increased losses as on the reporting date.
  - (vii) The investments purchased in the previous year were held for a shorter term and sold off in the same year resulting into lower returns in the previous year.
- II The Company does not have any benami properties. There are no proceedings initiated or pending against the Company for holding Benami property under Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules thereunder.
  - III The Company is not declared as a 'wilful defaulter' by any bank or financial institution or other lender who has powers to declare a company as a wilful defaulter at any time during the financial year or after the end of reporting period till the date of approval of the financial statements.

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

- IV** Relationship with struck off companies - The Company has no transactions with the companies struck off under Companies Act, 2013 or Companies Act, 1956 other than those disclosed below -

(₹ in Million)

Name of the struck off Company	Nature of transactions with struck off Company	Transactions amount for the year ended March 31, 2022	Balance outstanding as at March 31, 2022	Relationship with the struck off Company	Transactions amount for the year ended March 31, 2021	Balance outstanding as at March 31, 2021	Relationship with the struck off Company
Punia Constructions Private Limited	Payables	0	0	Not a related party	0	0	Not a related party
Paresh Buildcon Private Limited	Payables	0	0	Not a related party	0	0	Not a related party
Jay Mataji Constructions Private Limited	Payables	0	0	Not a related party	0	0	Not a related party
Pratibha Agrochem & Engg Private Limited	Payables	0	-	Not a related party	0	0	Not a related party
Allied Builders Private Limited	Deposit Receivable	-	0	Not a related party	0	0	Not a related party
R D Promoters Private Limited	Payables	0	-	Not a related party	0	-	Not a related party
Patel Properties Private Limited	Payables	1	-	Not a related party	1	-	Not a related party
Jadhao Engineering Company Private Limited	Payables	0	-	Not a related party	-	-	Not a related party

- V** The Company does not have any transactions recorded in the books of account that has been surrendered or disclosed as income during the year in the assessments under Income Tax Act, 1961.
- VI** The Company has not traded or invested in crypto currency or virtual currency.
- VII** Valuation of Property Plant & Equipment - The Company has not revalued its property, plant and equipment (including right-of-use assets) during the current or previous year.
- VIII** There are no charges or satisfaction yet to be registered with the Registrar of Companies (ROC).
- IX** Utilisation of borrowings availed from banks and financial institutions - The borrowings obtained by the Company from banks and financial institutions have been applied for the purposes for which such loans were taken.
- X** The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entity(ies) (intermediaries) with the understanding that the intermediary shall:
- directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (ultimate beneficiaries) or
  - provide any guarantee, security or the like on behalf of the ultimate beneficiaries.

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

- XI** The Company has not received any fund from any other person(s) or entity(ies), including foreign entity(ies) (funding party) with the understanding (whether recorded in writing or otherwise) that the funding party shall:
- a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the funding party (ultimate beneficiaries),
  - b) provide any guarantee, security or the like on behalf of the ultimate beneficiaries.
- XII** The Company has not advanced any loans or advances in the nature of loans to specified persons viz. promoters, directors, KMPs, related parties; which are repayable on demand or where the agreement does not specify any terms or period of repayment.
- XIII** The Company does not have any obligation towards Corporate Social Responsibility (CSR) since it was incurring losses in immediately preceding three financial years.

**43** "0" represents the amount below the denomination threshold.

**44** Previous year figures are regrouped wherever necessary to correspond with the current year classification/disclosure.

**45 APPROVAL OF FINANCIAL STATEMENTS**

The financial statements were approved for issue by the Board of Directors on May 23, 2022.

For and on behalf of the Board of Directors of  
**Summit Digital Infrastructure Private Limited**  
formerly known as Reliance Jio Infratel Private Limited)

**Mihir Nerurkar**

Chairperson of the Board  
DIN:02038842

Date: May 23, 2022  
Place: Mumbai

**Dhananjay Joshi**

Managing Director and Chief Executive Officer  
DIN: 09096270

Date: May 23, 2022  
Place: Mumbai

**Dinesh Jain**

Chief Financial Officer  
PAN: AAAPJ4850F

Date: May 23, 2022  
Place: Mumbai

**Chandra Kant Sharma**

Company Secretary  
Membership No: F8322  
PAN: BSDPS2436J

Date: May 23, 2022  
Place: Mumbai









**Registered and Corporate Office:**

Unit-2, 9<sup>th</sup> Floor, Tower 4 , Equinox Business Park,  
LBS Marg, Kurla (W),  
Mumbai 400070

**Phone:** 022 69075252

**Email:** [info@summitdigitel.com](mailto:info@summitdigitel.com)