

DATA INFRASTRUCTURE TRUST

(formerly, Tower Infrastructure Trust)

(Registered in the Republic of India as an irrevocable trust set up under the Indian Trusts Act, 1882, and registered as an infrastructure investment trust under the Securities and Exchange Board of India (Infrastructure Investment Trusts) Regulations, 2014 (“InvIT Regulations”), originally under the name “Tower Infrastructure Trust”, on March 19, 2019 having registration number IN/InvIT/18-19/0009 at Mumbai. Subsequently, the name of the Trust was changed to “Data Infrastructure Trust” upon issue of fresh certificate of registration dated October 8, 2021 under the InvIT Regulations)

Principal Place of Business: Unit 1, 4th Floor, Godrej BKC, Plot No. C-68, G Block, Bandra Kurla Complex, Bandra East, Mumbai 400 051, Maharashtra, India

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FOR CIRCULATION TO THE ELIGIBLE UNITHOLDERS OF DATA INFRASTRUCTURE TRUST ONLY			
TRUSTEE	SPONSORS		INVESTMENT MANAGER
 AXIS TRUSTEE	BROOKFIELD SPONSOR	RELIANCE SPONSOR	INVESTMENT MANAGER
Axis Trustee Services Limited	BIF IV Jarvis India Pte. Ltd.	Reliance Industrial Investments and Holdings Limited	Brookfield India Infrastructure Manager Private Limited (formerly, WIP (India) Private Limited)
ISSUE OF UP TO [●] UNITS OF DATA INFRASTRUCTURE TRUST (“DIT” OR “TRUST” AND SUCH UNITS, THE “UNITS”), FOR CASH AT A PRICE OF ₹ [●] PER UNIT (THE “ISSUE PRICE”), AGGREGATING TO ₹ 3,180 MILLION* TO THE ELIGIBLE UNITHOLDERS (AS DEFINED HEREINAFTER) ON A RIGHTS BASIS IN THE RATIO OF [●] LOTS FOR EVERY [●] LOTS (EACH LOT COMPRISING [●] UNITS) HELD BY THEM ON THE RECORD DATE, BEING [●] (THE “ISSUE”) IN ACCORDANCE WITH THE INVIT REGULATIONS AND THE SEBI RIGHTS ISSUE GUIDELINES. THE RECORD DATE IS [●]. FOR FURTHER DETAILS, PLEASE SEE THE SECTION ENTITLED “THE ISSUE” ON PAGE 15.			
*The size of the Issue is the amount approved by the Data InvIT Committee of the board of directors of the Investment Manager on December 28, 2021. Further, the size of the Issue shall be subject to finalisation of Allotment in the Issue.			
GENERAL RISKS			
Investments in Units involve a high degree of risk and Bidders should not invest in the Issue unless they are prepared to take the risk of losing all or part of their investment. Bidders are advised to carefully read the section entitled “Risk Factors” on page 64 and other disclosures included in the Letter of Offer before making an investment decision relating to the Issue. Each Bidder is advised to consult its own advisors about the consequences of an investment in the Rights Entitlements and the Units issued pursuant to the Letter of Offer. The Rights Entitlements and the Units being offered in the Issue have not been recommended or approved by the Securities and Exchange Board of India (“SEBI”) nor does SEBI guarantee the accuracy or adequacy of this Draft Letter of Offer and the Letter of Offer. Admission of the Units to be issued pursuant to this Issue for trading on the Stock Exchange should not be taken as an indication of the merits of the Trust or of the Units. A copy of this Draft Letter of Offer has been filed with the Stock Exchange, where the Units of the Trust are listed and shall be made available to the public through the website of the Stock Exchange, the Trust and the Lead Manager for the purposes of seeking public comments for a period of seven working days from the date of filing of this Draft Letter of Offer. A copy of the Letter of Offer shall be delivered to the SEBI and the Stock Exchange.			
INVESTMENT MANAGERS’ AND SPONSORS’ ABSOLUTE RESPONSIBILITY			
The Investment Manager having made all reasonable inquiries, accepts responsibility for, and confirms that, this Draft Letter of Offer contains all information with regard to the Trust and this Issue, which is material in the context of this Issue and that the information contained in this Draft Letter of Offer is true and correct in all material respects and is not misleading in any material respect, that the opinions and intentions expressed herein are honestly held and that there are no other facts, the omission of which makes this Draft Letter of Offer as a whole or any of such information or the expression of any such opinions or intentions, misleading in any material respect.			
Each Sponsor, severally (and not jointly or jointly and severally) having made all reasonable inquiries, accepts responsibility for and confirms that this Draft Letter of Offer contains all information with regard to itself, which is material in the context of this Issue and such information contained in this Draft Letter of Offer is true and correct in all material respects and that the opinions and intentions expressed herein are honestly held. Neither of the Sponsors assumes responsibility for any other statements including statements made by the Trust or any other person(s) in this Draft Letter of Offer.			
RIGHTS ENTITLEMENTS			
The Units of the Trust shall be tradable only in dematerialized form. The minimum Application and allotment to any investor shall not be less than ₹ 20 million. As the lot size comprises [●] Units in accordance with InvIT Regulations for the Trust, the Rights Entitlements will be credited to the unitholders in multiples of [●] Units and the participation by unitholders in the Rights Issue will also be in multiples of [●] Units. Further the Rights Entitlements may be transferred only in lots of [●] Units. Fractional Entitlements will not be credited to the Unitholders’ accounts and the trading of fractional entitlements of Rights Entitlements will also not be allowed by the Stock Exchange. For further details, please see the section entitled “Issue Information” on page 157.			
LISTING			
The existing Units of the Trust are listed on BSE Limited (“BSE” or the “Stock Exchange”). The Trust has received in-principle approval from BSE for listing of the Units to be allotted pursuant to the Issue through its letter dated [●]. The Investment Manager (on behalf of the Trust) will also make application to the Stock Exchange to obtain trading approval for the Rights Entitlements. For the purposes of the Issue, the Designated Stock Exchange is BSE.			
LEAD MANAGER		REGISTRAR TO THE ISSUE	
			
Ambit Private Limited Ambit House 449, Senapati Bapat Marg Lower Parel Mumbai - 400 013 Maharashtra, India Telephone: +91 22 6623 3000 Fax: +91 22 3982 3020 E-mail: dataatrust.rights@ambit.co Investor Grievance E-mail: customerservicemb@ambit.co Website: www.ambit.co Contact Person: Nikhil Bhiwapurkar / Miraj Sampat SEBI Registration No.: INM000010585 CIN: U65923MH1997PTC109992		KFin Technologies Private Limited Selenium, Tower B, Plot No- 31 and 32, Financial District, Nanakramguda, Serilingampally, Hyderabad, Rangareddi 500 032 Telangana, India. Telephone Number: +91 40 6716 2222 Toll free number: 1800 309 4001 Website: www.kfintech.com Email: dit.invitrights@kfintech.com Investor grievance e-mail: einward.ris@kfintech.com Contact Person: M Murali Krishna SEBI Registration No.: INR000000221 CIN: U72400TG2017PTC117649	
ISSUE SCHEDULE*			
ISSUE OPENS ON	LAST DATE FOR REQUEST FOR RENUNCIATION		ISSUE CLOSES ON
[●]	[●]		[●]

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

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DEFINITIONS AND ABBREVIATIONS

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

References to any legislation, act, regulation, rule, guideline or policy shall be to such legislation, act, regulation, rule, guideline or policy, as amended, supplemented, or re-enacted from time to time and any reference to a statutory provision shall include any subordinate legislation made under that provision.

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

Notwithstanding the foregoing, the terms not defined but used in the sections entitled “Financial Statements”, “Taxation” and “Litigation” on pages 191, 180 and 147, respectively, shall have the meanings ascribed to such terms in those respective sections.

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

Trust Related Terms

Term	Description
Associate	Associate as defined in Regulation 2(1)(b) of the InvIT Regulations
Audited Consolidated Financial Statements	Collectively, (i) audited consolidated financial statements of the Trust and its subsidiary as at and for the years ended March 31, 2020 and March 31, 2021, prepared in accordance with Ind AS notified under the Companies (Indian Accounting Standards) Rules, 2015, as amended and other accounting principles generally accepted in India and to meet the requirements of the InvIT Regulations read together with circulars and guidelines issued thereunder, to the extent applicable; (ii) special purpose audited consolidated Ind AS financial statements as at March 31, 2019 and for the period from January 31, 2019 to March 31, 2019 prepared to meet the requirements of the InvIT Regulations and circulars issued thereunder in connection with initial offer by the Trust
Audited Standalone Financial Statements	Collectively, (i) audited standalone financial statements of the Trust as at and for the years ended March 31, 2020 and March 31, 2021, prepared in accordance with Ind AS notified under the Companies (Indian Accounting Standards) Rules, 2015, as amended and other accounting principles generally accepted in India and to meet the requirements of the InvIT Regulations read together with circulars and guidelines issued thereunder, to the extent applicable; (ii) audited standalone financial statements of the Trust as at March 31, 2019 and for the period from January 31, 2019 to March 31, 2019, prepared in accordance with the recognition and measurement principles of Ind AS notified under the Companies (Indian Accounting Standard) Rules, 2015
Auditors	Deloitte Haskins & Sells LLP, the auditors of the Trust
Brookfield Group	Brookfield Singapore Pte. Ltd., Brookfield Asset Management Inc., Brookfield Infrastructure Partners, L.P., their affiliates and each of their managed funds
Brookfield Sponsor	BIF IV Jarvis India Pte. Ltd.
Capital Contribution	With respect to any Unitholder, the aggregate issue price agreed and paid by a Unitholder to the Trust for acquiring Units of the Trust, in accordance with the provisions of the InvIT Documents
COW Site	‘Cell on wheels’ portable or movable site at which the Passive Infrastructure is located
Deed of Accession	Deed of accession to the Indenture of Trust executed on August 26, 2020 between the Brookfield Sponsor, the Reliance Sponsor and the Trustee
Framework Agreement	The framework agreement entered into between the Reliance Sponsor, the Brookfield Sponsor, the Trust (acting through its Trustee) and the Tower Co. dated July 19, 2019 together with the amendment agreement dated November 4, 2019 and the extension agreements dated December 31, 2019, January 31, 2020 and August 26, 2020
GBM Site	Ground-based mast or pole site at which the Passive Infrastructure is located on land
GBT Site	Ground-based tower site at which the Passive Infrastructure is located on land
Holding Company or Holdco	A holding company, as defined under Regulation 2(1)(sa) of the InvIT Regulations
Indenture of Trust	The indenture of trust of Data Infrastructure Trust dated January 31, 2019 entered into between the Reliance Sponsor and the Trustee together with the Deed of Accession and amendment agreement to indenture of trust dated August 30, 2021
Initial Tower Agreements	Collectively, the Original Master Services Agreement, Original O&M Agreement and the Original Project Execution Agreement
Investment Management Agreement	The investment management agreement dated September 25, 2020 entered into between the Trust (acting through its Trustee) and the Investment Manager
Investment Manager or BIIMPL	Brookfield India Infrastructure Manager Private Limited (formerly, WIP (India) Private Limited)
Investment Objectives	The object and purposes of the Trust, as provided under the section entitled “Overview of the Trust” on page 18 of the Placement Memorandum
Investment	Investment by the Trust in Holding Companies or SPVs in accordance with the InvIT Documents and as permitted under applicable law
InvIT Assets	The aggregate of the initial corpus of the Trust, immovable, movable and other assets and cash (including cash equivalents) owned by the Trust (held either directly or through the Trustee), on a consolidated basis, and includes all rights, interests and benefits arising from, and incidental to, ownership thereof

Term	Description
	of such assets, as specified under, amongst others, the Indenture of Trust, the offer documents, and in accordance with applicable law
InvIT Documents	The Indenture of Trust, the Investment Management Agreement, the Project Implementation and Management Agreement, any other document, letter or agreement with respect to the Trust or the Units, executed for the purpose of the Trust, the offer documents and such other documents in connection therewith, as originally executed and amended, modified, supplemented or restated from time to time, together with the respective annexures, schedules and exhibits, if any
JDFPL	Jio Digital Fibre Private Limited
Limited Review Consolidated Financials	The unaudited consolidated financial information of the Trust and its subsidiary for the half year ended September 30, 2021 prepared in accordance with the requirements of InvIT Regulations, as amended read with the SEBI circular number CIRAMDDR114/2016 dated October 20, 2016; recognition and measurement principles laid down under Ind AS 34 "Interim Financial Reporting" as prescribed in Rule 2(1)(a) of the Companies (Indian Accounting Standards) Rules, 2015, except as referred in notes to such financial information, to the extent not inconsistent with the InvIT Regulations, read with relevant rules issued thereunder and other accounting principles generally accepted in India
Limited Review Standalone Financials	Unaudited standalone financial information for the half year ended September 30, 2021 prepared in accordance with the recognition and measurement principles prescribed under Ind AS 34 "Interim Financial Reporting", as defined in Rule 2(1)(a) of the Companies (Indian Accounting Standards) Rules, 2015, as amended, the InvIT Regulations and the circulars issued thereunder except as mentioned in notes in such financial information and other accounting principles generally accepted in India
Macro Tower	Ground based towers, ground based mast or pole, roof-top towers, roof-top pole or cell on wheels
Master Services Agreement	The amended and restated master services agreement dated December 16, 2019 entered into between RJIL, the Tower Co. and RPPMSL, together with the amendment to the master services agreement dated August 26, 2020 read with memorandum of understanding dated June 3, 2021 entered into by and between RJIL, RPPMSL and Tower Co.
Memorandum of Understanding or MoU	The memorandum of understanding dated August 26, 2020 between the Tower Co. and JDFPL
NCDs	Non-convertible debentures
O&M Agreement	The amended and restated operation and maintenance agreement for passive infrastructure dated December 16, 2019 entered into between the Project Manager, the Tower Co. and RPPMSL, as amended pursuant to letter agreement dated March 11, 2021, and read with memorandum of understanding dated June 3, 2021 entered into by and between RJIL, RPPMSL and Tower Co.
Original Master Services Agreement	The master services agreement dated April 15, 2019 entered into between Tower Co. and RJIL, which was effective from the close of business hours on March 31, 2019
Original O&M Agreement	The operation and maintenance agreement dated April 15, 2019 entered into between the Tower Co., the Project Manager and RPPMSL, which was effective from the close of business hours on March 31, 2019
Original Project Execution Agreement	The project execution agreement dated April 15, 2019 entered into between the Tower Co., the Project Manager and RPPMSL, which was effective from the close of business hours on March 31, 2019
Parties to the Trust	Collectively, the Reliance Sponsor, the Brookfield Sponsor, the Trustee, the Investment Manager and the Project Manager
Passive Infrastructure	The passive telecommunication infrastructure located at any Site, including tower, room/shelter, diesel generator sets and electrical and civil works, DC power system and battery bank and does not include the RJIL equipment located at such Site
Placement Memorandum	The placement memorandum dated August 31, 2020 issued in relation to the issue of 2,521,500,000 Units at a price of ₹ 100 per Unit, aggregating to ₹ 252,150 million, on a private placement basis, in accordance with the InvIT Regulations, which is available at: (i) https://www.bseindia.com/downloads/ipo/2020914165631Tower%20Infrastructure%20Trust%20%20Placement%20Memorandum.pdf ; (ii) https://www.sebi.gov.in/filings/invit-private-issues/aug-2020/tower-infrastructure-trust_47577.html ; and (iii) www.towerinfrastrust.com .
Portfolio Assets	Unless the context otherwise requires, the Tower Co. which is owned by the Trust and any other asset owned by the Trust from time to time
Preference Shares	0% redeemable, non-participating, non-cumulative non-convertible preference shares of Tower Co. having a face value of ₹ 10 each
Project Execution Agreement	The amended and restated project execution agreement for establishment of passive tower infrastructure dated December 16, 2019 entered into between the Project Manager, the Tower Co., RJIL and RPPMSL, together with the amendment to the project execution agreement dated August 26, 2020, as amended pursuant to letter agreement dated March 11, 2021
Project Implementation and Management Agreement	The project implementation and management agreement dated January 13, 2020 entered into amongst the Trustee, the Project Manager, the Investment Manager and the Tower Co.
Project Manager or JIMSL	Jio Infrastructure Management Services Limited
Proposed SPV or STPL or Target Asset	Space Teleinfra Private Limited
Related Parties	Related parties, as defined under Regulation 2(1)(zv) of the InvIT Regulations
Reliance Sponsor or RIIHL	Reliance Industrial Investments and Holdings Limited

Term	Description
RIL	Reliance Industries Limited
RJIL	Reliance Jio Infocomm Limited
RPPMSL/ Contractor/ Operator	Reliance Projects & Property Management Services Limited (formerly known as, Reliance Digital Platform & Project Services Limited), being the contractor for the purposes of the Project Execution Agreement and the operator for the purposes of the O&M Agreement
RTP Site	Roof top pole site at which the Passive Infrastructure is located on a building or structure
RTT Site	Roof top tower site at which the Passive Infrastructure is located on a building or structure
Scheme of Arrangement	The composite scheme of arrangement among RJIL, JDFPL, the Tower Co. and their respective shareholders and creditors under Sections 230 to 232 read with Section 52 and other applicable provisions of the Companies Act, 2013 approved by the National Company Law Tribunal, Ahmedabad bench on March 20, 2019
Securities Purchase Agreement	The securities purchase agreement dated July 20, 2021 entered into between the Trust (acting through the Trustee), Ankit Goel, Radhey Raman Sharma, Ram Gopal Goyal, Westwood Business Consultancy LLP, Space Teleinfra Private Limited and the Investment Manager for acquisition of the Target Asset read with indemnity cum amendment agreement dated December 30, 2021 entered into between Space Telelink Limited, Space Teleinfra Private Limited, Ankit Goel, Radhey Raman Sharma, Ram Gopal Goyal, Westwood Business Consultancy LLP, Trust (acting through the Trustee) and the Investment Manager
Share Purchase Agreement – I	The share purchase agreement dated March 31, 2019 entered into between the Trust (acting through its Trustee), the Investment Manager, RJIL, the Reliance Sponsor and DMDT (acting through its trustee, Reliance Media Transmission Private Limited) for the acquisition of 51% of the outstanding equity share capital in Tower Co. by the Trust
Share Purchase Agreement – II	The share purchase agreement dated December 16, 2019 entered into between the Trust (acting through its Trustee), the Investment Manager, RIL, Reliance Sponsor, the Tower Co. and the Brookfield Sponsor together with the extension agreements dated December 31, 2019, January 31, 2020 and August 26, 2020 and the amendment agreement dated August 26, 2020 for acquisition of the remaining 49% of the outstanding equity share capital in Tower Co. by the Trust
Share Purchase Agreements	Collectively, the Share Purchase Agreement – I and the Share Purchase Agreement – II
Shareholder and Option Agreement	The shareholder and option agreement dated December 16, 2019 entered into among the Trust (acting through its Trustee), the Investment Manager, RIL, the Reliance Sponsor, the Tower Co., RJIL and the Brookfield Sponsor together with the amendment agreement dated August 26, 2020
Sharer	A person (other than RJIL) whose equipment is installed at the Site or which has been allocated space thereat, in terms of the relevant Tower Agreements
Site	GBT Site, GBM Site, RTT Site, RTP Site or COW Site or any other passive telecom tower infrastructure site
Sponsors	Each of the Brookfield Sponsor and the Reliance Sponsor, severally
SPV(s)	Special purpose vehicles, as defined under Regulation 2(l)(zy) of the InvIT Regulations
Third Party Site Specification	The standard site requirements for a Sharer in terms of the Master Services Agreement
Tower Agreements Closing Date	The date on which the Trust acquires 49% of the Equity Shares of the Tower Co. pursuant to the Share Purchase Agreement – II
Tower Agreements	Collectively, the Master Services Agreement, the O&M Agreement and the Project Execution Agreement
Tower Co. or RJPL or SDIPL	Summit Digitel Infrastructure Private Limited (formerly, Reliance Jio Infratel Private Limited)
Tower Infrastructure Business	The business of setting up and maintaining passive tower infrastructure and related assets and providing passive tower infrastructure services
Transition Services Agreement	The transition services agreement dated August 26, 2020 entered into between the Tower Co. and RPPMSL, as amended pursuant to amendment agreement dated March 30, 2021 and September 18, 2021
Trust Assets	(a) The equity shares of the Holding Companies/ SPVs, (b) other investments made in any security issued by the Holding Companies/ SPVs, (c) any loan extended to the Holding Companies/ SPVs, each of the foregoing made from the Capital Contributions received by the Trust and income earned by the Trust, (d) any other investments made from the Capital Contributions, (e) assets or properties held by the Trust and/or income earned by the Trust and any additions, accretions or reductions thereto (including properties of any kind whatsoever to which the same may be converted or varied from time to time), and (e) any cash or bank balances held by the Trust
Trust Loan Agreement	The facility agreement dated August 26, 2020 entered into between the Trust (acting through the Trustee), the investment manager and the Tower Co. and as amended on July 27, 2021
Trust Loan	The loan aggregating to ₹ 250,000 million to be provided by the Trust to the Tower Co. in accordance with the Trust Loan Agreement
Trust or DIT	Data Infrastructure Trust (formerly, Tower Infrastructure Trust)
Trustee	Axis Trustee Services Limited
Unit	An undivided beneficial interest in the Trust, and all issued and allotted Units together representing the entire beneficial interest in the Trust
Unitholders	Any person who holds Units upon making a defined contribution as determined by the Trustee
Valuation Report in relation to the Target	Valuation report dated December 24, 2021 issued by Mr. Ankit Chhabra, which sets out opinion as to the fair value of the Target Asset as on July 31, 2021
Valuer of the Trust/ Valuer	BDO Valuation Advisory LLP

Issue Related Terms

Term	Description
Abridged Letter of Offer or ALOF	Abridged letter of offer to be sent to the Eligible Unitholders with respect to the Issue in accordance with the provisions of the InvIT Regulations and the SEBI Rights Issue Guidelines
Allot/ Allotment/ Allotted	Unless the context otherwise requires, the issue and allotment of Units pursuant to the Issue
Allotment Account	The account opened with the Bankers to the Issue, into which the amounts blocked by ASBA in the ASBA Account, with respect to successful Applicants will be transferred on the Transfer Date
Allotment Date	Date on which Allotment is made
Allottees	Bidders to whom Units are issued and Allotted pursuant to the Issue
Applicants/ Bidders	Eligible Unitholder(s) and/or Renouncee(s) who make an application for the Units pursuant to the Issue in terms of the Letter of Offer, being an ASBA Applicant
Application Form/ Application	Application form (including any rectifications of errors therein) including a plain paper application form pursuant to which an Eligible Investor shall submit a Bid for the Units in the Issue
Application Money	Aggregate amount payable in respect of the Units applied for in the Issue at the Issue Price
Application Supported by Blocked Amount/ ASBA	Application (whether physical or electronic) used by an ASBA Investor to make an application authorizing the SCSB to block the Application Money in a specified bank account maintained with the SCSB
ASBA Account	Account maintained with the SCSB and specified in the CAF or the plain paper Application by the Applicant for blocking the amount mentioned in the CAF or the plain paper Application
ASBA Applicant/ ASBA Investor	Eligible Unitholders proposing to subscribe to the Issue through ASBA process and who (i) are holding the Units of the Trust in dematerialized form as on the Record Date and have applied for their Rights Entitlements and/or additional Units in dematerialized form; and (ii) are applying through blocking of funds in a bank account maintained with the SCSBs. All Eligible Investors shall participate in the Issue only through the ASBA process
Banker(s) to the Issue	[●]
Basis of Allotment	The basis on which the Units will be Allotted to successful Applicants in consultation with the Designated Stock Exchange under this Issue, as described in “Issue information” on page 157
Banker to the Issue Agreement	Banker to the Issue Agreement dated [●] entered into between the Investment Manager (acting in its capacity as the Investment Manager to the Trust), the Trust (acting through the Trustee), the Banker to the Issue, the Registrar to the Issue and the Lead Manager
Composite Application Form/ CAF	Form used by an Investor to make an application for the Allotment of Units in the Issue
Controlling Branches/ Controlling Branches of the SCSBs	Such branches of the SCSBs which co-ordinate with the Lead Manager, the Registrar to the Issue and the Stock Exchange, a list of which is available on http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes
Designated Branches	Such branches of the SCSBs which shall collect the CAF or the plain paper application, as the case may be, used by the ASBA Investors and a list of which is available on http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes
Designated Stock Exchange	BSE
Draft Letter of Offer	Draft Letter of Offer dated January 5, 2022 which shall be filed with the Stock Exchange, where the Units of the Trust are listed, and shall be made available to the public through the website of the Stock Exchange, the Trust and the Lead Manager for the purposes of seeking public comments for a period of seven working days from the date of filing this Draft Letter of Offer
Eligible Unitholder(s)	Unitholder(s) of the Trust as on the Record Date
Institutional Investors	Institutional investors as defined under Regulation 2(1)(ya) of the InvIT Regulations
Issue	This issue of up to [●] Units for cash at a price ₹ [●] per Unit aggregating up to ₹ 3,180 million* on a rights basis to the Eligible Unitholders of the Trust in the ratio of [●] Lots for every [●] Lots (each Lot comprising [●] Units) held by the Eligible Unitholders on the Record Date <i>*The size of the Issue is the amount approved by the Data InvIT Committee of the board of directors of the Investment Manager on December 28, 2021. The size of the Issue is subject to finalisation of Basis of Allotment in the Issue.</i>
Issue Closing Date	[●]
Issue Opening Date	[●]
Issue Price	₹ [●] per Unit
Issue Size	The issue of up to [●] Units aggregating up to ₹ 3,180 million* <i>* The size of the Issue is the amount approved by the Data InvIT Committee of the board of directors of the Investment Manager on December 28, 2021.</i>
Lead Manager	Ambit Private Limited
Letter of Offer	Letter of Offer to be filed with the Stock Exchange and SEBI
Lot	[●] Units
Monitoring Agency	[●]
Monitoring Agency Agreement	Monitoring agency agreement dated [●] entered into between the Investment Manager (acting in its capacity as the Investment Manager to the Trust), the Trust (acting through the Trustee) and the Monitoring Agency
Multiple Application Forms	Multiple application forms submitted by an Eligible Unitholder/a Renouncee in respect of the Rights Entitlement available in their demat account. However, supplementary applications in relation to further Units with/without using additional Rights Entitlement will not be treated as multiple applications
Offer Agreement	Offer agreement dated January 4, 2022 between the Trust (acting through the Investment Manager), the Trustee, the Investment Manager (acting in its capacity as the investment manager to the Trust), the Brookfield Sponsor and the Lead Manager

Term	Description
Record Date	[●]
Refund Bank	[●]
Registrar to the Issue or Registrar	KFin Technologies Private Limited
Registrar Agreement	Registrar agreement dated January 4, 2022 entered into between the Investment Manager (acting in its capacity as the Investment Manager to the Trust), the Trust (acting through the Trustee) and the Registrar to the Issue
Renouncee(s)	Person(s) who have acquired Rights Entitlements from the Eligible Unitholders
Rights Entitlement	The number of Units that an Eligible Unitholder is entitled to in proportion to the number of Units held by the Eligible Unitholder on the Record Date, in this case being [●] Lots for every [●] Lots held by an Eligible Unitholder
SCSB(s)	Self-certified syndicate banks registered with SEBI, which acts as a banker to the issue and which offers the facility of ASBA. A list of all SCSBs is available at http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes
Stock Exchange	Stock exchange where the Units are presently listed, being BSE
Transfer Date	The date on which Application Money blocked in the ASBA Account will be transferred to the Allotment Account in respect of successful Applications, upon finalization of the Basis of Allotment, in consultation with the Designated Stock Exchange
Working Day(s)	Working day means all days on which commercial banks in Mumbai are open for business. In respect of Issue Period, working day means all days, excluding Saturdays, Sundays and public holidays, on which commercial banks in Mumbai are open for business. For the period between the Issue Closing Date and the listing of Units on the Stock Exchange, working day means all trading days of the Stock Exchange, excluding Sundays and bank holidays, as per circulars issued by SEBI

Technical and Industry related terms

Term	Description
Capitel	Capitel Partners
Capitel Report	The report entitled “Wireless Towers in India: Industry Overview, 2021” dated July 2021 prepared by Capitel
O&M	Operation and maintenance
Technical Report in relation to the Target Asset	Technical report titled “Industry report on small cell and IBS market – Space TeleInfra” dated November 2021 issued by Analysys Mason India Private Limited in relation to the Target Asset

Abbreviations

Term	Description
ABC Policy	Anti-bribery and Corruption Policy
AIF	Alternative Investment Fund as defined in and registered with SEBI under the SEBI AIF Regulations
Anti-Corruption Laws	Collectively, the Prevention of Corruption Act, 1988, the Benami Transactions (Prohibition) Act, 1988, the Prevention of Money Laundering Act, 2002, the United States Foreign Corrupt Practices Act of 1977, and the United Kingdom Bribery Act of 2010, in each case as amended from time to time, including rules, regulations or guidelines, issued by the government entities in relevant jurisdictions
AoA	Articles of Association
BSE	BSE Limited
CCI	Competition Commission of India
CDSL	Central Depository Services (India) Limited
CIN	Corporate Identity Number
Companies Act	Companies Act, 1956 and the Companies Act, 2013, as applicable
Companies Act, 1956	Companies Act, 1956, (without reference to the provisions thereof that have ceased to have effect upon notification of the sections of the Companies Act, 2013) along with the relevant rules made thereunder
Companies Act, 2013	Companies Act, 2013, to the extent in force pursuant to the notification of the Notified Sections, along with the relevant rules, regulations, clarifications, circulars and notifications issued thereunder
Competition Act	Competition Act, 2002
CRISIL	CRISIL Limited
Depository	A depository registered with SEBI under the Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018
Depositories Act	Depositories Act, 1996
Depository Participant	A depository participant as defined under the Depositories Act
DIN	Director Identification Number
DoT	Department of Telecommunications, Government of India
ECR	Energy Consumption Rating
FBIL	Financial Benchmark India Private Limited
FEMA	Foreign Exchange Management Act, 1999, read with rules and regulations thereunder
FEMA Rules	Foreign Exchange Management (Non-debt Instruments) Rules, 2019
Financial Year or Fiscal Year or Fiscal	Period of 12 months ended March 31 of that particular year, unless otherwise stated
FPI	Foreign portfolio investors

Term	Description
GAAR	General Anti-Avoidance Rules
GoI or Government	Government of India
GSM	Global System for Mobile communication
GST	Goods and Services Tax
HSE Policy	Health, Safety and Environment Policy
ICAI	Institute of Chartered Accountants of India
Ind AS	Companies (Indian Accounting Standards) Rules, 2015
Indian GAAP or IGAAP	Generally Accepted Accounting Principles in India
Indian GAAS	Generally Accepted Auditing Standards in India
InvIT	Infrastructure Investment Trust
InvIT Regulations	Securities and Exchange Board of India (Infrastructure Investment Trusts) Regulations, 2014 including the rules, circulars and guidelines issued thereunder, including the SEBI Rights Issue Guidelines
IT Act	The Income Tax Act, 1961
Listing Regulations	Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015
MCA	Ministry of Corporate Affairs
MoA	Memorandum of Association
MoEF	Ministry of Environment, Forest and Climate Change
NACH	National Automated Clearing House
NASD	National Association of Securities Dealers
NEFT	National Electronic Funds Transfer
Notified Sections	The sections of the Companies Act, 2013 that were notified by the Ministry of Corporate Affairs, Government of India
NSDL	National Securities Depository Limited
NSE	The National Stock Exchange of India Limited
PAN	Permanent Account Number
RBI	Reserve Bank of India
Regulation S	Regulation S under the Securities Act
RoC	Registrar of Companies
Rs./Rupees/INR/₹	Indian Rupees
RTGS	Real Time Gross Settlement
SCRA	Securities Contracts (Regulation) Act, 1956
SCRR	Securities Contracts (Regulation) Rules, 1957
SCR (SECC) Regulations	Securities Contract (Regulation) (Stock Exchanges and Clearing Corporations) Regulations, 2018
SEBI	Securities and Exchange Board of India
SEBI Act	The Securities and Exchange Board of India Act, 1992
SEBI AIF Regulations	Securities and Exchange Board of India (Alternative Investments Funds) Regulations, 2012
SEBI FPI Regulations	Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2019
SEBI Rights Issue Guidelines	Circular bearing number SEBI/HO/DDHS/DDHS/CIR/P/2020/10 issued by the Securities and Exchange Board of India dated January 17, 2020 entitled Guidelines for Rights Issue of Units by a listed Infrastructure Investment Trusts (InvITs), read with the circular bearing number SEBI/HO/DDHS/DDHS/CIR/P/2020/36 issued by the Securities and Exchange Board of India dated March 13, 2020 entitled the Amendments to guidelines for rights issue, preferential issue and institutional placement of units by a listed InvIT
SEBI VCF Regulations	Securities and Exchange Board of India (Venture Capital Funds) Regulations, 1996
Securities Act	U.S. Securities Act of 1933, as amended
SFRS	Singapore Financial Reporting Standards
Stock Exchange	BSE
TRAI	Telecom Regulatory Authority of India
U.S./USA/United States	United States of America
USD/US\$	United States Dollars
VCF	Venture capital funds as defined under the SEBI VCF Regulations

NOTICE TO INVESTORS

The distribution of this Draft Letter of Offer and the Letter of Offer and the issue of the Rights Entitlement and the Units on a rights basis to persons in certain jurisdictions outside India are restricted by legal requirements prevailing in those jurisdictions. Persons into whose possession this Draft Letter of Offer, the Letter of Offer, Abridged Letter of Offer or the CAF may come, are required to inform themselves about and observe such restrictions, and the Investment Manager or the Sponsors shall bear no responsibility or liability in this regard. This Issue is being made on a rights basis to the Eligible Unitholders alone and shall not be construed as an offer or advertisement to offer Units to a persons or entities other than the Eligible Unitholders. The Investment Manager will dispatch the Letter of Offer, Abridged Letter of Offer and CAF only to Eligible Unitholders who have provided an Indian address to the Investment Manager. Overseas Unitholders who do not update the records with their Indian address or the address of their duly authorised representative in India, prior to the date on which the Investment Manager (on behalf of the Trust) proposes to dispatch the Letter of Offer, Abridged Letter of Offer and CAFs, shall not be sent the Letter of Offer, Abridged Letter of Offer and CAFs.

No action has been or will be taken by the Trust, the Investment Manager, the Sponsors or the Lead Manager to permit the Issue in any jurisdiction where action would be required for that purpose, except that this Draft Letter of Offer that has been filed with the Stock Exchange, where the Units of the Trust are listed, and shall be made available to the public through the website of the Stock Exchange, the Trust and the Lead Manager for the purposes of seeking public comments for a period of seven working days from the date of filing of this Draft Letter of Offer and the Letter of Offer shall be filed with SEBI and Stock Exchange. Accordingly, the issue of the Rights Entitlement and the Units may not be offered or sold, directly or indirectly, and this Draft Letter of Offer and the Letter of Offer or any offering materials or advertisements in connection with the Issue may not be distributed, in any jurisdiction, except in accordance with legal requirements applicable in such jurisdiction. Receipt of this Draft Letter of Offer, the Letter of Offer, Abridged Letter of Offer or the CAF will not constitute an offer in those jurisdictions in which it would be illegal to make such an offer and, in those circumstances, this Draft Letter of Offer, the Letter of Offer, Abridged Letter of Offer or the CAF must be treated as sent for information only and should not be acted upon for subscription to the Rights Entitlements or the Units and should not be copied or re-distributed. Accordingly, persons receiving a copy of this Draft Letter of Offer, the Letter of Offer, Abridged Letter of Offer or the CAF should not, in connection with the issue of the Rights Entitlements or the Units, distribute or send this Draft Letter of Offer, the Letter of Offer, Abridged Letter of Offer or the CAF in or into any jurisdiction where to do so, would or might contravene local securities laws or regulations. If this Draft Letter of Offer, the Letter of Offer, Abridged Letter of Offer or the CAF is received by any person in any such jurisdiction, or by their agent or nominee, they must not seek to subscribe to the Units or the Rights Entitlements referred to in this Draft Letter of Offer, the Letter of Offer, Abridged Letter of Offer or the CAF.

Any person who makes an application to acquire Rights Entitlements and the Units offered in the Issue will be deemed to have declared, represented, warranted and agreed that such person is authorized to acquire the Rights Entitlements and the Units in compliance with all applicable laws and regulations prevailing in such person's jurisdiction and India, without requirement for the Trust or its affiliates or the Lead Manager or its affiliates to make any filing or registration (other than in India). In addition, each purchaser of Rights Entitlements and the Units will be deemed to make the representations, warranties, acknowledgments and agreements set forth in "*Selling and Transfer Restrictions*" on page 179.

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

Neither the delivery of this Draft Letter of Offer or the Letter of Offer nor any sale hereunder, shall, under any circumstances, create any implication that there has been no change in the affairs of the Trust from the date hereof or the date of such information or that the information contained herein is correct as at any time subsequent to the date of this Draft Letter of Offer or the date of such information. The contents of this Draft Letter of Offer should not be construed as legal, tax or investment advice. Bidders may be subject to adverse foreign, state or local tax or legal consequences as a result of the offer of Units or Rights Entitlements. As a result, each investor should consult its own counsel, business advisor and tax advisor as to the legal, business, tax and related matters concerning the offer of the Units or Rights Entitlements. In addition, none of the Trust, the Investment Manager, the Sponsors or the Lead Manager are making any representation to any offeree or purchaser of the Units regarding the legality of an investment in the Units by such offeree or purchaser under any applicable laws or regulations.

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

1. The purchaser is, and the persons, if any, for whose account it is acquiring the Rights Entitlements and the Units are, entitled to subscribe for the Units, and the sale of the Units to it will not require any filing or registration by, or qualification of, the Trust with any court or administrative, governmental or regulatory agency or body, under the laws of any jurisdiction which apply to the purchaser or such persons.
2. The purchaser, and each account for which it is acting, satisfies (i) all suitability standards for investors in investments in the Rights Entitlements and the Units imposed by the jurisdiction of its residence, and (ii) is eligible to subscribe and is subscribing for the Units and Rights Entitlements in compliance with applicable securities and other laws of our jurisdiction of residence.
3. The purchaser has the full power and authority to make the acknowledgements, representations, warranties and agreements contained herein and to exercise the Rights Entitlements and subscribe for the Units, and, if the purchaser is exercising the Rights Entitlements and acquiring the Units as a fiduciary or agent for one or more investor accounts, the purchaser has the full power and authority to make the acknowledgements, representations, warranties and agreements contained herein and to exercise the Rights Entitlements and subscribe for the Units on behalf of each owner of such account.
4. The purchaser is aware and understands (and each account for which it is acting has been advised and understands) that an investment in the Rights Entitlements and the Units involves a considerable degree of risk and that the Rights Entitlements and the Units are a speculative investment, and further, that no U.S. federal or state or other agency has made any finding or determination as to the fairness of any such investment or any recommendation or endorsement of any such investment.
5. The purchaser understands (and each account for which it is acting has been advised and understands) that no action has been or will be taken to permit an offering of the Rights Entitlements or the Units in any jurisdiction (other than the filing of the Letter of Offer with SEBI and the Stock Exchange); and it will not offer, resell, pledge or otherwise transfer any of the Rights Entitlements or the Units which it may acquire, or any beneficial interests therein, in any jurisdiction or in any circumstances in which such offer or sale is not authorised or to any person to whom it is unlawful to make such offer, sale, solicitation or invitation except under circumstances that will result in compliance with any applicable laws and/or regulations. The purchaser agrees to notify any transferee to whom it subsequently reoffers, resells, pledges or otherwise transfers the Rights Entitlements and the Units of the restrictions set forth in the Letter of Offer under the heading “*Selling and Transfer Restrictions*”.
6. The purchaser (or any account for which it is acting) is an Eligible Unitholder and has received an invitation from the Trust, addressed to it and inviting it to participate in this Issue.
7. Neither the purchaser nor any of its affiliates or any person acting on its or their behalf has taken or will take, directly or indirectly, any action designed to, or which might be expected to, cause or result in the stabilization or manipulation of the price of any security of the Trust to facilitate the sale or resale of the Rights Entitlements or the Units pursuant to the Issue.
8. Prior to making any investment decision to exercise the Rights Entitlements and subscribe for the Units, the purchaser (i) will have consulted with its own legal, regulatory, tax, business, investment, financial and accounting advisers in each jurisdiction in connection herewith to the extent it has deemed necessary; (ii) will have carefully read and reviewed a copy of the Letter of Offer and its accompanying documents; (iii) will have possessed and carefully read and reviewed all information relating to the Trust and our group and the Rights Entitlements and the Units which it believes is necessary or appropriate for the purpose of making its investment decision, including, without limitation, the Exchange Information (as defined below), and will have had a reasonable opportunity to ask questions of and receive answers from officers and representatives of the Trust concerning the financial condition and results of operations of the Trust and the purchase of the Rights Entitlements or the Units, and any such questions have been answered to its satisfaction; (iv) will have possessed and reviewed all information that it believes is necessary or appropriate in connection with an investment in the Rights Entitlements and the Units; (v) will have conducted its own due diligence on the Trust and this Issue, and will have made its own investment decisions based upon its own judgement, due diligence and advice from such advisers as it has deemed necessary and will not have relied upon any recommendation, promise, representation or warranty of or view expressed by or on behalf of the Trust, the Lead Manager or its affiliates (including any research reports) (other than, with respect to the Trust and any information contained in this Draft Letter of Offer); and (vi) will have made its own determination that any investment decision to exercise the Rights Entitlements and subscribe for the Units is suitable and appropriate, both in the nature and number of Units being subscribed.
9. Without limiting the generality of the foregoing, the purchaser acknowledges that (i) the Units are listed on BSE Limited and the Trust is therefore required to publish certain business, financial and other information in accordance with the rules and practices of BSE Limited (which includes, but is not limited to, a description of the nature of the Trust’s business and the Trust’s most recent balance sheet and profit and loss account, and similar statements for preceding years together with the information on its website and its press releases, announcements, investor education presentations, annual reports, collectively constitutes “**Exchange Information**”), and that it has had access to such information without undue difficulty and has reviewed such Exchange Information as it has deemed necessary; (ii) the Trust does not expect or

intend to become subject to the periodic reporting and other information requirements of the Securities and Exchange Commission; and (iii) neither the Trust nor any of its affiliates, nor the Lead Manager or any of their affiliates has made any representations or recommendations to it, express or implied, with respect to the Trust, the Rights Entitlements or the Units or the accuracy, completeness or adequacy of the Exchange Information (other than with respect to the Trust any information contained in this Draft Letter of Offer or the Letter of Offer).

10. The purchaser understands that the Exchange Information and this Draft Letter of Offer and the Letter of Offer have been prepared in accordance with content, format and style which is either prescribed by SEBI, the Stock Exchange or under Indian laws, which differs from the content, format and style customary for similar offerings in the United States. In particular, the purchaser understands that (i) the Trust's financial information contained in the Exchange Information and this Draft Letter of Offer and the Letter of Offer have been prepared in accordance with Ind AS, Companies Act, and other applicable statutory and/or regulatory requirements and not in a manner suitable for an offering registered with the Securities Exchange Commission, and (ii) this Draft Letter of Offer and the Letter of Offer does not include all of the information that would be required if the Trust were registering the Issue of the Rights Entitlements and the Units with the Securities Exchange Commission, such as a description of our business and industry, detailed operational data, our management's discussion and analysis of our financial condition and results of operations and audited financial statements for prior years.
11. The purchaser acknowledges that (i) any information that it has received or will receive relating to or in connection with this Issue, and the Rights Entitlements or the Units, including this Draft Letter of Offer, the Letter of Offer and the Exchange Information (collectively, the "**Information**"), has been prepared solely by the Trust; and (ii) none of the Lead Manager or any of its affiliates has verified such Information, and no recommendation, promise, representation or warranty (express or implied) is or has been made or given by the Lead Manager or its affiliates as to the accuracy, completeness or sufficiency of the Information, and nothing contained in the Information is, or shall be relied upon as, a promise, representation or warranty by any of them or their affiliates.
12. The purchaser will not hold the Trust, the Lead Manager or their affiliates responsible for any misstatements in or omissions to the Information or in any other written or oral information provided by the Trust to it. It acknowledges that no written or oral information relating to this Issue, and the Rights Entitlements or the Units has been or will be provided by the Lead Manager or its affiliates to it (other than with respect to the Trust any information contained in this Draft Letter of Offer or the Letter of Offer).
13. The purchaser is a highly sophisticated investor and has such knowledge and experience in financial, business and international investment matters and is capable of independently evaluating the merits and risks (including for tax, legal, regulatory, accounting and other financial purposes) of an investment in the Rights Entitlements and the Units. It, or any account for which it is acting, has the financial ability to bear the economic risk of investment in the Rights Entitlements and the Units, has adequate means of providing for its current and contingent needs, has no need for liquidity with respect to any investment it (or such account for which it is acting) may make in the Rights Entitlements and the Units, and is able to sustain a complete loss in connection therewith and it will not look to the Trust, or to the Lead Manager, for all or part of any such loss or losses it may suffer.
14. The purchaser understands and acknowledges that the Lead Manager is assisting the Trust in respect of this Issue and that the Lead Manager is acting solely for the Trust and no one else in connection with this Issue and, in particular, are not providing any service to it, making any recommendations to it, advising it regarding the suitability of any transactions it may enter into to subscribe or purchase any Rights Entitlements or Units nor providing advice to it in relation to the Trust, this Issue or the Rights Entitlements or the Units. Further, to the extent permitted by law, it waives any and all claims, actions, liabilities, damages or demands it may have against the Lead Manager arising from its engagement with the Trust and in connection with this Issue.
15. The purchaser understands that its receipt of the Rights Entitlements and any subscription it may make for the Units will be subject to and based upon all the terms, conditions, representations, warranties, acknowledgements, agreements and undertakings and other information contained in the Letter of Offer and the Application Form. The purchaser understands that neither the Trust, nor the Registrar, the Lead Manager or any other person acting on behalf of the Trust will accept subscriptions from any person, or the agent of any person, who appears to be, or who we, the Registrar, the Lead Manager or any other person acting on behalf of the Trust have reason to believe is in the United States or outside of India and ineligible to participate in this Issue under applicable securities laws.
16. The purchaser understands that the foregoing representations and acknowledgments have been provided in connection with applicable India and other securities laws. It acknowledges that the Trust and the Lead Manager, their affiliates and others (including legal counsels to each of the Trust, the Lead Manager) will rely upon the truth and accuracy of the foregoing acknowledgements, representations, warranties and agreements and agree that, if at any time before the closing of this Issue or the issuance of the Units, any of the acknowledgements, representations, warranties and agreements made in connection with its exercise of Rights Entitlements and subscription for the Units is no longer accurate, it shall promptly notify the Trust in writing.

NO OFFER IN THE UNITED STATES

THE UNITS AND RIGHTS ENTITLEMENTS HAVE NOT BEEN, AND WILL NOT BE, REGISTERED UNDER THE SECURITIES ACT OR ANY OTHER APPLICABLE STATE SECURITIES LAWS OF THE UNITED STATES AND, UNLESS SO REGISTERED, MAY NOT BE OFFERED OR SOLD WITHIN THE UNITED STATES EXCEPT PURSUANT TO AN EXEMPTION FROM, OR IN A TRANSACTION NOT SUBJECT TO, THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT AND APPLICABLE STATE SECURITIES LAWS. ACCORDINGLY, THE UNITS OR THE RIGHTS ENTITLEMENTS ARE BEING OFFERED AND SOLD ONLY OUTSIDE THE UNITED STATES IN OFFSHORE TRANSACTIONS IN RELIANCE ON REGULATION S, IN EACH CASE IN COMPLIANCE WITH THE APPLICABLE LAWS OF THE JURISDICTIONS WHERE THOSE OFFERS AND SALES ARE MADE.

THE UNITS OFFERED HEREBY HAVE NOT BEEN REGISTERED WITH, OR APPROVED OR DISAPPROVED BY THE U.S. SECURITIES AND EXCHANGE COMMISSION (THE “SEC”) OR ANY STATE SECURITIES COMMISSION IN THE U.S. OR ANY OTHER U.S. REGULATORY AUTHORITY. FURTHERMORE, THE FOREGOING AUTHORITIES HAVE NOT PASSED ON OR ENDORSED THE MERITS OF THE OFFERING OR THE ACCURACY OR ADEQUACY OF THIS DRAFT LETTER OF OFFER. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE IN THE U.S.

PRESENTATION OF FINANCIAL DATA AND OTHER INFORMATION

Certain Conventions

In this Draft Letter of Offer, unless otherwise specified or context otherwise requires, references to the 'US' or 'U.S.' or the 'United States' are to the United States of America and its territories and possessions. All references herein to 'India' are to the Republic of India and its territories and possessions and the references herein to 'Government' or 'GoI' or the 'Central Government' or the 'State Government' are to the Government of India, central or state, as applicable.

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

Financial Data

Unless the context requires otherwise, the financial information in this Draft Letter of Offer in relation to the Trust, is derived from the Audited Consolidated Financial Statements and Limited Review Consolidated Financials. The financial information for the six-month period ended September 30, 2020 has been derived from the comparatives presented in the Limited Review Consolidated Financials for the six-month period ended September 30, 2021.

The Limited Review Consolidated Financials for six-month period ended September 30, 2021, are not indicative of the full year results of the Trust and are not comparable with the annual consolidated financial statements of the Trust presented for the year ended March 31, 2021.

Further, this Draft Letter of Offer also includes summary financial information of:

- (i) Brookfield Sponsor, (a) for the financial year ended December 31, 2020 derived from the audited standalone financial statements of the Brookfield Sponsor which were prepared in accordance with Financial Reporting Standards in Singapore, as of and for the financial year ended December 31, 2020; and (b) financial period from May 31, 2019 to December 31, 2019 derived from standalone financial statements as of December 31, 2019 and for the period from May 31, 2019 to December 31, 2019 drawn up in accordance with International Financial Reporting Standards;
- (ii) Reliance Sponsor, for the financial years ended March 31, 2021, March 31, 2020 and March 31, 2019 derived from the audited standalone financial statements of the Reliance Sponsor prepared in accordance with Ind AS and the Companies Act; and
- (iii) Investment Manager, on a standalone basis as of and for the financial years ended March 31, 2021, March 31, 2020 and March 31, 2019, derived from the standalone financial statements of the Investment Manager as of such dates and such periods, which were prepared in accordance with IGAAP and the Companies Act;
- (iv) Target Asset, on a standalone basis, as of and for the financial years ended March 31, 2021, March 31, 2020 and March 31, 2019, derived from the standalone financial statements of the Target Asset as of such dates and such periods, which were prepared in accordance with Generally Accepted Accounting Principles in India and the applicable Companies Act.

For further details, please see the sections entitled "*Summary Financial Information of the Brookfield Sponsor*", "*Summary Financial Information of the Reliance Sponsor*", "*Summary Financial Information of the Investment Manager*" and "*Financial Statements*" on pages 34, 39, 46 and 191, respectively.

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

The financial year for the Trust, Tower Co. the Reliance Sponsor and the Investment Manager commences on April 1 and ends on March 31 of the next year and accordingly, all references to a particular financial or fiscal year for each of the Trust, the Reliance Sponsor, Tower Co. and the Investment Manager, unless stated otherwise, are to the 12 months ended on March 31 of that year. The financial year for the Brookfield Sponsor commences on January 1 and ends on December 31 of that year and accordingly, all references to a particular financial year or fiscal year for the Brookfield Sponsor, unless stated otherwise, are to the calendar year ended December 31.

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

Currency and Units of Presentation

All references to:

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

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

Unless the context requires otherwise, any percentage amounts, as set forth in this Draft Letter of Offer, have been derived from the Audited Consolidated Financial Statements and Limited Review Consolidated Financials, as applicable.

Exchange Rates

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

The following table provides, for the dates indicated, information with respect to the exchange rate between the Rupee and the US\$ (in Rupees per US\$):

Currency	September 30, 2021	March 31, 2021	March 31, 2020	March 31, 2019
1 US\$	74.26	73.50	75.39	69.17

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

In the event that March 31 of any of the respective years is a public holiday, the previous calendar day not being a public holiday has been considered.

Industry and Market Data

Unless stated otherwise, industry and market data used in this Draft Letter of Offer has been obtained or derived from the Capitel Report, publicly available information as well as industry publications and other sources. For details, please see the section entitled “*Industry Overview*” on page 93.

Industry publications generally state that the information contained in such publications has been obtained from publicly available documents and from various sources believed to be reliable, but their accuracy and completeness are not guaranteed and their reliability cannot be assured. Accordingly, no investment decisions should be based on such information. Although the Investment Manager and the Sponsors believe that the industry and market data used in this Letter of Offer is reliable, it has not been independently verified by the Investment Manager, the Sponsors, the Trustee or the Lead Manager, or any of their affiliates or advisors. The data from these sources may have been re-classified by us in certain cases for the purposes of presentation. Data from these sources may also not be comparable. Such data involves risks, uncertainties and numerous assumptions and is subject to change based on various factors, including those disclosed in the section entitled “*Risk Factors*” on page 64. Accordingly, investment decisions should not be based on undue reliance on such information.

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

FORWARD-LOOKING STATEMENTS

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

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

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

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

Factors that could cause actual results, performance or achievements of the Trust to differ materially include, but are not limited to, those discussed in the sections entitled “*Risk Factors*”, “*Industry Overview*”, “*Our Business*” and “*Management’s Discussion and Analysis of Financial Condition and Results of Operations*”, on pages 64, 93, 119 and 137, respectively. Some of the factors that could cause the Trust’s actual results, performance or achievements to differ materially from those in the forward-looking statements and financial information include, but are not limited to, the following:

- RJIL currently contributes substantially all of the Tower Co.’s revenues and is expected to continue to contribute significantly to its revenues going forward. Accordingly, its results of operations and financial condition are linked to those of RJIL. As a result, any and all the factors that may adversely affect the business of RJIL would adversely and materially affect the results of operations and financial condition of the Tower Co.. Further, any delay in payments from RJIL would materially and adversely affect the Tower Co.’s cash flows and distributions to our Unitholders
- Competition in the telecommunications tower industry may create pricing pressures that materially and adversely affect us;
- We may not be able to successfully expand our tower portfolio by acquisition. Our growth strategies depend on various factors, some of which are outside our control;
- Failure to comply with, safety, health and environmental laws and regulations in India applicable to our business or adverse changes in such applicable laws and regulations, may materially and adversely affect our business;
- The Tower Co. may be unable to obtain, renew or maintain the statutory and regulatory permits and approvals required to operate the Tower Sites and any changes in current or future regulations could restrict our ability to operate our business as we currently do;
- The composite scheme of arrangement undertaken by RJIL, JDFPL, the Tower Co. and their respective shareholders in relation to transfer of RJIL’s tower assets are subject to risks in relation to the transfer of the relevant licenses, approvals and permits;
- Our substantial indebtedness could adversely affect our business, prospects, financial condition, results of operations and cash flows;
- A decrease in demand for telecommunications tower infrastructure in India could materially and adversely affect our ability to attract potential customers in the market;
- Merger or consolidation among wireless telecommunications service providers could have a material and adverse effect on our revenue and cash flow; and
- Our costs could increase and the growth of our revenues could decrease due to perceived health risks from radio emissions, especially if these perceived risks are substantiated and regulatory requirements become applicable to telecommunication towers and related infrastructure.

Forward-looking statements reflect current views as of the date of this Draft Letter of Offer and are not a guarantee of future performance or returns to Bidders. These statements are based on certain beliefs and assumptions, which in turn are based on currently available information. Although the Sponsors and Investment Manager believe that the expectations and the assumptions upon which such forward-looking statements are based, are reasonable at this time, they cannot assure Bidders

that such expectations will prove to be correct or accurate. In any event, these statements speak only as of the date of this Draft Letter of Offer or the respective dates indicated in this Draft Letter of Offer and none of the Investment Manager, the Sponsors or the Lead Manager undertake any obligation to update or revise any of them, whether as a result of new information, future events, changes in assumptions or changes in factors affecting these forward looking statements or otherwise. If any of these risks and uncertainties materialise, or if any of the underlying assumptions prove to be incorrect, the actual results of operations or financial condition of the Trust could differ materially from that described herein as anticipated, believed, estimated or expected. All subsequent forward-looking statements attributable to the Trust, the Investment Manager or the Sponsors are expressly qualified in their entirety by reference to these cautionary statements.

THE ISSUE

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

Issue	Issue of up to [●] Units of the Trust aggregating to approximately ₹ 3,180 million*
Issue Price	₹ [●] per Unit
Issue Opening Date	[●]
Issue Closing Date	[●]
Rights Entitlements**	[●] Lots for every [●] Lots (each Lot consisting of [●] Units) held on the Record Date
Sponsors	BIF IV Jarvis India Pte. Ltd. and Reliance Industrial Investments and Holdings Limited, severally
Trustee	Axis Trustee Services Limited
Investment Manager	Brookfield India Infrastructure Manager Private Limited (formerly, WIP (India) Private Limited)
Project Manager	Jio Infrastructure Management Services Limited
Authority for this Issue	This Issue was authorised and approved by the Data InvIT Committee of the board of directors of the Investment Manager on December 28, 2021.***
Tenure of the Trust	The Trust shall remain in force for 99 years or until it is dissolved or terminated in accordance with the Indenture of Trust. For details, please see the section entitled “Parties to the Trust” on page 26
Units issued and outstanding as of the date of this Draft Letter of Offer	2,521,500,000
Units issued and outstanding immediately after this Issue	[●]
Distribution	Please see the section entitled “Distribution” on page 135
Indian Taxation	Please see the section entitled “Taxation” on page 180
Listing	In-principle approval for listing of the Units has been received from BSE on [●]. The Investment Manager shall apply to the BSE for the final listing and trading approvals, after the Allotment
Closing Date	The date on which Allotment of the Units pursuant to this Issue shall be made, being on or about [●]
Ranking	The Units being issued shall rank <i>pari passu</i> in all respects with the existing Units, including rights in respect of distribution from the date of Allotment. Please see the section entitled “Rights of Unitholders” on page 154
Lock-in and Rights of Unitholders	For details, please see the sections entitled “Information Concerning the Units” and “Rights of Unitholders” on pages 124 and 154, respectively
Risk Factors	Prior to making an investment decision, Bidders should consider carefully the matters discussed in the section entitled “Risk Factors” on page 64
ISIN	INE0BWS23018
ISIN for Rights Entitlements	[●]

* The size of the Issue is the amount approved by the Data InvIT Committee of the board of directors of the Investment Manager on December 28, 2021.

** For Units being offered on a rights basis under this Issue, if the Unitholding of any of the Eligible Unitholders is less than [●] Units or is not in multiples of [●] Units, the fractional entitlement of such Eligible Unitholders shall be ignored for computation of the Rights Entitlements. However, Eligible Unitholders whose fractional entitlements are being ignored earlier will be given preference in the Allotment of [●] additional Unit each if such Eligible Unitholder have applied for additional Units in the Issue, over and above their Rights Entitlements, as per the procedure mentioned in the section entitled “Issue Information” on page 157.

*** The board of directors of the Investment Manager has constituted the ‘Tower InvIT Committee’ vide its resolution dated October 13, 2020. Further, the committee has been renamed as the ‘Data InvIT Committee’ by the board of directors of the Investment Manager vide its resolution dated November 9, 2021.

The Units, upon Allotment, shall be traded only in the dematerialized segment of the Stock Exchange.

In accordance with the InvIT Regulations, no Unitholder shall enjoy superior voting or any other rights over another Unitholder. Further, there shall not be multiple classes of Units. However, in the future, the Trust may issue subordinate units of the Trust only to the Sponsors and their respective Associates, in compliance with the InvIT Regulations, where such subordinate units of the Trust shall carry only inferior voting or other rights compared to the Units.

For further details in relation to this Issue, including the method of application, please see the section entitled “Issue Information” on page 157.

Use of Proceeds

Subject to compliance with applicable law, the Net Proceeds will be utilised, at the discretion of the Investment Manager and the Trustee, towards the following objects:

- (i) Funding towards acquisition of approximately 35% of issued, subscribed and paid-up equity share capital of Space Teleinfra Private Limited; and
- (ii) General purposes.

For further details, please see the section entitled “*Use of Proceeds*” on page 126.

Intention and extent of participation by the Sponsors

The Brookfield Sponsor who is Eligible Unitholder as on the Record Date, has by way of its letter dated [●] confirmed that it intends to subscribe to Lots in its Right Entitlements in full, apart from such Lot which may be allotted to other Eligible Unitholder(s) (who have entitlement of less than one Lot in the Issue and such fractional entitlement is ignored while crediting the Rights Entitlement) (“**Less-than-One-RE-Unitholder**”) who make an Application of minimum one Lot in the Issue. Further, in the event Less-than-One-RE-Unitholder does not apply for at least one Lot in the Issue, the Brookfield Sponsor will subscribe to any additional Units in the Issue in the event of under-subscription of the Issue, subject to applicable laws.

The Reliance Sponsor does not hold any Units and confirms that it will not subscribe to the Rights Entitlement in accordance with the SEBI Rights Issue Guidelines.

For details of basis of allotment, please see section entitled “*Issue Information - Basis of Allotment*” on page 175.

OVERVIEW OF THE TRUST

The following overview is qualified in its entirety by, and is subject to, the more detailed information contained in, or referred to elsewhere, in this Draft Letter of Offer. Statements contained in this summary that are not historical facts may be forward-looking statements. Such statements are subject to certain risks, uncertainties and assumptions that could cause actual results of the Trust to differ materially from those forecasted or projected in this Draft Letter of Offer. Under no circumstances should the inclusion of such information herein be regarded as a representation, warranty or prediction of the accuracy of the underlying assumptions by the Trust, the Parties to the Trust or the Lead Manager or any other person or that these results will be achieved or are likely to be achieved. Investment in Units involves risks. Bidders are advised not to rely solely on this overview and should read this Draft Letter of Offer in its entirety and, in particular, the section entitled “Risk Factors” on page 64.

Structure and description of the Trust

For structure and description of the Trust, please see the section entitled “Overview of the Trust” on page 18 of the Placement Memorandum, available at https://www.sebi.gov.in/filings/invit-private-issues/aug-2020/tower-infrastructure-trust_47577.html.

Pursuant to the prior approval of Unitholders of the Trust at its extra-ordinary general meeting held on September 23, 2020 and approval of SEBI vide its letter dated October 9, 2020, obtained by the Trustee for change in the investment manager of the Trust in terms of the provisions of Regulation 9(15) and other applicable provisions of the InvIT Regulations, and pursuant to the investment management agreement dated September 25, 2020, executed between Brookfield India Infrastructure Manager Private Limited (formerly known as WIP (India) Private Limited) (“BIIMPL”) and the Trustee, BIIMPL was appointed as the new investment manager of the Trust with effect from October 13, 2020.

Investment Objectives

For Investment Objectives, please see the section entitled “Overview of the Trust” on page 18 of the Placement Memorandum, available at https://www.sebi.gov.in/filings/invit-private-issues/aug-2020/tower-infrastructure-trust_47577.html.

Fee and expenses

Annual Expenses

The expenses in relation to the Trust, other than such expenses incurred in relation to operations of the Tower Co., broadly include fee payable to: (i) the Trustee; (ii) the Investment Manager; (iii) the Project Manager; (iv) the Auditors; (v) the Valuer; and (vi) other intermediaries and consultants.

The fee paid in Fiscal 2021 and estimated recurring expenses on an annual basis (exclusive of out of pocket expenses, taxes and escalations) on consolidated basis, including but not limited to, are as follows:

S. No.	Payable/ Paid by the Trust	Estimated Expenses (In ₹ million)	Fees paid in Fiscal 2021 (In ₹ million)
1.	Fee to the valuer of the Trust*	0.13	0.13
2.	Fee to the Auditors	37.75	30
3.	Fee to Trustee	2	2
4.	Fee to investment manager	26	26
5.	Fee to Project Manager	24	24
6.	Fee to the Registrar	0.42	0
7.	Fee to the Stock Exchange and Depositories	1	1
8.	Fee to the credit rating agencies	81.19	26

* Valuer does not include Mr. Ankit Chhabra.

Details of credit ratings

There are no borrowings outstanding at the Trust standalone level.

Set forth below are the details of credit ratings received by the Tower Co. in relation to its listed NCDs, term loan facilities and external commercial borrowings:

Instrument	Credit Rating Agency	Credit Rating	Credit Rating Letter Date	Reaffirmation Date
Term loan facilities	CRISIL Limited	“CRISIL AAA/Stable”	August 28, 2020	September 20, 2021
Secured Redeemable NCDs PPD Series 5	- CARE Ratings Limited - CRISIL Limited	“CARE AAA; Stable” “CRISIL AAA/Stable”	- March 5, 2021 - March 3, 2021	- CARE Ratings: November 12, 2021 - CRISIL Ratings: September 20, 2021
15,000 Secured, Rated,	CRISIL Limited	“CRISIL AAA/Stable”	June 8, 2021	September 20, 2021

Instrument	Credit Rating Agency	Credit Rating	Credit Rating Letter Date	Reaffirmation Date
Listed, Redeemable NCDs				
2.875% Senior Secured Notes	• Fitch Ratings Limited • S&P Global Ratings	Investment Grade (IG) Ratings: “BBB-” “BBB-/Stable”	July 30, 2021	-
6,500 Secured, Rated, Listed, Redeemable NCDs	CRISIL Limited	“CRISIL AAA/Stable”	September 20, 2021	-
10,000 Secured, Listed, Redeemable NCDs	• ICRA Limited • CARE Ratings Limited	“[ICRA]AAA (Stable)” “CARE AAA/Stable”	• November 11, 2021 • November 12, 2021	-

DESCRIPTION OF PORTFOLIO ASSETS

Description of Portfolio Asset

The Trust's initial portfolio of asset comprises Summit Digital Infrastructure Private Limited, being the Tower Co. The details of the Tower Co. as of the date of this Draft Letter of Offer are provided below:

1. *Summit Digital Infrastructure Private Limited*

The Tower Co. was incorporated on January 18, 2013 under the Companies Act, 1956 (CIN: U64200GJ2013PTC105870) as a special purpose vehicle as Reliance Jio Private Limited. Subsequently, a fresh certificate of incorporation dated March 3, 2014 was issued consequent to the change in name of Reliance Jio Private Limited to Reliance Jio Infratel Private Limited. Further, a fresh certificate of incorporation dated November 18, 2020 was issued consequent to the change in name of Reliance Jio Infratel Private Limited to Summit Digital Infrastructure Private Limited. Its registered office is located at 511, Shapath-V, Near Karnavati Club, S G Highway, Ahmedabad 380 015, Gujarat, India.

Pursuant to the Scheme of Arrangement, the tower infrastructure undertaking of RJIL, comprising the business of setting up and maintaining passive tower infrastructure and related assets and providing passive tower infrastructure services was transferred and vested in Tower Co. as of, and with effect from the close of business on March 31, 2019. The Scheme of Arrangement was approved by the National Company Law Tribunal, Ahmedabad ("NCLT"), through its order dated March 20, 2019. The Scheme of Arrangement became effective from the close of business on March 31, 2019.

On March 31, 2019, the Trust, acting through the Trustee, acquired 51% of the issued and paid-up equity share capital of the Tower Co., pursuant to the Share Purchase Agreement - I. On August 31, 2020, the Trust, acting through the Trustee, acquired the remaining 49% of the issued and paid-up equity share capital of the Tower Co., pursuant to the Share Purchase Agreement - II.

Shareholding Pattern of the Tower Co.

Name of equity shareholder	Number of equity shares of face value of ₹ 1 each (pre-Issue as on September 30, 2021 and post-Issue)	Percentage Holding
Data Infrastructure Trust	2,150,000,000*	100.0%
Total	2,150,000,000	100.0%

* 1 equity share of the Tower Co. is held by Brookfield Sponsor as nominee of the Trust.

Name of preference shareholder	Number of preference shares of face value of ₹ 10 each (pre-Issue as on September 30, 2021 and post-Issue)	Percentage Holding
Reliance Industries Limited	50,000,000	100.0%
Total	50,000,000	100.0%

Except as disclosed in the section entitled "Our Business - Insurance", the Trustee confirms that adequate insurance for the Portfolio Assets has been obtained. For further details in relation to the Portfolio Assets, please see the section entitled "Our Business" on page 119.

The Trust, acting through the Trustee, proposes to utilize the Issue Proceeds for, amongst others, (i) funding towards acquisition of approximately 35% of issued, subscribed and paid-up equity share capital of Space Teleinfra Private Limited; and (ii) general purposes. For further details, please see the section entitled "Use of Proceeds" on page 126.

Brief details of the Target Asset

Space Teleinfra Private Limited

Space Teleinfra Private Limited was incorporated on February 19, 2011 under the Companies Act, 1956. Its registered office is situated at 22A Janpath, New Delhi, 110 001 Delhi, India.

STPL is an Infrastructure Provider Category –I ("IP-I") entity registered with the DoT and is engaged in installation, commissioning and provisioning of passive telecom infrastructure in order to enable telecom service providers to utilise such passive infrastructure to provide telecom services to its customers. STPL enters into contracts such as: (a) installation and commissioning agreements (with airport authority, metro rail corporations, developers, educational institutions etc.) for leasing/renting of premises for installation and provisioning of in-building solutions; (b) master service agreements with service providers; and (c) site sharing services agreements with telecom operators for providing common shared passive combo site solution, on sharing basis. STPL has several projects across India ranging from underground metros and airports to hospitals,

corporate parks, educational institutions, malls and high rise residential and commercial complexes with approximately 300 million square feet under operations.

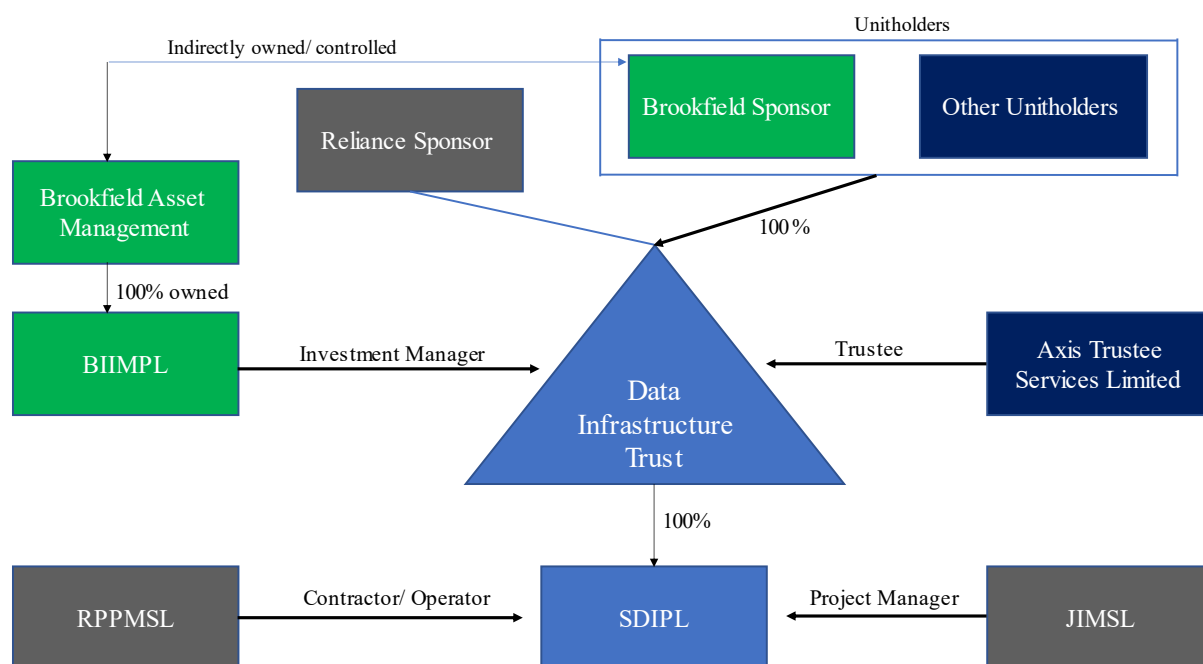
Shareholding Pattern of the Target Asset

Name of equity shareholder	Number of equity shares of face value of ₹ 10 each (pre-Issue)	Percentage Holding
Ankit Goel	742,000	20.00%
Radhey Raman Sharma	185,500	5.00%
Ram Gopal Goyal	371,000	10.00%
Westwood Business Consultancy LLP	2,411,500	65.00%
Total	3,710,000	100.00%

Name of preference shareholder	Number of preference shares of face value of ₹ 10 each (pre-Issue)	Percentage Holding
Ankit Goel	358,454	20.00%
Radhey Raman Sharma	89,613	5.00%
Ram Gopal Goyal	179,227	10.00%
Westwood Business Consultancy LLP	1,164,976	65.00%
Total	1,792,270	100.00%

Structure of the Trust

The following structure chart illustrates the relationship between the Trust, the Trustee, the Sponsors, the Investment Manager, the Project Manager and the Unitholders as on the date of this Draft Letter of Offer:



Note: RPPMSL and JIMSL are 100% held by Reliance Industries Limited through Reliance Sponsor. As on the date of this Draft Letter of Offer, Reliance Sponsor does not hold any units in the Trust.

SUMMARY FINANCIAL STATEMENTS OF THE TRUST

For the summary financial information of the Trust for the financial period from January 31, 2019 to March 31, 2019 derived from the special purpose consolidated Ind AS financial statements which were prepared in accordance with Ind AS read with the InvIT Regulations, for the financial period from January 31, 2019 to March 31, 2019, please see section entitled “Audited Consolidated Financial Statements” of the Placement Memorandum on page 226 available at https://www.sebi.gov.in/filings/invit-private-issues/aug-2020/tower-infrastructure-trust_47577.html.

The following tables set forth the:

- (i) summary financial information derived from the Limited Review Consolidated Financials for six months period ended September 30, 2021; and*
- (ii) summary financial information derived from the audited consolidated financial information as of and for fiscals ended March 31, 2021 and 2020.*

The degree to which the summary financial information included herein below will provide meaningful information is entirely dependent on the reader’s level of familiarity with Indian accounting practices, Ind AS, the Companies Act and the InvIT Regulations. Accordingly, any reliance by persons not familiar with Indian accounting practices, Ind AS, the Companies Act and the InvIT Regulations on the summary financial information presented below should be limited. The summary financial information derived from the consolidated financial statements, as presented below, should be read together with the section entitled “Management’s Discussion and Analysis of Financial Condition and Results of Operations” on page 137 in conjunction with the section entitled “Financial Statements” on page 191.

(The remainder of this page is intentionally kept blank)

DATA INFRASTRUCTURE TRUST (formerly known as Tower Infrastructure Trust) Principal place of business: Unit 1, 4 th Floor, Godrej BKC, Bandra Kurla Complex, Mumbai-400051, Maharashtra, India Phone : 022 69075252; Email: secretarial@summitdigitel.com : Website: www.towerinfrastructure.com (SEBI Registration Number: IN/InvIT/18-19/0009) UNAUDITED STATEMENT OF CONSOLIDATED FINANCIAL INFORMATION FOR THE HALF YEAR ENDED SEPTEMBER 30, 2021 I. Unaudited Consolidated Statement of Profit and Loss for the half year ended September 30, 2021 (Rs. in Million)				
Particulars	Half year ended September 30, 2021	Half year ended March 31, 2021	Half year ended September 30, 2020	Year ended March 31, 2021
	Unaudited	Unaudited (Refer Note 4)	Unaudited	Audited
I INCOME AND GAINS				
Revenue from Operations	47,525	42,729	39,713	82,442
Other Income	221	104	49	153
Total Income and Gains	47,746	42,833	39,762	82,595
II EXPENSES AND LOSSES				
Investment Manager Fee	14	14	12	26
Trustee Fee	1	1	1	2
Project Manager Fee	12	12	12	24
Audit Fees	32	26	4	30
Listing fee	1	0	1	1
Network Operating Expenses	30,273	26,398	24,962	51,360
Employee Benefits Expense	260	153	11	164
Finance Costs	7,738	7,006	13,766	20,772
Depreciation and Amortisation Expense (Refer Note 10)	6,508	9,838	9,722	19,560
Legal and Professional Fees	129	126	25	151
Other expenses*	222	229	106	335
Total Expenses and Losses	45,190	43,803	48,622	92,425
III Profit/ (Loss) before Taxes (I-II)	2,556	(970)	(8,860)	(9,830)
IV Tax Expenses	-	-	-	-
V Profit/ (Loss) for the period/ year (III-IV)	2,556	(970)	(8,860)	(9,830)
VI Other Comprehensive Income				
(a) Items that will be reclassified to Statement of Profit and Loss				
Cost of hedging				
Changes in the fair value during the period in relation to time-period related hedged items	(1,473)	-	-	-
Cash flow Hedges:				
Fair value loss arising on hedging instrument during the period	(116)	-	-	-
(b) Income Tax relating to Items that will be classified to Statement of Profit and Loss	-	-	-	-
VI Other Comprehensive Income/(Loss) for the period/ year	(1,589)	-	-	-
VII Total Comprehensive Income/ (Loss) for the period/ year (V-VI)	967	(970)	(8,860)	(9,830)
Attributable to Owners of the Trust	967	(970)	(4,711)	(5,681)
Attributable to Non-Controlling Interest	-	-	(4,149)	(4,149)

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

Consolidated Balance Sheet as at March 31 2021

(Rs. in Million)

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

* Previous year number has been reclassified to confirm to current year presentation.

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

Significant Accounting Policies

See accompanying Notes to the Consolidated Financial Statements

"0" represents the amount below the denomination threshold.

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

(Rs. in Million)

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
INCOME		
Revenue from Operations	82,442	74,767
Other Income	153	125
Total Income	82,595	74,892
EXPENSES		
Investment Manager Fee	26	24
Trustee Fee	2	2
Project Manager Fee	24	24
Audit Fees	30	23
Listing Fees	1	-
Network Operating Expenses	51,360	45,878
Employee Benefits Expense	164	1
Finance Costs	20,772	32,039
Depreciation and Amortisation Expense	19,560	17,784
Legal and Professional Fees	151	42
Other Expenses	335	209
Total Expenses	92,425	96,026
Loss before Tax	(9,830)	(21,134)
Tax Expenses	-	-
Loss for the year	(9,830)	(21,134)
Other Comprehensive Loss	-	-
Total Comprehensive Loss for the year	(9,830)	(21,134)
Attributable to Owners of the Trust	(5,681)	(10,885)
Attributable to Non Controlling Interest	(4,149)	(10,249)
Earnings Per Unit (EPU)		
Basic (in Rupees)	(6.68)	-
Diluted (in Rupees)	(6.68)	-
Significant Accounting Policies		
See accompanying Notes to the Consolidated Financial Statements		
"0" represents the amount below the denomination threshold.		

Note:

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

Tower Infrastructure Trust

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

(Rs. in Million)

	Year ended March 31, 2021	Year ended March 31, 2020
(A) Unit capital		
Balance at the beginning of the year	-	-
Changes in equity share capital during the year	2,52,150	-
Balance at the end of the year	2,52,150	-
(B) Initial Contribution		
Balance at the beginning of the year	124	-
Contribution during the year	116	124
Balance at the end of the year	240	124
(C) Non Controlling Interest		
Balance at the beginning of the year	(9,212)	1,037
1,05,00,000 Equity shares of Re. 1 each fully paid up in Summit Digitel Infrastructure Private Limited (Formerly as Reliance Jio Infratel Private Limited)	(1,054)	-
Loss for the year	(4,149)	(10,249)
Acquisition (Refer Note 10.2)	14,415	-
Balance at the end of the year	-	(9,212)
(D) Other Equity		
	Instrument classified as Equity: 10% Cumulative Optionally Convertible Preference Share Capital Fully paid up	Reserves and Surplus: Retained Earnings
As on March 31, 2020		
Balance at the beginning of the year	500	(17)
Total Comprehensive Loss for the year	-	(10,885)
Balance at the end of the year	500	(10,902)
As on March 31, 2021		
Balance at the beginning of the year	500	(10,902)
Total Comprehensive Loss for the year	-	(5,681)
Return on Capital#		(10,306)
Change in non controlling interest during the year		(14,415)
Other adjustments (Refer note 13 (III) and Note 11)	(500)	(10,158)
Balance at the end of the year	-	(51,462)

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

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

(Rs. in Million)

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

Changes in Liability arising from financing activities

(Rs. in Million)

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

(Rs. in Million)

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

Notes:

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

2 Non-cash investing activity -

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

Significant Accounting Policies

"0" represents the amount below the denomination threshold.

Tower Infrastructure Trust

Consolidated Ind AS Balance Sheet as at March 31, 2020

Particulars	(Rs.in Million)	
	As at March 31, 2020	As at March 31, 2019
ASSETS		
NON-CURRENT ASSETS		
Property, plant and equipment	3,87,383	2,48,208
Capital work-in-progress	-	80,152
Financial assets		
Other financial assets	3,072	2,726
Other non-current assets	3,236	2,615
Total Non-Current Assets	3,93,691	3,33,701
CURRENT ASSETS		
Financial Assets		
Investments	-	145
Trade receivables	153	310
Cash and cash equivalents	461	6
Other Bank balances	3	-
Other financial assets	24,099	15,000
Other current assets	22,553	18,954
Total Current Assets	47,269	34,415
Total Assets	4,40,960	3,68,116
EQUITY AND LIABILITIES		
EQUITY		
Initial contribution (Previous period Rs. 10,000)	124	-
Other equity	(10,402)	483
Total Equity	(10,278)	483
Non-controlling interest	(9,212)	1,037
LIABILITIES		
Non - Current Liabilities		
Financial liabilities		
Borrowings	2,28,194	1,89,460
Provisions	10,854	7,414
Total Non-Current Liabilities	2,39,048	1,96,874
Current Liabilities		
Financial liabilities		
Borrowings	30,050	29,650
Trade payables due to		
Micro and small Enterprises	-	-
Other than micro and small enterprises	3,097	3,111
Other financial liabilities	72,242	12,163
Creditors for capital expenditure	1,14,610	1,24,771
Other current liabilities	1,403	27
Total Current Liabilities	2,21,402	1,69,722
Total Liabilities	4,60,450	3,66,596
Total Equity and Liabilities	4,40,960	3,68,116

Tower Infrastructure Trust

Consolidated Ind AS Statement of Profit and Loss for the year ended March 31, 2020

Particulars	Year ended	(Rs. in Million)
	March 31, 2020	Period from January 31, 2019 to March 31, 2019
INCOME		
Revenue from Operations	33,404	-
Other Income	125	5
Total Income	33,529	5
EXPENSES		
Network Operating Expenses	4,515	-
Employee Benefits Expense	1	-
Finance Costs	32,039	-
Depreciation and Amortisation Expense	17,784	-
Other Expenses	324	39
Total Expenses	54,663	39
Loss before Tax	(21,134)	(34)
Tax expenses		-
i Current tax	-	-
ii Deferred tax	-	-
Loss for the year/ period	(21,134)	(34)
Total Comprehensive Income for the year / period	(21,134)	(34)
Attributable to owners of the Trust	(10,885)	(17)
Attributable to Non Controlling Interest	(10,249)	(17)

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

Tower Infrastructure Trust

Consolidated Ind AS Statement of Changes In Equity for the year ended March 31, 2020

	(Rs.in Million)	
	Year ended March 31, 2020	Period from January 31, 2019 to March 31, 2019
(A) Initial Contribution		
Balance at the beginning of the year / period (Previous period Rs.10,000)	-	-
Contribution during the year / period (from January 31, 2019 to March 31, 2019 - Rs. 10,000)	124	-
Balance at the end of the year / period	124	-
(B) Non Controlling Interest		
Opening balance as at beginning of the year / period	1,037	-
1,05,00,000 Equity shares of Re. 1 each fully paid up in Reliance Jio Infratel Private Limited	-	1,054
Loss for the year / period	(10,249)	(17)
Balance at the end of the year / period	(9,212)	1,037

(C) Other Equity

	(Rs.in Million)		
Particulars	Preference Shares	Retained Earnings	Total
April 1, 2019 to March 31, 2020			
Balance at the beginning of the reporting year i.e. April 1, 2019	500	(17)	483
Total Comprehensive Loss for the year	-	(10,885)	(10,885)
Balance at the end of the year	500	(10,902)	(10,402)

Particulars	Preference Shares	Retained Earnings	Total
January 31, 2019 to March 31, 2019			
Balance at the beginning of the reporting period i.e. January 31, 2019	-	-	-
Total Comprehensive Income for the period	-	(17)	(17)
Preference shares issued	500	-	500
Balance at the end of the reporting period i.e. March 31, 2019	500	(17)	483

Tower Infrastructure Trust

Consolidated Ind AS Cash Flow Statement for the year ended March 31, 2020

	(Rs. in Million)	
	Year ended March 31, 2020	Period from January 31, 2019 to March 31, 2019
A CASH FLOW FROM OPERATING ACTIVITIES:		
(Loss) as per Statement of Profit and Loss	(21,134)	(34)
<u>Adjusted for:</u>		
Depreciation and Amortisation Expense	17,784	-
Gain on Investments (Net)	(119)	-
Finance costs	32,039	-
Operating Profit/(Loss) before working capital changes	28,570	(34)
<u>Adjusted for:</u>		
Trade and Other Receivables	(11,182)	-
Trade and Other Payables	13,377	34
	2,195	34
Cash generated from operations	30,765	-
Taxes paid	(701)	-
Net Cash generated from operating activities (A)	30,064	-
B CASH FLOW FROM INVESTING ACTIVITIES:		
Acquisition of subsidiary	-	(1,097)
Purchase of Property, Plant and Equipment	(84,640)	-
Purchase of investments	(1,66,930)	-
Sale of investments	1,67,194	-
Fixed Deposits with Banks	(6)	-
Net cash flow (used in) investing activities (B)	(84,382)	(1,097)
C CASH FLOW FROM FINANCING ACTIVITIES:		
Proceeds from Borrowings - Non current	50,000	1,100
Repayment of Borrowings - Non current	(10,000)	-
Proceeds from Borrowings - Current	38,312	-
Repayment of Borrowings - Current	(37,912)	-
Inter Corporate Deposit taken	35,940	-
Finance Costs Paid	(21,691)	-
Contribution received during the year / period	124	-
Net cash flow generated from financing activities (C)	54,773	1,100
Net Increase in Cash and Cash Equivalents (A+B+C)	455	3
Opening Balance of Cash and Cash Equivalents	6	-
Add: acquired on business combination	-	3
Closing Balance of Cash and Cash Equivalents (Refer Note 6)	461	6

Consolidated Ind AS Cash Flow Statement for the year ended March 31, 2020

(Rs. in Million)

Changes in liabilities arising from financing activities

	As at April 1, 2019	Cash Flow	Non Cash Unamortised prepaid finance charges	As at March 31, 2020
Borrowings (Refer Note - 12)	1,99,460	40,000	167	2,39,294
Borrowings - Current (Refer Note - 14)	29,650	400	-	30,050
Total	2,29,110	40,400	167	2,69,344

	As at January 31, 2019	Cash Flow	Non Cash Transfer on account of slump sale	As at March 31, 2019
Borrowings (Refer Note - 12)	-	1,100	1,98,360	1,99,460
Borrowings - Current (Refer Note - 14)	-	-	29,650	29,650
Total	-	1,100	2,28,010	2,29,110

SUMMARY FINANCIAL INFORMATION OF THE BROOKFIELD SPONSOR

For the summary financial information of the Brookfield Sponsor for the financial period from May 31, 2019 (date of incorporation) to December 31, 2019, please see the section entitled “Summary Financial Information of the Brookfield Sponsor” on page 36 of the Placement Memorandum, available at https://www.sebi.gov.in/filings/invit-private-issues/aug-2020/tower-infrastructure-trust_47577.html.

The following tables set forth the summary financial information derived from the audited standalone financial statements of the Brookfield Sponsor which were prepared in accordance with Financial Reporting Standards in Singapore, as of and for the financial year ended December 31, 2020.

For key differences between SFRS and IFRS, please see section entitled “Summary of Certain Differences Between SFRS And IFRS” on page 189. The key differences between FRS and IFRS do not have significant impact on Brookfield Sponsor. Further, see “Risk Factors” on page 64.

The degree to which the summary financial information included herein below will provide meaningful information is entirely dependent on the reader’s level of familiarity with IFRS and SFRS. Accordingly, any reliance by persons not familiar with SFRS on the summary financial information presented below should be limited.

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BIF IV JARVIS INDIA PTE. LTD.**STATEMENT OF FINANCIAL POSITION
December 31, 2020**

	2020 US\$'000	2019 US\$'000
<u>ASSETS</u>		
Current assets		
Cash and cash equivalents	23,991	15,525
Other receivables	-	6
Total current assets	23,991	15,531
Non-current asset		
Financial asset at fair value through profit or loss	3,212,556	-
Total assets	3,236,547	15,531
<u>LIABILITIES AND EQUITY</u>		
Current liability		
Other payables	6,739	655
Non-current liability		
Loan and interest payable	2,405,061	-
Equity		
Share capital	605,531	16,990
Accumulated profits (losses)	219,216	(2,114)
Total equity	824,747	14,876
Total liabilities and equity	3,236,547	15,531

BIF IV JARVIS INDIA PTE. LTD.**STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME**
Year ended December 31, 2020

	Financial year from January 1, 2020 to December 31, 2020 US\$'000	Financial period from May 31, 2019 (date of incorporation) to December 31, 2019 US\$'000
Dividend income	61,109	-
Interest income on bank balances	16	45
Other operating expenses	(4,205)	(2,159)
Finance costs	(17,152)	-
Net gain arising on financial assets measured at fair value through profit or loss	184,901	-
Profit (Loss) before income tax	224,669	(2,114)
Income tax expense	(3,339)	-
Profit (Loss) for the year/period, representing total comprehensive income (loss) for the year/period	221,330	(2,114)

BIF IV JARVIS INDIA PTE. LTD.**STATEMENT OF CHANGES IN EQUITY**
Year ended December 31, 2020

	Share capital	Accumulated profits (losses)	Total
	US\$'000	US\$'000	US\$'000
Issuance of shares upon incorporation on May 31, 2019 (Note 11)	*	-	*
Issue of share capital, representing transactions with owner, recognised directly in equity (Note 11)	16,990	-	16,990
Loss for the period, representing total comprehensive loss for the period	-	(2,114)	(2,114)
Balance at December 31, 2019	16,990	(2,114)	14,876
Issue of share capital, representing transactions with owner, recognised directly in equity (Note 11)	588,541	-	588,541
Profit for the year, representing total comprehensive income for the year	-	221,330	221,330
Balance at December 31, 2020	605,531	219,216	824,747

* Denotes amount less than US\$1,000.

BIF IV JARVIS INDIA PTE. LTD.**STATEMENT OF CASH FLOWS**
Year ended December 31, 2020

	Financial year from January 1, 2020 to December 31, 2020 US\$'000	Financial period from May 31, 2019 (date of incorporation) to December 31, 2019 US\$'000
Operating activities		
Profit (Loss) before income tax	224,669	(2,114)
Adjustments for:		
Dividend income	(61,109)	-
Interest income on bank balances	(16)	-
Net gain arising on financial assets measured at fair value through profit or loss	(184,901)	-
Finance costs	17,152	-
Operating cash flows before movement in working capital	(4,205)	(2,114)
Other receivables	6	(6)
Other payables	1,027	655
Cash used in operations	(3,172)	(1,465)
Interest received	16	-
Income tax paid	(2)	-
Withholding tax paid	(3,337)	-
Net cash used in operating activities	(6,495)	(1,465)
Investing activities		
Purchase of financial assets at fair value through profit or loss	(3,027,655)	-
Dividends received	61,109	-
Net cash used in investing activities	(2,966,546)	-
Financing activities		
Proceeds from issue of share capital	588,541	16,990
Advance from immediate holding company	5,057	-
Proceeds from loan from immediate holding company	2,422,124	-
Repayment of loan principal to immediate holding company	(19,310)	-
Repayment of loan interest to immediate holding company	(14,905)	-
Net cash from financing activities	2,981,507	16,990
Net increase in cash and cash equivalents	8,466	15,525
Cash and cash equivalents at beginning of year/period	15,525	-
Cash and cash equivalents at end of year/period (Note 6)	23,991	15,525

SUMMARY FINANCIAL INFORMATION OF THE RELIANCE SPONSOR

For the summary financial statements of the Reliance Sponsor for the financial year ended March 31, 2019, please see the section entitled “Summary Financial Information of the Reliance Sponsor” on page 25 of the Placement Memorandum, available at https://www.sebi.gov.in/filings/invit-private-issues/aug-2020/tower-infrastructure-trust_47577.html.

The following tables set forth the summary financial information derived from the audited standalone financial statements of the Reliance Sponsor which were prepared in accordance with Ind AS and the Companies Act, as of and for the fiscals ended March 31, 2021 and 2020.

The summary financial information of the Reliance Sponsor is included in this Draft Letter of Offer as per the requirements of the InvIT Regulations.

The degree to which the summary financial information included herein below will provide meaningful information is entirely dependent on the reader's level of familiarity with Indian accounting practices, Ind AS, the Companies Act and other applicable laws. Accordingly, any reliance by persons not familiar with Indian accounting practices, Ind AS, the Companies Act and other applicable laws on the summary financial information presented below should be limited.

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Reliance Industrial Investments and Holdings Limited

Balance Sheet as at 31st March, 2021

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

Reliance Industrial Investments and Holdings Limited

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

	2020-21	₹ in lakhs 2019-20
INCOME		
Value of Sales	1349 71	1239 75
Income from Services	-	23 11
Value of Sales and Services (Revenue)	1349 71	1262 86
Less GST recovered	-	3 39
Revenue from Operations	1349 71	1259 47
Other Income	1055 31	1084 96
Total Income	2405 02	2344 43
EXPENSES		
Purchases of Stock-in-Trade	1355 56	1234 43
Employee Benefits expense	-	18 48
Finance Costs	832 27	1037 83
Depreciation	-	2
Other Expenses	61 07	15 41
Total Expenses	2248 90	2306 17
Profit Before Tax	156 12	38 26
Tax Expenses		
Current Tax	50 50	23 75
Tax for earlier years	28	-
Profit for the Year	105 34	14 51
Other Comprehensive Income		
i) Items that will not be reclassified to Profit or Loss		
Fair value changes relating to financial assets	-	(495 36)
Remeasurement of the Defined Benefit Plans	-	-
ii) Income tax relating to items that will not be reclassified to Profit or Loss	-	129 36
Total Other Comprehensive Income for the Year (Net of Tax)	-	(366 00)
Total Comprehensive Income for the Year	105 34	(351 49)
Earnings per Equity Share of face value of ₹ 10 each		
Basic (in ₹)	4.94	0.98
Diluted (in ₹)	0.21	0.03

Reliance Industrial Investments and Holdings Limited

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

₹ in lakhs

	2020-21	2019-20	
A Cash Flow from Operating Activities			
Net Profit Before Tax as per Statement of Profit and Loss	156 12	38 26	
Adjusted for :			
Interest income	(944 74)	(1063 47)	
Dividend income	-	(9 53)	
Net (gain) / loss on sale of investments	401	(11 98)	
Share of loss in LLP (₹ 9311/-, previous year ₹ 7551/-)	0	0	
Interest expenses	832 27	1037 83	
Depreciation	-	2	
	(108 46)	(47 11)	
Operating gain / (loss) before Working Capital Changes	47 66	(8 85)	
Adjusted for :			
Trade and other Receivables	40 36	(35 65)	
Trade and other Payables	(5 03)	(3 58)	
	35 33	(39 23)	
Cash Generated from / (used in) Operations	82 99	(48 08)	
Taxes paid	55 32	(81 62)	
Net Cash Flow from / (used in) Operating Activities	138 31	(129 70)	
B Cash flow from Investing Activities			
Investment in subsidiaries	(20 10)	(4185 78)	
Disposal of investment in subsidiaries	1028 40	3094 11	
Purchase of other investments	(2453 40)	(2427 29)	
Sale of Other Investments/ financial assets (₹ 0.31 lakhs)	0	1 15	
Dividend received	-	9 53	
Movement in loans	(3546 97)	(24696 10)	
Preference share application money paid / (refunded)	-	8350 95	
Interest income	943 64	377 41	
Net Cash Flow (used in) Investing Activities	(4048 43)	(19476 02)	
C Cash flow from Financing Activities			
Proceeds from Borrowing - Non-Current			
From Holding Company	29063 17	51976 62	
From other related party	4922 61	4660 40	
Re-payment of Borrowing - Non-Current			
To Holding Company	(27283 17)	(37908 19)	
To other related party	(1961 71)	(1696 40)	
Borrowings - Current	-	244 40	
Redemption of Debentures	(441 57)	(862 00)	
Proceeds of Equity shares (including Premium)	441 57	3565 08	
Interest paid	(832 40)	(375 29)	
Net Cash Flow from Financing Activities	3908 50	19604 62	
Net (Decrease) in Cash and Cash Equivalents	(1 62)	(1 10)	
Opening Balance of Cash and Cash Equivalents	2 62	4 45	
Less : on account of Composite Scheme of Arrangement	-	(73)	
Closing Balance of Cash and Cash Equivalents (Refer Note 6)	1 00	2 62	
Change in liability arising from financing activities	1st April, 2020	Change on account of Scheme of Scheme (Refer note no.25)	Cashflow 31st March, 2021
Borrowing - Non-Current (Refer Note no. 13)	12132 00	-	4740 90
Borrowing - Current	-	-	-
	12132 00	-	4740 90
	1st April, 2019	Cashflow	31st March, 2020
Borrowing - Non-Current (Refer Note no. 13)	14941 00	(19841 43)	17032 43
Borrowing - Current	-	(244 40)	244 40
	14941 00	(20085 83)	17276 83

Balance Sheet as at 31st March, 2020

	As at 31st March, 2020	₹ in lakhs As at 31st March, 2019
ASSETS		
Non-Current Assets		
Property, Plant and Equipment	-	3
Financial Assets		
Investments	23717.65	25321.64
Loans	14045.22	17265.81
Other Non-Current Assets	155.16	-
Total Non-Current Assets	37918.03	42587.48
Current Assets		
Financial Assets		
Trade Receivables	11.62	5.52
Cash and Cash Equivalents	2.62	4.45
Loans	23.94	668.25
Others Financial Asset	26.14	10497.79
Other Current Assets	9.37	13.42
Total Current assets	73.69	11189.44
Total Assets	37991.72	53776.92
EQUITY AND LIABILITIES		
Equity		
Equity Share Capital	147.50	147.50
Other Equity	25665.70	38639.42
Total Equity	25813.20	38786.92
Liabilities		
Non-current liabilities		
Financial Liabilities		
Borrowings	12132.00	14941.00
Total Non-current liabilities	12132.00	14941.00
Current liabilities		
Financial Liabilities		
Trade Payables Due to:		
Micro and Small Enterprises		
Other than Micro and Small Enterprises	6.13	6.67
Other Current Liabilities	40.39	7.36
Provisions	-	34.97
Total Current Liabilities	46.52	49.00
Total Liabilities	12178.52	14990.00
Total Equity and Liabilities	37991.72	53776.92

Statement of Profit and Loss for the year ended 31st March, 2020

	₹ in lakhs	
	2019-20	2018-19
INCOME		
Value of Sales	1239 75	1194 28
Income from Services	23 11	46 80
Value of Sales and Services (Revenue)	1262 86	1241 08
Less GST recovered	3 39	7 14
Revenue from Operations	1259 47	1233 94
Other Income	1084 96	1126 97
Total Income	2344 43	2360 91
EXPENSES		
Purchases of Stock-in-Trade	1234 43	1185 06
Employee Benefits expense	18 48	38 86
Finance Costs	1037 83	1101 77
Depreciation	2	4
Other Expenses	15 41	11 17
Total Expenses	2306 17	2336 90
Profit Before Tax	38 26	24 01
Tax Expenses		
Current Tax	23 75	3 80
Profit for the Year	14 51	20 21
Other Comprehensive Income		
i) Items that will not be reclassified to Profit or Loss		
Fair value changes relating to financial assets	(495 36)	585 22
Remeasurement of the Defined Benefit Plans	-	56
ii) Income tax relating to items that will not be reclassified to Profit or Loss	129 36	(129 44)
Total Other Comprehensive Income for the Year (Net of Tax)	(366 00)	456 34
Total Comprehensive Income for the Year	(351 49)	476 55
Earnings per Equity Share of face value of ₹ 10 each		
Basic (in ₹)	0.98	1.37
Diluted (in ₹)	0.03	0.06

Cash Flow Statement for the year ended 31st March, 2020

		2019-20	₹ in Lakhs 2018-19
A	Cash Flow from Operating Activities		
	Net Profit Before Tax as per Statement of Profit and Loss	38 26	24 01
	Adjusted for:		
	Interest income	(1063 47)	(1104 73)
	Dividend income	(9 53)	(9 82)
	Net gain on sale of investments	(11 96)	(12 03)
	Share of profit in LLP (Loss ₹7551/-, previous year ₹ 2877/-)	0	0
	Interest expenses	1037 83	1101 77
	Depreciation	2	4
		(47 11)	(24 77)
	Operating Loss before Working Capital Changes	(8 85)	(76)
	Adjusted for:		
	Trade and other Receivables	(35 65)	(5 25)
	Trade and other Payables	(3 58)	6 92
		(39 23)	1 67
	Cash Generated from / (used in) Operations	(48 08)	91
	Taxes paid	(81 62)	(56 14)
	Net Cash Flow used in Operating Activities	(129 70)	(55 23)
B	Cash flow from Investing Activities		
	Investment in subsidiaries	(4185 78)	(3422 80)
	Disposal of investment in subsidiaries	3094 11	102 09
	Purchase of other investments	(2427 29)	(4532 93)
	Sale of Other Investments/ Proceeds from sale of financial assets	1 15	-
	Dividend received	9 53	9 82
	Movement in loans	(24696 10)	(5230 06)
	Preference share application money paid / (refunded)	8350 95	(8350 95)
	Interest income	377 41	1103 60
	Net Cash Flow used in Investing Activities	(19476 02)	(20321 23)
C	Cash flow from Financing Activities		
	Proceeds from Borrowing - Non-Current		
	From Holding Company	51976 62	9860 06
	From other related party	4660 40	-
	Re-payment of Borrowing - Non-Current		
	To Holding Company	(37908 19)	(7621 77)
	To other related party	(1696 40)	-
	Borrowings - Current	244 40	-
	Redemption of Debentures	(862 00)	-
	Proceeds of Preference shares (including Premium)	3565 08	19238 07
	Interest paid	(375 29)	(1096 60)
	Net Cash Flow from Financing Activities	19604 62	20379 76
	Net Increase / (Decrease) in Cash and Cash Equivalents	(1 10)	3 31
	Opening Balance of Cash and Cash Equivalents	4 45	1 15
	Less: on account of Composite Scheme of Arrangement	(73)	-
	Closing Balance of Cash and Cash Equivalents (Refer Note 6)	2 62	4 45

SUMMARY FINANCIAL INFORMATION OF THE INVESTMENT MANAGER

The following tables set forth the summary financial information derived from the audited standalone financial statements of the Investment Manager, which was prepared in accordance with IGAAP and the Companies Act, as of and for the fiscals 2021, 2020 and 2019.

The degree to which the summary financial information included herein below will provide meaningful information is entirely dependent on the reader's level of familiarity with Indian accounting practices, IGAAP, the Companies Act and the InvIT Regulations. Accordingly, any reliance by persons not familiar with Indian accounting practices, IGAAP, the Companies Act and the InvIT Regulations on the summary financial information presented below should be limited.

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

Balance Sheet as at March 31, 2021

(Currency: Indian Rupees)

Particulars	As at March 31, 2021	As at March 31, 2020
EQUITY AND LIABILITIES		
Shareholder's funds		
Share capital	8,33,95,580	8,33,95,580
Reserves & surplus	5,05,84,776	2,54,21,322
	13,39,80,356	10,88,16,902
Current liabilities		
Trade payables		
Due to micro and small enterprise	5,525	13,812
Due to others	21,04,672	11,24,179
Other Current Liabilities	17,48,280	54,489
	38,58,477	11,92,480
TOTAL	13,78,38,833	11,00,09,382
ASSETS		
Non-Current Assets		
Investment in Bank Deposits	2,01,16,326	-
Other Non Current Assets	6,03,396	1,01,402
	2,07,19,722	1,01,402
Current Assets		
Cash and cash equivalents	10,55,73,672	10,96,97,924
Other Bank Balances	70,71,656	-
Trade receivables	29,93,755	-
Other Current Assets	14,80,028	2,10,056
	11,71,19,111	10,99,07,980
TOTAL	13,78,38,833	11,00,09,382
See accompanying notes to the financial statements		

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

(Currency: Indian Rupees)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
INCOME		
Revenue from Operations	3,52,25,806	-
Other Income	31,65,591	11,48,912
Total Income	3,83,91,397	11,48,912
EXPENSES		
Employee Benefits Expense (Net)	36,16,254	-
Valuation Expense (Net)	1,25,000	-
Other Expenses (Net)	10,16,689	25,82,485
Total Expenses	47,57,943	25,82,485
Profit/(Loss) Before Tax	3,36,33,454	(14,33,573)
Tax Expenses		
Current Tax	84,70,000	-
Adjustments /(credits) related to previous year - (net)	-	39,176
Profit/(Loss) after tax for the year	2,51,63,454	(13,94,397)
Earnings per equity share of face value of Rs. 10 each		
- For Basic (Rs.)	3.02	(0.26)
- For Diluted (Rs.)	3.02	(0.26)
See accompanying notes to the financial statements		

Cash Flow Statement for the year ended March 31, 2021

(Currency: Indian Rupees)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit/(Loss) Before Tax	3,36,33,454	(14,33,573)
Adjusted for:		
Interest Income from Fixed Deposit	(31,52,507)	(2,82,723)
	<u>(31,52,507)</u>	
Operating cash flow before working capital changes	3,04,80,947	(17,16,296)
Adjustment for :		
(Increase) / Decrease in trade receivables	(29,93,755)	-
(Increase) / Decrease in other current assets and loans and advances	(11,73,185)	16,76,641
Increase / (Decrease) in current liabilities , trade payables and provisions	26,65,997	64,737
	<u>26,65,997</u>	
Cash generated from/ (used in) Operations	2,89,80,004	25,082
Income taxes paid net of refund	(89,71,994)	-
Net Cash generated from operating activities (A)	<u>2,00,08,010</u>	<u>25,082</u>
B. CASH FLOW FROM INVESTING ACTIVITIES		
Fixed Deposits placed with Banks	(2,95,00,000)	(2,00,00,000)
Proceeds received on closure of Fixed Deposit with Banks	25,00,000	2,00,00,000
Interest Income on Fixed Deposits	28,67,738	2,82,723
Net Cash Flow used in Investing Activities	<u>(2,41,32,262)</u>	<u>2,82,723</u>
C. CASH FLOW FROM FINANCING ACTIVITIES		
Issue of Equity Share Capital	-	6,05,95,580
Share premium received on equity capital received	-	2,69,04,438
Net Cash Flow from Financing Activities	<u>-</u>	<u>8,75,00,018</u>
Net Increase in Cash and Cash Equivalents (A+B+C)	(41,24,252)	8,78,07,823
Opening Balance of Cash and Cash Equivalents (Refer Note 10)	10,96,97,924	2,18,90,101
Closing Balance of Cash and Cash Equivalents (Refer Note 10)	10,55,73,672	10,96,97,924

Note:

The above cash flow statement has been prepared under the indirect method as set out in Accounting standard -3 ('AS 3') on

1 cash flow statement prescribed in the Companies (Accounts) Rules, 2014 as amended.

2 Components of cash and cash equivalents: (refer note 10)

	March 31, 2021	March 31, 2020
Balance with banks		
- in current accounts	51,37,644	16,89,584
- other Bank Balances	<u>10,04,36,028</u>	<u>10,80,08,340</u>
	<u>10,55,73,672</u>	<u>10,96,97,924</u>

WIP (India) Private Limited

Balance sheet

as at 31 March, 2020

(Currency: Indian Rupees)

	31 March 2020	31 March 2019
EQUITY AND LIABILITIES		
Shareholders' funds		
Share capital	8,33,95,580	2,28,00,000
Reserves and surplus	<u>2,54,21,322</u>	<u>(88,719)</u>
	10,88,16,902	2,27,11,281
Current liabilities		
Trade payables		
Dues to micro and small enterprise	13,812	-
Dues to others	11,24,179	10,10,947
Other current liabilities	<u>54,489</u>	<u>1,16,796</u>
	11,92,480	11,27,743
TOTAL	<u><u>11,00,09,382</u></u>	<u><u>2,38,39,024</u></u>
ASSETS		
Non-current assets		
Long-term loans and advances	<u>1,01,402</u>	<u>19,48,923</u>
	1,01,402	19,48,923
Current assets		
Cash and cash equivalents	10,96,97,924	2,18,90,101
Other current assets	<u>2,10,056</u>	<u>-</u>
	10,99,07,980	2,18,90,101
TOTAL	<u><u>11,00,09,382</u></u>	<u><u>2,38,39,024</u></u>
Significant accounting policies		
Notes to the financial statements		

WIP (India) Private Limited

Statement of profit and loss
for the year ended 31st March, 2020

(Currency: Indian Rupees)

	31 March 2020	31 March 2019
Income		
Revenue from operations	-	2,35,64,221
Other income	11,48,912	98,877
Total revenue	11,48,912	2,36,63,098
Expenses		
Employee benefits expense	-	1,61,39,004
Other expenses	25,82,485	49,17,553
Total expenses	25,82,485	2,10,56,557
Profit / (Loss) before tax	(14,33,573)	26,06,541
Tax expense:		
- Current tax	-	7,19,402
- Adjustments/(credits) related to previous year - (net)	39,176	-
Profit/(Loss) for the year	(13,94,397)	18,87,139
Earnings per equity share		
Basic earnings per share (Rs)	(0.26)	0.83
(Nominal value Rs 10 per share, (Previous year : Rs 10)		

Significant accounting policies
Notes to the financial statements

WIP (India) Private Limited

Cash flow statement
for the year ended 31 March 2020

(Currency: Indian Rupees)

	31 March 2020	31 March 2019
A. Cash flow from operating activities		
Net profit /(Loss) before tax	(14,33,573)	26,06,541
Adjustments:		
Gain on foreign Exchange	-	(98,877)
Interest received on Fixed Deposit	(2,82,723)	-
Operating cash flow before working capital changes	(17,16,296)	25,07,664
Adjustments for :		
(Increase) / Decrease in trade receivables		3,08,81,028
(Increase) / Decrease in other current assets and loans and advances	16,76,641	17,02,031
Increase / (Decrease) in current liabilities , trade payables and provisions	64,737	(1,63,474)
Cash generated from operations	25,082	3,49,27,249
Income taxes paid net of refund	-	(13,31,445)
Net cash generated from operating activities (A)	25,082	3,35,95,804
B. Cash flows from Investing activities		
Equity capital issued during the year	6,05,95,580	-
Share premium received on equity capital issued	2,69,04,438	-
Proceeds received on closure of Fixed Deposit with Banks	2,00,00,000	-
Fixed Deposit placed with Banks	(2,00,00,000)	-
Interest received on Fixed Deposit	2,82,723	-
Net cash from investing activities (B)	8,77,82,741	-
C. Cash flows from Financing activities		
Dividend paid	-	(1,68,65,548)
Dividend distribution tax paid	-	(34,66,762)
Net cash (used in) financing activities (C)	-	(2,03,32,310)
Net increase in cash or cash equivalents (A+B+C)	8,78,07,823	1,32,63,494
Cash and cash equivalent at the beginning of the year	2,18,90,101	86,26,607
Cash and cash equivalent at the end of the year	10,96,97,924	2,18,90,101

Notes:

1 The above cash flow statement has been prepared under the indirect method as set out in Accounting standard -3 ('AS 3') on cash flow statement prescribed in the Companies (Accounts) Rules, 2014 as amended.

2 Components of cash and cash equivalents: (refer note 8)

	31 March 2020	31 March 2019
Balance with banks		
- in current accounts	16,89,584	2,18,90,101
- other Bank Balances	10,80,08,340	-
	10,96,97,924	2,18,90,101

WIP (India) Private Limited

Balance sheet

as at 31 March 2019

(Currency: Indian Rupees)

	31 March 2019	31 March 2018
EQUITY AND LIABILITIES		
Shareholders' funds		
Share capital	22,800,000	22,800,000
Reserves and surplus	(88,719)	18,356,452
	<u>22,711,281</u>	<u>41,156,452</u>
Current liabilities		
Trade payables		
Dues to micro and small enterprises	-	-
Dues to others	1,010,947	1,188,222
Other current liabilities	116,796	102,995
	<u>1,127,743</u>	<u>1,291,217</u>
TOTAL	<u>23,839,024</u>	<u>42,447,669</u>
ASSETS		
Non-current assets		
Fixed assets		
-Property, plant and equipment	-	-
Deferred tax asset	-	-
Long-term loans and advances	1,948,923	1,336,880
	<u>1,948,923</u>	<u>1,336,880</u>
Current assets		
Trade receivables	-	30,782,151
Cash and cash equivalents	21,890,101	8,626,607
Short-term loans and advances	-	207,415
Other current assets	-	1,494,616
	<u>21,890,101</u>	<u>41,110,789</u>
TOTAL	<u>23,839,024</u>	<u>42,447,669</u>

WIP (India) Private Limited

Statement of profit and loss for the year ended 31 March 2019

(Currency: Indian Rupees)

	31 March 2019	31 March 2018
Income		
Revenue from operations	23,564,221	56,420,879
Other income	98,877	190,675
Total revenue	23,663,098	56,611,554
Expenses		
Employee benefits expense	16,139,004	42,483,118
Depreciation	-	-
Other expenses	4,917,553	4,534,279
Total expenses	21,056,557	47,017,397
Profit before tax	2,606,541	9,594,157
Tax expense:		
- Current tax	719,402	2,381,365
- Deferred tax charge/ (credit)	-	115,006
Profit for the year	1,887,139	7,097,786
Earnings per equity share		
Basic earnings per share (Rs)	0.83	3.11
(Nominal value Rs 10 per share, (Previous year : Rs 10)		

WIP (India) Private Limited

Cash flow statement

for the year ended 31 March 2019

(Currency: Indian Rupees)

	31 March 2019	31 March 2018
A. Cash flow from operating activities		
Net profit before tax	2,606,541	9,594,157
Adjustments:		
Gain on foreign Exchange	(98,877)	(190,675)
	<u>2,507,664</u>	<u>9,403,482</u>
Operating cash flow before working capital changes		
Adjustments for :		
(Increase) / Decrease in trade receivables	30,881,028	(30,782,151)
(Increase) / Decrease in other current assets and loans and advances	1,702,031	(630,075)
Increase / (Decrease) in current liabilities, trade payables and provisions	<u>(163,474)</u>	<u>(266,572)</u>
Cash generated from operations	<u>34,927,249</u>	<u>(22,275,316)</u>
Income taxes paid net of refund	(1,331,445)	(3,702,245)
	<u>33,595,804</u>	<u>(25,977,561)</u>
Net cash generated from operating activities (A)		
B. Cash flows from investing activities		
Net cash from investing activities (B)	<u>-</u>	<u>-</u>
C. Cash flows from financing activities		
Dividend paid	(16,865,548)	-
Dividend distribution tax paid	<u>(3,466,762)</u>	<u>-</u>
Net cash (used in) financing activities (C)	<u>(20,332,310)</u>	<u>-</u>
Net increase in cash or cash equivalents (A+B+C)	<u>13,263,494</u>	<u>(25,977,561)</u>
Cash and cash equivalent at the beginning of the year	<u>8,626,607</u>	<u>34,604,168</u>
Cash and cash equivalent at the end of the year	<u>21,890,101</u>	<u>8,626,607</u>

Notes:

- The above Cash flow statement has been prepared under the indirect method as set out in Accounting Standard - 3 ('AS 3') on Cash flow statement prescribed in the Companies (Accounts) Rules, 2014, as amended.
- Components of cash and cash equivalents: (refer note 11)

	31 March 2019	31 March 2018
Balance with banks	21,890,101	8,626,607
- on current accounts	<u>21,890,101</u>	<u>8,626,607</u>

SUMMARY FINANCIAL INFORMATION OF TARGET ASSET

The following tables set forth the summary financial information derived from the audited standalone financial statements of the Target as of and for the financial years ended March 31, 2021, March 31, 2020 and March 31, 2019, derived from the standalone financial statements of the Target Asset as of such dates and such periods, which were prepared in accordance with Generally Accepted Accounting Principles in India and the applicable Companies Act.

The degree to which the summary financial information included herein below will provide meaningful information is entirely dependent on the reader's level of familiarity with Indian accounting practices, Indian GAAP, Ind AS, the Companies Act and the InvIT Regulations. Accordingly, any reliance by persons not familiar with Indian accounting practices, Indian GAAP, Ind AS, the Companies Act and the InvIT Regulations on the summary financial information presented below should be limited.

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Space Teleinfra Private Limited
Summary of the Standalone Balance Sheet

Figures (in Lakhs)

Particulars		As at March 31, 2021	As at March 31, 2020	As at March 31, 2019
A	EQUITY AND LIABILITIES			
1	Shareholders's funds			
(a)	Share capital	371.00	371.00	371.00
(b)	Reserves and surplus	5,532.04	3,114.03	635.98
2	Share application money pending allotment			
3	Non-current liabilities			
(a)	Long-term borrowings	26.40	68.49	-
(b)	Deferred tax liabilities (net)	-	65.33	-
(c)	Other long-term liabilities	13,660.83	15,571.35	15,648.98
(d)	Long-term provisions	-	-	-
4	Current liabilities			
(a)	Short-term borrowings	214.36	-	2.23
(b)	Trade payables	839.05	555.73	73.92
(c)	Other current liabilities	1,494.61	913.86	264.02
(d)	Short-term provisions	1,583.88	1,092.37	110.02
	Total	23,722.17	21,752.16	17,106.15
B	ASSETS			
1	Non-current assets			
(a)	Property, Plant & Equipment			
(i)	Tangible assets	13,174.68	14,317.71	2,309.88
(ii)	Intangible assets	84.22	49.42	10.39
(iii)	Capital Work in Progress	1,962.30	1,547.93	11,180.34
(b)	Non-current investments	0.90	1.00	13.86
(c)	Deferred tax assets (net)	3.58	-	3.12
(d)	Long-term loans and advances	607.10	565.00	-
(e)	Other non-current assets	1,647.26	1,577.73	-
2	Current assets			
(a)	Current investments	-	-	17.37
(b)	Inventories	-	-	-
(c)	Trade receivables	2,021.70	1,838.51	660.85
(d)	Cash and cash equivalents	19.10	495.33	1,303.65
(e)	Short-term loans and advances	4,048.82	1,290.94	1,069.37
(f)	Other current assets	152.51	68.58	537.32
	Total	23,722.17	21,752.16	17,106.15

Space Teleinfra Private Limited
Summary of the Standalone Statement of Profit and Loss

Figures (in Lakhs)

Particulars		As at March 31, 2021	As at March 31, 2020	As at March 31, 2019
A	CONTINUING OPERATIONS			
1	Revenue from operations (gross)	13,305.92	14,086.68	4,043.96
2	Other Income	220.15	126.45	91.81
3	Total revenue	13,526.07	14,213.13	4,135.77
4	Expenses			
(a)	Cost of goods/services sold	3,535.48	4,129.69	1,866.33
(b)	Employee benefit expense	2,224.67	1,349.46	616.00
(c)	Finance costs	816.05	1,371.32	84.11
(d)	Depreciation and amortisation expense	2,451.65	1,831.69	388.52
(e)	Other expenses	1,160.90	1,335.00	345.26
	Total expenses	10,188.75	10,017.18	3,300.22
	Profit / (Loss) before exceptional and extraordinary items and tax	3,337.32	4,195.95	835.55
5				
6	Exceptional items	-	-	-
7	Profit / (Loss) before extraordinary items and tax	3,337.32	4,195.95	835.55
8	Extraordinary items	-	-	-
9	Profit / (Loss) before tax	3,337.32	4,195.95	835.55
10	Tax expense			
(a)	Tax expense for current year	900.00	990.00	209.23
(b)	Deferred tax	-68.90	68.45	-5.87
(c)	MAT credit			
(d)	Excess tax expense of earlier year	88.22	33.28	-
	Profit / (Loss) from operations	2,418.00	3,104.22	632.19
	Earnings per share (of INR 10/- each)			
(a)	Basic	65.18	83.67	17.04
(b)	Diluted	65.18	83.67	17.04

Space Teleinfra Private Limited
Summary of the Standalone Cash Flow Statement

Figures (in Lakhs)

Particulars		As at March 31, 2021	As at March 31, 2020	As at March 31, 2019
	Cash flow from operating activities			
(i)	Net profit/ (loss) before tax and extraordinary items	3,337.32	4,195.95	835.55
	<i>Adjustments for:</i>			
(a)	Depreciation	2,451.65	1,831.69	388.52
(b)	Loss on disposal	8.63	14.23	-
(c)	Interest expenses	816.05	1,371.32	84.11
(ii)	Operating profits before working capital changes	6,613.65	7,413.20	1,308.17
	<i>Adjustments for:</i>			
(a)	Trade and other receivables	-183.20	-1,177.66	-231.61
(b)	Current investments	-	-	98.88
(c)	Other current asstes	-83.93	-49.20	-153.47
(d)	Short term loans and advances	-2,757.88	-221.57	-968.92
(e)	Inventories	-	-	129.16
(f)	Short term borrowings	214.36	36.15	-457.66
(g)	Trade payables	283.32	481.81	-651.18
(h)	Other current liabilities	580.74	617.27	-58.37
(i)	Short-term provisions	491.52	976.54	73.08
(iii)	Cash generated from operations	5,158.60	8,076.55	-911.92
	Less: Income Tax	988.22	1,023.28	209.23
	Net cash from operating activities (A)	4,170.37	7,053.26	-1121.56
	Cash Flow from investing activities			
(i)	Purchase of fixed assets	-1,836.91	-4,276.15	-11,918.95
(ii)	Proceeds from discard	70.49	15.78	-
(iii)	Non current investments	0.10	-1.00	-0.77
(iv)	Long term loans and advances	-42.10	-565.00	-
(v)	Other non-current assets	-69.52	-205.52	-
	Net cash used in investing activities (B)	-1,877.94	-5,031.89	-11,919.72
	Cash flow from financing activities			
(i)	Receipts from issue of share capital	-	-	-
(ii)	Receipts long term loans	-42.09	68.49	-57.51
(iii)	Interest	-816.05	-1,371.32	-84.11
(iv)	Dividend	-	-626.16	-
(v)	Other long term liabilities	-1,910.52	-77.64	14,482.50
	Net cash used in financing activities (C)	-2,768.65	-2,006.64	14,340.89
	Net increase in cash and cash equivalents	-476.22	14.73	1300.01
	Opening balance	495.33	480.59	3.64
	Closing balance	19.10	495.33	1303.65

SUMMARY OF INDUSTRY

Unless noted otherwise, the information in this section is extracted from the “Wireless Towers in India: Industry Overview, 2021” report dated July 2021 prepared by Capitel. As used in this Industry Overview, “RJio” refers to RJIL. Data included herein is as of the date of publication of the underlying sources and not as of the date of this Draft Letter of Offer. Capitel believes that the sources used are reliable; however, we cannot ensure the accuracy or completeness of underlying assumptions of this information, and no representation or warranty, express or implied, is made by the Trust as to the accuracy or completeness of the information set forth in this section, and nothing contained in this section shall be relied upon as a promise or representation, whether as to the past or future. This information should not be unduly relied on. The industry information included in this section may moreover be prepared as of specific dates and may no longer be current or reflect current trends. In addition, some of the information in this section contains forward-looking statements that are based on estimates, projections, forecasts and assumptions that may prove to be incorrect. See “Forward-Looking Statements” for more information. Investors should not place undue reliance on this industry information.

This section should be read in conjunction with section entitled “Industry Overview” on page 93.

Consolidation of Telecommunication Industry in India

In recent years, the telecommunication industry in India has seen consolidation of major telecommunication companies, from eight players (RJIL, Bharti Airtel Limited (“Airtel”), Idea Cellular Limited, Vodafone India Limited, Aircel, Bharat Sanchar Nigam Limited (“BSNL”), Telenor and Tata Docomo) to four (RJIL, Airtel, Vodafone Idea Limited (“VIL”) and BSNL), which was followed by increasing user base. According to TRAI, the number of wireless telecommunication service subscribers in India increased from 1,127 million as of December 31, 2016 to 1,154 million as of December 31, 2020, and the number of wireless internet subscribers in India increased from 370 million as of December 31, 2016 to 770 million as of December 31, 2020. In addition, according to TRAI, the monthly voice usage per subscriber in India, measured as minutes of usage per subscriber per month, increased from 667 minutes for the three months ended December 31, 2018 to 785 minutes for the three months ended December 31, 2020, and the monthly data usage per wireless subscriber, measured as gigabytes of data usage per wireless data subscriber per month, increased from 0.9 gigabytes for the three months ended December 31, 2016 to 8.7 gigabytes for the three months ended December 31, 2018 to 12.1 gigabytes for the three months ended December 31, 2020. In addition, accordingly to TRAI, the gross revenues of the telecommunication industry in India were US\$9,051 million, US\$8,025 million and US\$9,739 million for three months ended December 31, 2016, 2018 and 2020, respectively.

Operator context and market tenancy demand

Capitel believes that churn from VIL will be complete by FY23 and operator market shares will stabilize.

- VIL is churning customers that purchased a secondary SIM from RJIL and migrated to RJIL as their primary SIM. It is also churning voice users in rural areas that are migrating to a RJIL or Airtel Smartphone, as VIL is optimizing coverage in some of these districts.
- Capitel estimates that VIL has a core loyal (and high ARPU) user base of approximately 75 million users and will also be able to retain approximately 150 million mid-end data users, with a stable base of approximately 225 million users by FY23. Capitel estimates VIL FY23 revenues to be Rs. 503 billion.

Both RJIL and VIL need to launch 5G to increase their blended ARPU; Capitel believes Airtel’s 5G launch will be defensive.

- RJIL has not been able to gain a high share in the postpaid and high ARPU segments, and in general its user base has low-mid end users. It is difficult to improve the ARPU of this user base without an enhanced product, and RJIL will need to offer a 50GB-100GB data product and bundled content to upgrade these users to 5G at a higher ARPU.
- VIL also needs its core loyal user base to migrate to 5G at a higher ARPU, otherwise it will not be able to meet its revenue and EBITDA targets. Capitel estimates that VIL can achieve Rs. 655 billion revenues by FY25 if its core high ARPU user base selectively moves to 5G.
- Airtel is well placed as it has retained all its high-end user base and is now focused on churning semi-urban and rural users with 2300MHz LTE and is also upgrading its own voice users to LTE. Airtel will launch 5G as a defense against others targeting its high-end user base.

Tenancy demand will be led by 4G coverage matching by Airtel in SU/R areas, select 4G capacity / in-fill sites by RJIL and Airtel, and 5G densification on 3.5GHz and 26GHz.

- Capitel estimates a differential of approximately 75,000 coverage sites on 2300MHz between Airtel and RJIL and Airtel will have to deploy approximately 60,000+ sites at least in Tier 3 towns and large villages. The deployment must be on 2300MHz as no other band has the spectrum quantum to allow Airtel to offer 10GB+ data in SU/R markets.

- All operators are deploying in-fill sites within cities, coverage sites on out-skirts of cities, and finally capacity sites within cities to serve rising 4G data traffic. As it will take time for the 5G handset adoption cycle to drive traffic, Capitel believes that Airtel and RJIL will need 4G in-fill sites in the interim.
- Finally, there will be demand from densification of the grid on 3.5GHz band as well as 28GHz hotspot deployments. Capitel believes that operators want to deploy mm wave band (400MHz+ spectrum on a single site) that will offer a 5G differentiated product and also the spectrum is relatively inexpensive.

Capitel estimates a tenancy demand of 669 thousand tenancies from FY21-30, with RJIL accounting for 268 thousand sites, Airtel accounting for 260 thousand, VIL accounting for 126 thousand and other MNOs accounting for 15 thousand gross tenancies.

- Capitel expects deployment by Airtel to go through three broad phases of a) 2.3GHz 4G coverage expansion to match RJIL footprint + 4G capacity sites to manage rising data adoption and usage, b) 5G deployment and urban grid densification on 3.5GHz band and c) deployment of mm wave 26GHz band to service high-capacity use cases around AR/VR, gaming and other 5G.

Towerco context

The portfolio of Indus towers in semi-urban and rural areas was designed for 900MHz and 1800MHz coverage. Indus sites in urban areas are occupied by incumbents and RJIL.

- Indus towers has 80,000 sites in the rural area but as the portfolio was formed by pooling of Airtel, Vodafone and Idea grids, these rural sites are suitable for tenancies on 900MHz with some sites suited for 1800MHz.
- A major share of Indus sites have occupancy from Airtel, with urban grids fully occupied by VIL and selectively occupied by RJIL. If Indus wants to address demand from 5G in urban areas, it will have to build new sites.

The ATC portfolio was formed mainly on a grid of 1800MHz and has available site locations for new tenancies.

- Capitel estimates that ATC has approximately 40K sites in rural areas and that grid is for 900MHz / 1800MHz as ATC acquired portfolios from operators such as Tata (1800MHz, 850MHz), Telenor (1800MHz) and other new entrants. ATC has urban sites from Vodafone / Idea tower acquisition
- ATC has available locations across the portfolio, and Capitel believes it can gain market share from Airtel and RJIL in semi-urban and urban areas for 4G and 5G.

Summit's portfolio was formed to serve 2300MHz demand in urban, semi-urban and rural areas.

- Before RJIL's deployment of LTE on 2300MHz, incumbents such as Airtel and Vodafone used 900MHz for GSM coverage, 1800MHz for GSM in-fills and LTE, and finally 2100MHz for 3G, mainly as loading on existing site locations.
- When RJIL started deploying 2300MHz, it leased almost all the relevant site locations from Indus, ATC and others that fit-in with its 2300MHz grid plan, but there were still gaps as the underlying tower grids were designed for a lower frequency band. This gap was high particularly in outskirts of urban markets, semi-urban areas and large villages / cluster of villages.
- The RJIL own tower portfolio (now SDIPL) was formed to plug-in the in-fill gaps within urban markets and coverage gaps within semi-urban and rural markets for any operator deploying on 2300MHz or higher bands.

Towerco market shares

Capitel believes that Summit is best positioned among all towercos to address the upcoming demand on 2300MHz for 4G.

- Summit site locations are best placed to address demand on 2300MHz. Airtel (or VIL) will have to deploy sites on 2300MHz if they want to match RJIL's offerings of 10GB+ monthly data buckets.
- There is no other grid better placed in semi-urban and rural markets to address demand from 2300MHz deployment than Summit as the portfolio was designed for this band and has sites within tier 2 and tier 3 towns (rather than covering these towns using 900MHz from outskirt locations) and large villages.

Both Indus and Summit will need to deploy new sites to address 5G demand, and ATC can use some of its existing footprint in urban markets to gain share. Towercos with access to fiber, street furniture and capital will be best placed for 5G share gain.

- As incumbents are already occupying Indus sites in urban markets, Indus will need to deploy new sites if it wants to capture incremental 5G tenancy demand. Indus can lease fiber from its partner operators but does not have the operational experience to deploy fiber or street furniture.

- ATC has availability on its urban sites and will gain share. However, ATC will need to fiberize these sites and lease fiber from the open market – unlike Indus, ATC does not have a RoFR agreement with any operator and is dependent on the open market for tenancy gain / fiber lease / street furniture agreements. Capitel believes that the lack of fiber footprint may constrain some 5G market share gain potential for ATC.
- Summit is equally placed with other towercos to address demand in urban areas form 5G. It can lease fiber on wholesale basis from its partner operators and gain access to street furniture from municipalities and smart cities. Summit will also need to do new builds in urban areas for 5G. Summit can gain from amendments on 2300MHz and also semi-urban deployment of 5G on 3.5GHz.

Capitel does not expect pricing pressure on base rentals for macro tower business. There will be some revision of loading terns especially at the time of renewals. The unit economics of micro-sites / small cells / street furniture business will evolve over time.

- The unit economics of street furniture can only be assessed based on global benchmarks and may end up being lower than macro tower business unless there is significant innovation in tower design, institutional tie-ups and access to fiber at a fair market price.

Capitel believes there can be some upside from edge data centers and other areas for non-tower revenues, although Capitel expects these to contribute to less than 15% of the tower revenues.

SUMMARY OF BUSINESS

This section should be read in conjunction with, and is qualified in its entirety by, the sections entitled “Risk Factors”, “Financial Statements” and “Management’s Discussion and Analysis of Financial Condition and Results of Operations” on pages 64, 191 and 137, respectively, as well as all other information contained in this Draft Letter of Offer. References to “we”, “us” and “our” are to the Trust and its subsidiary, Tower Co., on a consolidated basis.

Except as stated in section entitled “Our Business” on page 119, for an overview of our business, please see the section entitled “Business” on page 133 of the Placement Memorandum available at https://www.sebi.gov.in/filings/invit-private-issues/aug-2020/tower-infrastructure-trust_47577.html. Please also refer to the annual report of the Trust for the financial year ended March 31, 2021 available on the website of the Trust at www.towerinfratrust.com.

RISK FACTORS

An investment in the Units involves risks. Prospective investors should carefully consider all the information in this Draft Letter of Offer and the Letter of Offer, including the risks and uncertainties described below, before making an investment in the Units. To obtain a complete understanding, prospective investors should read this section in conjunction with the sections entitled “Our Business”, “Financial Statements” and “Management’s Discussion and Analysis of Financial Condition and Results of Operations” on pages 119, 191 and 137, respectively, as well as all other information contained in this Draft Letter of Offer and the Letter of Offer. If any of the risks described below occurs, our business, cash flows, financial condition and prospects could be materially and adversely affected, the trading price of the Units could decrease and investors could lose all or part of their original investment. The risks and uncertainties described in this section may not be the only risks and uncertainties the Trust currently faces. Additional risks and uncertainties not presently known to the Trustee or the investment manager of the Trust, or that the Trustee, the Sponsors or the investment manager of the Trust currently deem immaterial, may arise or may adversely affect our business, prospects, financial condition, cash flows, results of operations and the price of the Units. Unless otherwise stated in the relevant risk factors set forth below, the Trustee, the Sponsors and the investment manager of the Trust are not in a position to specify or quantify the financial or other risks mentioned herein.

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

In making an investment decision, prospective investors must rely upon their own examinations and the terms of the Issue, including the merits and the risks involved. To obtain a complete understanding, prospective investors should read this section in conjunction with the sections entitled “Our Business”, “Financial Statements” and “Management’s Discussion and Analysis of Financial Condition and Results of Operations” on pages 119, 191 and 137, respectively, as well as all other information contained in this Draft Letter of Offer and the Letter of Offer. Investors should consult their tax, financial and legal advisors about the particular consequences of investing in the Issue. In this section, unless the context otherwise requires, a reference to “we”, “us” and “our” refers to the Trust and the Tower Co. on a consolidated basis.

Other than as updated above and except as otherwise provided below, for details in relation to the risks related to (i) the Tower Co.’s business and industry; (ii) the Trust’s relationships with the Investment Manager; (iii) our Organization and the Structure of the Trust; (iv) the Trust’s Relationships with the Sponsors and the investment manager of the Trust; (v) India; (vi) Ownership of the Units; (vii) Tax, please refer to the section entitled “Risk Factors” on page 54 of the Placement Memorandum, available at https://www.sebi.gov.in/filings/invit-private-issues/aug-2020/tower-infrastructure-trust_47577.html. Please also refer to the annual report of the Trust for the financial year ended March 31, 2021 available on the website of the Trust at www.towerinfratrust.com.

1. The risk factor numbered 1 in the section entitled “Risk Factors – RJIL currently contributes all of the Tower Co.’s revenues and is expected to continue to contribute significantly to its revenues going forward. Accordingly, its results of operations and financial condition are linked to those of RJIL. As a result, any and all the factors that may adversely affect the business of RJIL would adversely and materially affect the results of operations and financial condition of the Tower Co.. Further, any delay in payments from RJIL would materially and adversely affect the Tower Co.’s cash flows and distributions to our Unitholders” on page 54 of the Placement Memorandum available at https://www.sebi.gov.in/filings/invit-private-issues/aug-2020/tower-infrastructure-trust_47577.html shall be deleted and replaced with the following:

“1. RJIL currently contributes substantially all of the Tower Co.’s revenues and is expected to continue to contribute significantly to its revenues going forward. Accordingly, its results of operations and financial condition are linked to those of RJIL. As a result, any and all the factors that may adversely affect the business of RJIL would adversely and materially affect the results of operations and financial condition of the Tower Co. Further, any delay in payments from RJIL would materially and adversely affect the Tower Co.’s cash flows and distributions to our Unitholders

RJIL currently contributes to substantially all of the Tower Co.’s revenues and it may continue to depend substantially on RJIL for its revenues and cash flows.

Accordingly, its results of operations and performance heavily depends on factors affecting the growth of the business of RJIL and its ability to implement its business plans. RJIL’s business is sensitive to factors such as the general growth of the Indian economy, the intensity of competition in the telecommunication industry, the telecommunications technology landscape, digital consumer behaviors regarding the adoption of digital services and the governmental policies or regulatory framework or any changes to such policies or framework for digital communications in India. RJIL’s business is also affected by factors which have a significant impact on telecommunications companies, such as the usage of fiberized towers and fiber backhaul, the length and frequencies of network downtime, the availability of licenses and spectrum in relevant service areas and the appropriate selection of tower sites. Changes in RJIL’s business requirements or focus, any adverse industry conditions and/or regulatory requirements that cause RJIL to

re-consider its vendor selection, project prioritization, financial prospects, capital resources and expenditures as contemplated in their business plan or any deterioration in the creditworthiness of RJIL or its inability or unwillingness to meet its obligations under the Master Services Agreement, could significantly lead to delays or cancellations of its planned commitment to use the Tower Sites under the Master Services Agreement, which would increase the risk of fluctuations in the Tower Co.'s revenues and operating results. For details on the terms of the Master Services Agreement, please see the section titled "Summary of the Tower Agreements – Master Services Agreement" in this Draft Letter of Offer.

Any such delay or cancellation of commitments by RJIL may affect the Tower Co.'s ability to continue to operate and maintain its tower assets, fund its working capital, service its debt obligations and make distributions to Unitholders. We expect that RJIL will continue to contribute materially to the Tower Co.'s revenue for the foreseeable future. Since the Tower Co. currently depends on RJIL for substantially all of its revenues, the loss of, or a significant delay or reduction in payments by RJIL would have a material and adverse effect on its cash flows and distributions to our Unitholders."

2. The first paragraph of risk factor numbered 7 in the section entitled "Risk Factors – Our substantial indebtedness could adversely affect our business, prospects, financial condition, results of operations and cash flows" on page 57 of the Placement Memorandum available at https://www.sebi.gov.in/filings/invit-private-issues/aug-2020/tower-infrastructure-trust_47577.html shall be deleted and replaced with the following:

"As of September 30, 2021, our consolidated non-current borrowings was ₹ 213,451 million. While the consolidated borrowings and deferred payments would be subject to and in accordance with the provisions of the InvIT Regulations and the borrowing policy as approved by the investment manager of the Trust, the Tower Co.'s borrowings could affect our ability to service our Unitholders as well as impacting the operations and business of the Tower Co. in the following manner:"

3. The risk factor numbered 18 in the section entitled "Risk Factors – A portion of Trust Loan is intended to be used to pre-pay/repay in part or in full certain borrowings and interest obligations of the Tower Co. towards RIL. Further we propose to prepay in part the RVL Loan" on page 63 of the Placement Memorandum available at https://www.sebi.gov.in/filings/invit-private-issues/aug-2020/tower-infrastructure-trust_47577.html shall be deleted.
4. The risk factor numbered 20 in the section entitled "Risk Factors – We have entered and may continue to enter into related-party transactions" on page 63 of the Placement Memorandum available at https://www.sebi.gov.in/filings/invit-private-issues/aug-2020/tower-infrastructure-trust_47577.html shall be deleted and replaced with the following:

"20. We have entered and may continue to enter into related-party transactions

We have entered and may continue to enter into transactions with certain related parties. The transactions would be subject to the policy adopted by the investment manager of the Trust for related party transactions and would be undertaken in accordance with the InvIT Regulations. For more details see the section titled "Related Party Transactions" on page 144."

5. The risk factor numbered 21 in the section entitled "Risk Factors – The investment manager of the Trust is proposed to be changed to an entity controlled by the Brookfield Sponsor or any of its affiliates" on page 63 of the Placement Memorandum available at https://www.sebi.gov.in/filings/invit-private-issues/aug-2020/tower-infrastructure-trust_47577.html shall be deleted and replaced with the following:

"21. The investment manager of the Trust is an entity controlled by the affiliates of Brookfield Sponsor.

Pursuant to the prior approval of Unitholders of the Trust at its extra-ordinary general meeting held on September 23, 2020 and approval of SEBI vide its letter dated October 9, 2020, obtained by the Trustee for change in the investment manager of the Trust in terms of the provisions of Regulation 9(15) and other applicable provisions of the InvIT Regulations, and pursuant to the investment management agreement dated September 25, 2020, executed between Brookfield India Infrastructure Manager Private Limited (formerly known as WIP (India) Private Limited) ("BIIMPL") and the Trustee, BIIMPL was appointed as the new investment manager of the Trust with effect from October 13, 2020. BIIMPL was acquired by BHAL Global Corporate Limited to act as an investment manager to all the existing and proposed infrastructure investment trusts set up by the Brookfield Group from time to time, in terms of the InvIT Regulations. The Brookfield Sponsor may be able to exercise significant influence over the new investment manager (the "Jarvis IM") and the actions of the new investment manager may be subject to conflict of interest vis-à-vis the Trust and the Unitholders other than the Brookfield Sponsor."

6. The risk factor numbered 22 in the section entitled "Risk Factors – This Placement Memorandum contains information from the Analysys Mason Report which is a commissioned report. The accuracy of statistical and other information

with respect to the telecommunication infrastructure sector and the Analysys Mason Report which are based on certain bases, estimates and assumptions that are subjective in nature, cannot be guaranteed” on page 64 of the Placement Memorandum available at https://www.sebi.gov.in/filings/invit-private-issues/aug-2020/tower-infrastructure-trust_47577.html shall be deleted and replaced with the following:

“22. This Draft Letter of Offer contains information from the Capitel Report. The accuracy of statistical and other information with respect to the telecommunication infrastructure sector and the Capitel Report which are based on certain bases, estimates and assumptions that are subjective in nature, cannot be guaranteed

The information in the section entitled “Industry Overview” in this Draft Letter of Offer is based on the Capitel Report and other publicly available information. Neither we, nor the Trustee, the Sponsors, the Lead Manager, the investment manager of the Trust nor any other person connected with the Issue has verified the information in the Capitel Report. Further, the Capitel Report has been prepared based on information as of specific dates based on information available with Capitel at the time and may no longer be current or reflect current trends. Opinions in the Capitel Report based on estimates, projections, forecasts and assumptions may prove to be incorrect.

Further, the Capitel Report contains forecasts, projections and other “forward-looking” statements that relate to future events in relation to our businesses, which are, by their nature, subject to various limitations and are based upon certain bases, estimates, methodologies and assumptions that are subjective in nature and that are based, in part, on information provided by and discussions with or on behalf of us, and the investment manager of the Trust. The Capitel Report reflects current expectations and views regarding future events involve known and unknown risks and uncertainties. Additionally, these are long-term projections and do not take into account short-term or microeconomic factors which may impact or affect our business in the near term. Therefore, these projections may not take into account, reflect or portray any short-term effect of unforeseen situations which may arise in the future.

The future events referred to in the Capitel Report involves risks, uncertainties and other factors which may cause our results of operations to be materially different from any future performance expressed or implied by the Capitel Report. The bases, estimates, methodologies and assumptions adopted by Capitel for the purposes of preparing the Capitel Report might not prove to be accurate. If any of these bases or assumptions is incorrect, future conditions could be materially different from those that are set forth in the Capitel Report and this Draft Letter of Offer.”

7. The risk factor numbered 25 in the section entitled “Risk Factors – 25. The Tower Co., the Sponsors, the Project Manager, the investment manager of the Trust and their respective Associates and the Trustee are involved in certain legal and other proceedings, which may not be decided in their favor” on page 65 of the Placement Memorandum available at https://www.sebi.gov.in/filings/invit-private-issues/aug-2020/tower-infrastructure-trust_47577.html shall be deleted and replaced with the following:

“25. The Tower Co. and Reliance Industries Limited, associate of Reliance Sponsor are involved in certain legal and other proceedings, which may not be decided in their favor.

The Tower Co. and Reliance Industries Limited, associate of Reliance Sponsor are involved in legal proceedings or claims which are pending at different levels of adjudication before various courts, tribunals and regulatory authorities. Unfavorable outcomes or developments relating to these proceedings may have a material, adverse effect on our or their respective business, prospects, financial condition, cash flows and results of operations. Any losses, damages, costs and expenses suffered by the Trust and the Tower Co. arising from such proceedings besides any reputational damages or any other consequences thereof could have a material and adverse impact on our business, prospects, results of operations, cash flows and financial condition.

In addition, certain directors of the Investment Manager are involved in settlement proceedings with SEBI in relation to alleged contraventions by Peninsula Brookfield Real Estate Fund of the SEBI AIF Regulations. Any unfavourable outcome in such matter could adversely and materially affect reputation and prospects of the Investment Manager and the Trust.

For details of certain material outstanding legal proceedings and regulatory proceedings, see the section titled “Litigation”.

8. The risk factor numbered 25A in the section entitled “Risk Factors – We are subject to risks associated with outbreaks of diseases or similar pandemics or public health threats, such as the novel coronavirus COVID-19, which could have a material adverse impact on Tower Co. ’s business and our results of operations and financial condition” on page 65 of the Placement Memorandum available at https://www.sebi.gov.in/filings/invit-private-issues/aug-2020/tower-infrastructure-trust_47577.html shall be deleted and replaced with the following:

“25A. The outbreak of COVID-19 has caused severe disruptions in the Indian and global economy and adversely impacted our business, at least in the near term. While the full scale and scope of the effects of COVID-19 are

unknown at this time, the overall impact on our business, financial condition, prospects and results of operations could be material.

In late 2019, COVID-19 began spreading globally and is now in every state in India. In March 2020, the World Health Organization designated COVID-19 as a pandemic, and numerous countries, including India, declared national emergencies with respect to COVID-19. The global impact of the outbreak continues, with many countries instituting quarantines and restrictions on travel, closing financial markets and/or restricting trading, limiting operations of non-essential businesses and instituting national or regional lockdowns. Such actions adversely impacted many industries, including ours, although we have not yet experienced significant disruptions to the operation of our Towers as a result of our business continuity plan. When operations began resuming in a phased manner at various locations in accordance with the guidelines released by the Government, we were required to adopt precautionary measures, including social distancing, zero-touch interactions and the stringent sanitization of our workplaces.

Although vaccination against COVID-19 has begun worldwide, the pandemic could have a continued adverse impact on economic and market conditions in India and trigger a period of further global economic slowdown. The scale and scope of the COVID-19 pandemic may heighten the potential adverse effects on our business, financial condition, prospects and results of operations of the risks described in these “Risk Factors,” including the impact of:

- increased costs associated with further country-wide or regional lockdowns and compliance with new government regulations or restrictions, such as quarantines or social distancing mandates, which regulations or restrictions may delay capital expenditures plans or curtail our normal operations;
- potentially unfavorable macroeconomic and other conditions for our clients and customers;
- delays or cancellation of tower construction projects and delays in collecting on certain accounts receivable from our customers;
- significant disruptions if employees are affected by the pandemic, which could disrupt our operations, raise costs and reduce revenue and earnings;
- fluctuations in securities market prices, interest rates and credit spreads, limiting our ability to raise or deploy capital and affecting our overall liquidity; and
- increased costs or inefficiencies arising from operational changes and measures implemented to ensure the health and safety of our employees and counterparties.

The uncertain development and fluidity of the COVID-19 pandemic precludes any prediction as to the ultimate adverse impact of the COVID-19 pandemic on economic and market conditions, and, as a result, with respect to our business. The duration and extent of the impact from the COVID-19 pandemic depends on future developments that cannot be accurately predicted at this time, such as the future severity and transmission rate of the virus, the extent and effectiveness of lockdowns and other containment actions in India and globally, the timing and scale of vaccine implementation in India and the impact of these and other factors on our employees, customers, suppliers and partners.”

9. The risk factor numbered 26 in the section entitled “Risk Factors - The Trust is a recently settled trust with no established operating history and no historical financial information and, as a result, investors may not be able to assess its prospects on the basis of past records” on page 65 of the Placement Memorandum available at https://www.sebi.gov.in/filings/invit-private-issues/aug-2020/tower-infrastructure-trust_47577.html shall be deleted and replaced with the following:

“26. The Trust does not have long operating history and, as a result, investors may not be able to assess its prospects on the basis of past records

The Trust was established by way of a trust deed dated January 31, 2019 under the provisions of the Indian Trust Act, 1882 and it is registered as an infrastructure investment trust in accordance with the InvIT Regulations. Accordingly, the Trust does not have long operating history by which its past performance may be evaluated. This could make it difficult for investors to assess the future performance and prospects of the Trust.”

10. The risk factor numbered 27 in the section entitled “Risk Factors - The Valuation Report and any underlying reports, are not opinions on the commercial merits of the Trust or the Tower Co., nor are they opinions, expressed or implied, as to the future trading price of the Units or the financial condition of the Trust upon listing, and the valuation contained therein may not be indicative of the true value of the Tower Co.’s assets” on page 65 of the Placement Memorandum available at https://www.sebi.gov.in/filings/invit-private-issues/aug-2020/tower-infrastructure-trust_47577.html shall be deleted and replaced with the following:

“27. The valuation reports and any underlying reports, are not opinions on the commercial merits of the Trust or the Tower Co. or Target Asset, nor are they opinions, expressed or implied, as to the future trading price of the

Units or the financial condition of the Trust, and the valuation contained therein may not be indicative of the true value of the Tower Co. or Target Asset's assets

BDO Valuation Advisory LLP is the registered valuer who has undertaken an independent appraisal of the enterprise value of the Tower Co. Mr. Ankit Chhabra is the registered valuer who has undertaken an independent appraisal of the enterprise value of the Target Asset. The valuation reports, included in this Draft Letter of Offer are based on assumptions which have inherent limitations and involves known and unknown risks and uncertainties.

The valuation reports are not an opinion on the commercial merits and structure of the Trust or the Tower Co. or Target Asset, nor are they an opinion, express or implied, as to the future trading price of the Units or the financial condition of the Trust. The valuation reports do not purport to contain all the information that may be necessary or desirable to fully evaluate the Trust or the Tower Co. or Target Asset or an investment in the Trust or the Units. The valuation reports make no representation or warranty, expressed or implied, in this regard. The valuation reports do not confer rights or remedies upon investors or any other person, and does not constitute and should not be construed as any form of assurance as to the financial condition or future performance of the Trust or as to any other forward-looking statements included therein, including those relating to certain macro-economic factors, by or on behalf of the Sponsors, the investment manager of the Trust, the Project Manager, the Trust or the Lead Manager. Further, we cannot assure you that the valuation prepared by the registered valuer reflects the true value of the net future cash flows of the Portfolio Assets or that other valuers would arrive at the same valuation. Accordingly, the valuation contained therein may not be indicative of the true value of the Portfolio Assets. The valuation reports have not been updated since the date of its issue, does not take into account any subsequent developments and should not be considered as a recommendation by the Sponsors, the investment manager of the Trust, the Project Manager, the Trust or the Lead Manager or any other party that any person should take any action based on the valuation reports."

11. The following risk factor shall be added as a new risk factor immediately after the risk factor numbered 29 in the section entitled "Risk Factors – Risks Related to our Organization and the Structure of the Trust" on page 67 of the Placement Memorandum available at https://www.sebi.gov.in/filings/invit-private-issues/aug-2020/tower-infrastructure-trust_47577.html:

"29A. We intend to acquire equity share capital of the Target Asset including pursuant to the proceeds of the Issue subject to customary closing conditions and we may be unable to realize the anticipated benefits.

We intend to acquire approximately 35% equity share capital of the Target Asset pursuant to the proceeds of the Issue subject to customary closing conditions and we may be unable to realize the anticipated benefits. For details, please see section entitled "Use of Proceeds" on page 126. For details of acquisition of the Target Asset pursuant to the Securities Purchase agreement, please see section entitled "Summary of the Tower and Other Agreements" on page 121. Our inability to successfully integrate, recruit, train, retain and motivate new management team of the Space Teleinfra may adversely affect our business. The completion of acquisition of the Target Asset is subject to completion of this Issue and issuance of units on the preferential issue basis. Further, any delay in this Issue may have financial implications, and in turn, could delay the acquisition of the Target Asset.

Furthermore, project manager of the Target Asset is proposed to be one of the entities controlled by Brookfield Group. The Brookfield Sponsor may be able to exercise significant influence over such project manager and the actions of the new investment manager may be subject to conflict of interest vis-à-vis the Trust and the Unitholders other than the Brookfield Sponsor.

If we are unable to obtain any required approvals to complete the acquisitions of the Target Asset, we may not be able to complete such acquisition. In addition, the proposed acquisition of the Target Asset, as specified above, may result in material transaction expenses, which could have an adverse effect on our results of operations."

12. The following risk factor shall be added as a new risk factor immediately after the risk factor numbered 43 in the section entitled "Risk Factors – Risks Related to India" on page 72 of the Placement Memorandum available at https://www.sebi.gov.in/filings/invit-private-issues/aug-2020/tower-infrastructure-trust_47577.html:

"43A. Limited Review Consolidated Financials and Limited Review Standalone Financials of the Trust are unaudited. Further, Certain differences could exist between IFRS and SFRS in relation to Brookfield Sponsor's summary financial information.

Limited Review Consolidated Financials and Limited Review Standalone Financials of the Trust are unaudited. Further, the summary financial information derived from the audited financial statements of the Brookfield Sponsor which were prepared in accordance with Financial Reporting Standards in Singapore, as of and for the financial year ended December 31, 2020 are disclosed in this Draft Letter of Offer.

For key differences between SFRS and IFRS, please see section entitled "Summary of Certain Differences Between

SFRS And IFRS” on page 189. The key differences between FRS and IFRS do not have significant impact on Brookfield Sponsor.

The degree to which such summary financial information included in this Draft Letter of Offer will provide meaningful information is entirely dependent on the reader’s level of familiarity with IFRS and SFRS. Accordingly, any reliance by persons not familiar with SFRS on the summary financial information presented below should be limited.”

13. The risk factor numbered 46 in the section entitled “Risk Factors - The regulatory framework governing infrastructure investment trusts in India is relatively new and the interpretation and enforcement thereof involve uncertainties, which may have a material, adverse effect on the ability of certain categories of investors to invest in the Units, our business, financial condition and results of operations and our ability to make distributions to the Unitholders” on page 74 of the Placement Memorandum available at https://www.sebi.gov.in/filings/invit-private-issues/aug-2020/tower-infrastructure-trust_47577.html shall be deleted and replaced with the following:

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

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

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

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

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

The Finance Act has included a definition of “pooled investment vehicle” which comprises business trusts as defined under the IT Act. The IT Act defines business trusts as trusts registered with SEBI as an InvIT. This amendment has come into effect from April 1, 2021. The Finance Act recognises units, debentures and other instruments issued by infrastructure investment trusts as “securities” under the Securities Contracts (Regulation) Act, 1956. Consequently, the implementation and interpretation of these amendments is untested and evolving. Accordingly, the applicability of several regulations (including regulations relating to intermediaries, underwriters, merchant bankers, takeover, insider trading, listing regulations and fraudulent and unfair trade practices) to the Trust is unclear and subject to the interpretation and clarifications issued by regulatory bodies such as SEBI.

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

may also require significant time and other resources, and any failure to comply with these changes may adversely affect our business, results of operations and prospects.”

14. The risk factor numbered 54 in the section entitled “Risk Factors - Our rights and the rights of the Unitholders to recover claims against the investment manager of the Trust or the Trustee are limited” on page 77 of the Placement Memorandum available at https://www.sebi.gov.in/filings/invit-private-issues/aug-2020/tower-infrastructure-trust_47577.html shall be deleted and replaced with the following:

“54. Our rights and the rights of the Unitholders to recover claims against the investment manager of the Trust or the Trustee are limited

Under the Investment Management Agreement, the Trustee, the Investment Manager of the Trust, the Reliance Sponsor, the Brookfield Sponsor and their respective affiliates, directors, officers, employees, shareholders, partners, advisors, members or agents and members of any committee constituted by the Investment Manager of the Trust and/or Brookfield Sponsor (each a “Protected Person”) are entitled to be indemnified and held harmless by the Trust from and against any and all liabilities (including tax, interest and penalty), claims, costs, losses, damage and expenses (including reasonable attorney’s fees and costs) arising out of, or in connection with the Trust or any other matters set out in the InvIT Documents (as defined therein and subject to certain exceptions) to the extent permitted by law. As a result, the Trust’s rights and the rights of the Unitholders to recover claims against the investment manager of the Trust or the Trustee are limited and the liability of the Investment Manager of the Trust and the Trustee are limited under the terms of these agreements and the Unitholders may not be able to recover claims against the Trustee or the Investment Manager of the Trust, including claims with respect to any offer documents relating to the Issue.”

15. The risk factor numbered 56 in the section entitled “Risk Factors - The Trust does not have many similar and comparable listed peers which are involved in same line of business for comparison of performance and, therefore, investors must rely on their own examination of the Trust for the purposes of investment in the Issue” on page 77 of the Placement Memorandum available at https://www.sebi.gov.in/filings/invit-private-issues/aug-2020/tower-infrastructure-trust_47577.html shall be deleted and replaced with the following:

“56. The Trust does not have similar and comparable listed peers which are involved in same line of business for comparison of performance and, therefore, investors must rely on their own examination of the Trust for the purposes of investment in the Issue

As of the date of this Draft Letter of Offer, the Trust does not have similar and comparable listed peers which are involved in same line of business for comparison of performance, and, accordingly, we are not in a position to provide comparative analysis of our performance with any listed company. Therefore, investors must rely on their own examination of the Trust for the purposes of investing in the Units.”

16. The following risk factors shall be added as a new risks factor immediately after the risk factor numbered 56 in the section entitled “Risk Factors – Risks Related to Ownership of the Units” on page 77 of the Placement Memorandum available at https://www.sebi.gov.in/filings/invit-private-issues/aug-2020/tower-infrastructure-trust_47577.html:

“56A. Applicants to this Issue are not allowed to withdraw their Applications after the Issue Closing Date.

In terms of the InvIT Regulations, Applicants in this Issue are not allowed to withdraw their Applications after the Issue Closing Date. The Allotment in this Issue and the credit of such units to the Applicant’s demat account with its depository participant shall be completed within such period as prescribed under the applicable laws. There is no assurance, however, that material adverse changes in the international or national monetary, financial, political or economic conditions or other events in the nature of force majeure, material adverse changes in our business, results of operation or financial condition, or other events affecting the Applicant’s decision to invest in the rights Units, would not arise between the Issue Closing Date and the date of Allotment in this Issue. Occurrence of any such events after the Issue Closing Date could also impact the market price of our Units. The Applicants shall not have the right to withdraw their applications in the event of any such occurrence. We cannot assure you that the market price of the Units will not decline below the Issue Price. To the extent the market price for the Units declines below the Issue Price after the Issue Closing Date, the Unitholder will be required to purchase rights Units at a price that will be higher than the actual market price for the Units at that time. Should that occur, the unitholder will suffer an immediate unrealized loss as a result. We may complete the Allotment even if such events may limit the Applicants’ ability to sell our Units after this Issue or cause any trading price of our Units to decline.

56B. We will not distribute the Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter and the CAF to certain categories of overseas Unitholders.

We will send, only through e-mail, the Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter and the CAF and other issue material to the e-mail addresses of all the Eligible Unitholders who have provided their Indian addresses to us. In the event the e-mail addresses of the Eligible Unitholders are not available with us or the Eligible Unitholders have not provided the valid e-mail address us, we will make reasonable efforts to dispatch the Letter of

Offer, the Abridged Letter of Offer, the Rights Entitlement Letter and CAF by way of physical delivery as per the applicable laws to those Eligible Unitholders who have provided their Indian address. Other than as indicated above, the Issue materials will not be distributed to addresses outside India on account of restrictions that apply to circulation of such materials in overseas jurisdictions.

56C. Investors will not have the option of getting the Allotment of Units in physical form. Further, Unitholders holding fractional entitlements will not have the option to trade such fractional entitlements.

In accordance with InvIT Regulations, the Units issued pursuant to this Issue shall be issued only in dematerialized form. Investors will not have the option of getting the allotment of the Units issued pursuant to this Issue in physical form. The Units issued pursuant to this Issue Allotted to the Applicants who do not have demat accounts or who have not specified their demat details, will be kept in abeyance till receipt of the details of the demat account of such Applicants. This further means that they will have no voting rights in respect of the Units.

As the lot size comprises of [●] Units in accordance with InvIT Regulations for this Issue, the Rights Entitlements will be credited to the Unitholders in multiples of [●] Units and the participation by Unitholders in the Issue will also be in multiples of [●] Units. Investors should note that fractional entitlements will not be credited to the Unitholders' accounts and the trading of fractional entitlements of Rights Entitlements will also not be allowed by the Stock Exchange. For further details, please see the section entitled "Issue Information" on page 157.

56D. Investors will be subject to market risks until the Units credited to their demat accounts are listed and permitted to trade.

Investors can start trading the rights Units allotted to them only after they are listed and permitted to trade. Since the Units are currently listed on the Stock Exchange, investors will be subject to market risk from the date they pay for the Units issued pursuant to this Issue to the date when trading approval is granted for them. Further, there can be no assurance that the Units issued pursuant to this Issue allocated to an Investor will be credited to the Investor's demat account or that trading in the Units issued pursuant to this Issue will commence in a timely manner.

56E. The price of the Units may decline after the Issue.

The Issue Price of the Units issued pursuant to this Issue will be in accordance with the SEBI Rights Issue Guidelines and may not necessarily be indicative of the market price of the Units after the completion of the Issue. The Units may trade at prices significantly below the Issue Price after the Issue. The trading price of the Units will depend on many factors, including:

- the perceived prospects of our business and the tower infrastructure;
- differences between our actual financial and operating results and those expected by investors and analysts;
- changes in analysts' recommendations or projections;
- changes in general economic or market conditions;
- the market value of our assets;
- the perceived attractiveness of the Units against those of other equity or debt securities, including those not in the infrastructure industry;
- the balance of buyers and sellers of the Units;
- the future size and liquidity of the Indian infrastructure investment trust market;
- any future changes to the regulatory system, including the tax system, both generally and specifically in relation to Indian infrastructure investment trusts;
- the ability on our part to implement successfully its investment and growth strategies;
- foreign exchange rates; and
- broad market fluctuations, including weakness of the equity markets and increases in interest rates.

For these reasons, among others, the price of Units may fluctuate. To the extent that we retain operating cash flow for investment purposes, working capital reserves or other purposes, these retained funds, while increasing the value of its underlying assets, may not correspondingly increase the market price of the Units. Any failure on our part to meet market expectations with regard to future earnings and cash distributions may adversely affect the market price for the Units. We cannot assure you that you will be able to resell the Units held by you at or above the Issue Price. There can be no assurance that an active trading market for the Units will be sustained after this Issue, or that the price at which the Units have historically traded will correspond to the price at which the Units will trade in the market subsequent to this Issue.

In addition, the Units are not capital-protected products and there is no guarantee that Unitholders can regain the amount invested. If the Trust is terminated or liquidated, it is possible that investors may lose all or a part of their investment in the Units."

GENERAL INFORMATION

The Trust

The Trust was set up as an irrevocable trust under the provisions of the Indian Trusts Act, 1882 on January 31, 2019 at Mumbai. The Trust was registered as an infrastructure investment trust under the InvIT Regulations on March 19, 2019 having registration number IN/InvIT/18-19/0009. For information on the background of the Trust and the description of the Tower Co., please see the sections entitled “*Overview of the Trust*” and “*Our Business*” on pages 17 and 119, respectively.

Compliance Officer of the Trust

The compliance officer of the Trust is Inder Mehta. His contact details are as follows:

Inder Mehta

Unit 2, Tower 4, Equinox Business Park,
LBS Marg, Kurla (W), Mumbai 400070,
Maharashtra, India
Tel: +91 022 69075252
E-mail: secretarial@summitdigitel.com

Bidders can contact the Compliance Officer in case of any pre-Issue or post-Issue related problems such as non-receipt of Allotment Advice/letter of Allotment, non-credit of Allotted Units in the respective beneficiary account, non-receipt of refund orders and non-receipt of funds by electronic mode.

The Brookfield Sponsor – BIF IV Jarvis India Pte. Ltd.

Registered office and address for correspondence:

Income at Raffles
16 Collyer Quay
#19-00
Singapore 049 318
Tel: +65 6750 4483
Fax: +65 6532 0149

Contact Person of the Brookfield Sponsor:

Liew Yee Foong is a director and the contact person of the Brookfield Sponsor. His contact details are as follows:

Liew Yee Foong

28 Woodsville Close #13-04 Woodsville 28 Singapore 357776
Tel: +65 6750 4484
Fax: +65 6532 0149
E-mail: athen.liew@brookfield.com
Website: www.brookfield.com

The Reliance Sponsor – Reliance Industrial Investments and Holdings Limited

Registered office:

Office -101, Saffron
Near Centre Point
Panchwati 5 Rasta
Ambawadi
Ahmedabad
380 006

Address for correspondence:

9th Floor, Maker Chambers IV
222, Nariman Point
Mumbai 400 021
Tel: +91 22 2278 5000
Fax: +91 22 3555 5560
Email id: towerinvit.sponsor@ril.com

Contact Person of the Reliance Sponsor:

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

K. R. Raja

Tel: +91 22 2278 5000

E-mail: towerinvit.sponsor@ril.com

The Investment Manager – Brookfield India Infrastructure Manager Private Limited

Registered office:

Unit 1, 4th Floor
Godrej BKC Bandra Kurla Complex
Mumbai 400 051, Maharashtra, India

Correspondence Address:

Unit 1, 4th Floor
Godrej BKC Bandra Kurla Complex
Mumbai 400 051
Maharashtra, India
Tel: +91 22 6600 0700
E-mail: puja.tandon@brookfield.com
Contact Person: Puja Tandon

The Project Manager – Jio Infrastructure Management Services Limited

Registered office:

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

The proposed project manager to the Target Asset – Jarvis Data-Infra Project Manager Private Limited

Registered office and address of correspondence:

603, 6th Floor, 'B' Wing, Ashok Enclave,
Chincholi Road, Kamla Nagar, Malad (West),
Mumbai, Mumbai City, Maharashtra, India, 400 064
Tel: +91 22 3567 0702
E-mail: secretarial@summitdigitel.com

The Trustee – Axis Trustee Services Limited

For address of correspondence of the Trustee, please see the section entitled “General Information” on page 81 of the Placement Memorandum, available at https://www.sebi.gov.in/filings/invit-private-issues/aug-2020/tower-infrastructure-trust_47577.html.

Other Parties to the Trust

Auditors

Deloitte Haskins & Sells LLP

27 – 32 Floor, Indiabulls Finance Centre, Tower 3,
Senapati Bapat Marg, Elphinstone Mill Compound,
Elphinstone (W), Mumbai – 400 013, India
Tel: +91 22 6185 4000

E-mail: mobengali@deloitte.com
Firm Registration No: 117366W/W-100018
Peer Review Certificate No.: 013179

Valuer for valuation report in relation to Tower Co.

BDO Valuation Advisory LLP

Level 9, The Ruby, North West Wing, Senapati Bapat Road,
Dadar (W), Mumbai 400028, INDIA
Tel: +91 22 22 6277 1600
Fax: +91 22 6277 1700
E-mail: latamore@bdo.in
Registration No: IBBI/RV-E/02/2019/103

Valuer for valuation report in relation to Target Asset

Mr. Ankit Chhabra

5E-12, BP, NIT Faridabad, Haryana
Contact Person: Mr. Ankit Chhabra
Tel: +91 9811287524
E-mail: ankit.caan@gmail.com
ICAI Reg No.: 523505
IBBI Reg No.: IBBI/RV/11/2020/13204

Technical Consultant in relation to Tower Co.

Capitel Pte Ltd

Ocean Financial Center, 10 Collyer Quay, Singapore 049315
Tel: +65 6808 6056, +91 99589 01085
E-mail: Pankaj.agrawal@capitelpartners.com
Company Registration No.: 201617691K
Contact Person: Pankaj Agrawal
Website: www.capitelpartners.com

For the technical report entitled “*Commercial Due Diligence of RJIPL Towers*” prepared by Capitel Pte Ltd, please see Placement Memorandum available at https://www.sebi.gov.in/filings/invit-private-issues/aug-2020/tower-infrastructure-trust_47577.html.

Technical Consultant in relation to Target Asset

Analysys Mason India Private Limited

1st Floor, Tower ‘C’, Building No. 10
DLF Cyber City, Phase II
Gurgaon 122002
Haryana
India
Tel: +91 124 4501 860
Contact Person: Rohan Dhamija
E-mail: Rohan.Dhamija@analysysmason.com
Website: www.analysysmason.com
Company Registration No.: 157725 (Registered in New Delhi)

Registrar

KFin Technologies Private Limited

Selenium, Tower B,
Plot No- 31 and 32, Financial District,
Nanakramguda, Serilingampally,
Hyderabad, Rangareddi 500 032
Telangana, India.
Telephone Number: +91 40 6716 2222
Toll free number: 1800 309 4001
Website: www.kfintech.com

Email: dit.invitrights@kfintech.com
Investor grievance e-mail: einward.ris@kfintech.com
Contact Person: M Murali Krishna
SEBI Registration No.: INR000000221
CIN: U72400TG2017PTC117649

Lead Manager

Ambit Private Limited

Ambit House
449, Senapati Bapat Marg
Lower Parel
Mumbai - 400 013
Maharashtra, India
Telephone: +91 22 6623 3000
Fax: +91 22 3982 3020
E-mail: datatrust.rights@ambit.co
Investor Grievance E-mail: customerservicemb@ambit.co
Website: www.ambit.co
Contact Person: Nikhil Bhiwapurkar / Miraj Sampat
SEBI Registration No.: INM000010585

Banker to the Issue

[●]

Monitoring Agency

[●]

Legal Counsel to the Issue as to Indian law

J. Sagar Associates

Sandstone Crest, Opposite Park Plaza Hotel
Sushant Lok - Ph 1, Gurgaon 122 009, India
Tel: +91 91 124 439 0600

Underwriting

This Issue is not underwritten.

PARTIES TO THE TRUST

Sponsors

A. The Brookfield Sponsor

History and Certain Corporate Matters

The Brookfield Sponsor is a sponsor of the Trust, in addition to the Reliance Sponsor. The Brookfield Sponsor was incorporated on May 31, 2019 under the laws of Singapore. The Brookfield Sponsor is 100% held by BIF IV India Holdings Pte. Ltd. (“**BIF IV India**”), a company incorporated in Singapore. The Brookfield Sponsor and BIF IV India are controlled by Brookfield Asset Management Inc. (“**BAM**”).

The registered office of the Brookfield Sponsor is situated at Income at Raffles, 16 Collyer Quay, #19-00 Singapore 049 318. For further details, please see the section entitled “*General Information*” on page 72.

Background of the Brookfield Sponsor

BAM together with its affiliates (“**Brookfield**”) has a history of over 115 years of owning and operating assets with a focus on infrastructure, renewable power, property and other real assets. Brookfield currently controls over USD 9 billion of assets in India, with approximately 1,000 employees. BAM is listed on the New York Stock Exchange and the Toronto Stock Exchange, and has a market capitalisation of approximately USD 88 billion as of September 30, 2021. Further, Brookfield’s infrastructure group (“**Brookfield Infrastructure**”) owns and operates infrastructure portfolios of approximately USD 154 billion of assets under management as on September 30, 2021. Brookfield Infrastructure’s publicly listed infrastructure vehicles include Brookfield Infrastructure Partners L.P (“**BIP**”), a publicly traded infrastructure investor and operator, targeting long-life assets with high barriers to entry that provide essential services to the global economy. BIP is listed on the New York Stock Exchange and the Toronto Stock Exchange and has a market capitalisation of approximately USD 27 billion as of September 30, 2021. The Brookfield Sponsor has relied on BAM and BIP for meeting the eligibility criteria under the InvIT Regulations.

Further, neither the Brookfield Sponsor nor any of the promoters or directors of the Brookfield Sponsor: (i) are debarred from accessing the securities market by SEBI; (ii) are promoters, directors or persons in control of any other company or a sponsor, investment manager or trustee of any other infrastructure investment trust or an infrastructure investment trust which is debarred from accessing the capital market under any order or direction made by SEBI; (iii) are declared a wilful defaulter by any bank or financial institution or consortium thereof in accordance with the guidelines on wilful defaulters issued by the Reserve Bank of India; or (iv) are declared fugitive economic offenders under the Fugitive Economic Offenders Act, 2018, as amended.

Further in accordance with the eligibility criteria specified under the InvIT Regulations, the Brookfield Sponsor had a net worth of not less than ₹ 1,000 million as on December 31, 2020.

Board of Directors of the Brookfield Sponsor

Please see below the details in relation to the board of directors of the Brookfield Sponsor:

Sr.	Name	Identity Name	Identity No.
1.	Ho Yeh Hwa	Singapore NRIC	S7838513H
2.	Liew Yee Foong	Singapore NRIC	S8779790B
3.	Velden Neo Jun Xiong	Singapore NRIC	S8909638C
4.	Tang Qichen	Singapore NRIC	S9084721Z

Unitholding of the Brookfield Sponsor

For details of the Unitholding of the Brookfield Sponsor, please see the sections entitled “*Information concerning the Units– Unitholding of the Trust as at September 30, 2021*” and “*Information concerning the Units – Unitholders holding more than 5% of the Units of the Trust as at September 30, 2021*” on page 124.

B. The Reliance Sponsor

For an overview of the Reliance Sponsor, please see the section entitled “*Parties to the Trust*” on page 86 of the Placement Memorandum, available at https://www.sebi.gov.in/filings/invit-private-issues/aug-2020/tower-infrastructure-trust_47577.html.

Neither the Reliance Sponsor nor any of the promoters or directors of the Reliance Sponsor: (i) are debarred from

accessing the securities market by SEBI; (ii) are promoters, directors or persons in control of any other company or a sponsor, investment manager or trustee of any other infrastructure investment trust or an infrastructure investment trust which is debarred from accessing the capital market under any order or direction made by SEBI; (iii) are declared a wilful defaulter by any bank or financial institution or consortium thereof in accordance with the guidelines on wilful defaulters issued by the Reserve Bank of India; or (iv) are declared fugitive economic offenders under the Fugitive Economic Offenders Act, 2018, as amended.

Further in accordance with the eligibility criteria specified under the InvIT Regulations, the Reliance Sponsor had a consolidated net worth of not less than ₹ 1,000 million as on September 30, 2021.

Unitholding of the Reliance Sponsor

As on the date of this Draft Letter of Offer, the Reliance Sponsor does not hold any Units in the Trust.

C. The Trustee – Axis Trustee Services Limited

For an overview of the Trustee, please see the section entitled “*Parties to the Trust*” on page 86 of the Placement Memorandum, available at https://www.sebi.gov.in/filings/invit-private-issues/aug-2020/tower-infrastructure-trust_47577.html.

The Trustee is not an Associate of the Sponsors or the Investment Manager. Further, neither the Trustee nor any of the promoters or directors of the Trustee (i) are debarred from accessing the securities market by SEBI; (ii) is a promoters or persons in control of any other company or a sponsor, investment manager or trustee of any other infrastructure investment trust which is debarred from accessing the capital market under any order or direction made by SEBI; (iii) are declared a wilful defaulter by any bank or financial institution or consortium thereof in accordance with the guidelines on wilful defaulters issued by the Reserve Bank of India; and/ or (iv) are declared fugitive economic offenders under the Fugitive Economic Offenders Act, 2018, as amended.

Board of Directors of the Trustee

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

Sr. No.	Name	DIN
1.	Deepa Rath	09163254
2.	Rajesh Kumar Dahiya	07508488
3.	Ganesh Sankaran	07580955

Brief Profiles of the Directors of the Trustee

1. **Deepa Rath** is the Managing Director and Chief Executive Officer of the Trustee.
2. **Rajesh Kumar Dahiya** is a Non-Executive Director on the board of the Trustee.
3. **Ganesh Sankaran** is a Non-Executive Director on the board of the Trustee.

Key Terms of the Indenture of Trust

For key terms of the Indenture of Trust, please see the section entitled “*Parties to the Trust*” on page 86 of the Placement Memorandum, available at https://www.sebi.gov.in/filings/invit-private-issues/aug-2020/tower-infrastructure-trust_47577.html.

For details of amendments to the Indenture of Trust at the extra-ordinary general meeting of the Unitholders of the Trust held on May 12, 2021, please see annual report of the Trust for fiscal 2021 which is available on the website of the Trust at www.towerinfratrust.com. The amendment agreement to indenture of trust dated August 30, 2021 was executed in this regard.

D. The Investment Manager – Brookfield India Infrastructure Manager Private Limited (formerly, WIP (India) Private Limited)

History and Certain Corporate Matters

Brookfield India Infrastructure Manager Private Limited (formerly, WIP (India) Private Limited) (“**BIIMPL**”) was incorporated in India on May 6, 2010 under the Companies Act, 1956 with Corporate Identification Number U67190MH2010PTC202800. The name of the Investment Manager has been changed from WIP (India) Private Limited to Brookfield India Infrastructure Manager Private Limited with effect from February 3, 2021. BIIMPL's registered office has been shifted from Unit No. 804, 8th Floor, A Wing One BKC, Bandra Kurla Complex, Bandra

(E), Mumbai - 400 051 to Unit 1, 4th Floor, Godrej BKC, Bandra Kurla Complex, Mumbai 400 051, Maharashtra with effect from May 12, 2021.

BIIMPL is a wholly-owned subsidiary of BHAL Global Corporate Limited, an affiliate of BAM, and its entire equity share capital is held by BHAL Global Corporate Limited (“**BHAL**”) (with one share held by Brookfield Global Sub Investments Limited in the beneficial interest of BHAL).

BIIMPL was acquired by BHAL Global Corporate Limited to act as an investment manager to all the existing and proposed infrastructure investment trusts set up by the Brookfield Group from time to time, in terms of the InvIT Regulations.

Background of the Investment Manager

BIIMPL is engaged in the business of rendering investment and advisory services. BIIMPL also acts as an investment manager to India Infrastructure Trust, another InvIT set up by Brookfield earlier under the InvIT Regulations.

The Investment Manager has not less than two employees, who have at least five years of experience each, in the field of fund management or advisory services or development in the infrastructure sector, and not less than one employee who has at least five years of experience in the relevant sub-sectors in which the Trust proposes to invest. Further, not less than half the directors of the Investment Manager are independent, and are not directors or members of the governing board of another infrastructure investment trust registered under the InvIT Regulations.

Net worth of BIIMPL as per its latest annual audited standalone financial statements for the financial year ended March 31, 2021 is in line with the requirement specified under regulation 4(2)(e) of the InvIT Regulations.

Neither the Investment Manager nor any of the promoters or directors of the Investment Manager (i) are debarred from accessing the securities market by SEBI; (ii) are promoters, directors or persons in control of any other company or a sponsor, investment manager or trustee of any other infrastructure investment trust or an infrastructure investment trust which is debarred from accessing the capital market under any order or direction made by SEBI; (iii) are declared a wilful defaulter by any bank or financial institution or consortium thereof in accordance with the guidelines on wilful defaulters issued by the Reserve Bank of India; and/ or (iv) are declared fugitive economic offenders under the Fugitive Economic Offenders Act, 2018, as amended.

Board of Directors of the Investment Manager

The board of directors of the Investment Manager is entrusted with the responsibility for the overall management of the Investment Manager. Please see below the details in relation of the board of directors of the Investment Manager:

Sr. No.	Name	DIN	Designation
1.	Sridhar Rengan	03139082	Non-executive Director and Chairperson
2.	Chetan Rameshchandra Desai	03595319	Independent Director
3.	Narendra Aneja	00124302	Independent Director
4.	Pooja Aggarwal	07515355	Non-executive Director

Brief Biography of the Directors of the Investment Manager

Please see below a brief biography of the directors of the Investment Manager:

1. Sridhar Rengan is a non-executive director of the Investment Manager.
2. Chetan Rameshchandra Desai is a practising Chartered Accountant. He has retired as Managing Partner from M/s. Haribhakti & Co. LLP in March 2018. Earlier for several years, he was heading the audit & assurance practice of the said Firm. During his professional career of approximately four decades, he has dealt with multinationals, public sector enterprises, large corporates, sectors such as banking and finance, insurance, mutual funds, manufacturing, services, real estate, hospitality, engineering, energy, infrastructure, pharma, health care, not for profit entities etc.
3. Narendra Aneja is an independent director on the board of the Investment Manager appointed with effect from April 1, 2020 for a period of five consecutive years.
4. Pooja Aggarwal is a chartered accountant by profession with diversified experience across industries. Her experience includes managing board relationship, fund raising, equity raise, mergers and acquisitions, business partnering, finance, accounting, reporting, procurement and legal and secretarial. She holds directorship in Investment Manager as a non-executive director.

Brief profiles of the Key Personnel of the Investment Manager

Please see below the details of the key personnel of the Investment Manager.

1. Devesh Garg has been associated with the Investment Manager since October 13, 2020. He holds a master of business administration degree (executive) from Amity University, Uttar Pradesh. He has several years of experience in telecom infrastructure sector.
2. Inder Mehta, the Compliance Officer of the Trust, has been associated with the Investment Manager since October 13, 2020. He is a chartered accountant. He has several years of experience in oil and gas sector.
3. Anshul Nagpal has been associated with the Investment Manager since April 1, 2021. He holds a bachelor's degree in commerce (honours course) from University of Delhi and is a chartered accountant. He has several years of experience in telecom sector.

Key Terms of the Investment Management Agreement

The Investment Manager has entered into the Investment Management Agreement, in terms of the InvIT Regulations, the key terms of which, are provided below:

Powers, duties and rights of the Investment Manager

1. **General Powers:** The Investment Manager shall, in relation to the Trust, have every and all powers and rights that are granted to the Trustee under the Indenture, to the extent that such powers and rights are necessary and required by the Investment Manager for the performance of its duties and discharge of its obligations under the InvIT Documents and the InvIT Regulations. Notwithstanding that certain powers are more specifically set forth in Investment Management Agreement, at all times the exercise of powers, duties and obligations of the Investment Manager shall be subject to the terms of the InvIT Documents and the InvIT Regulations (including Regulation 10 thereof).
2. **Power to manage and administer the Trust and Trust Assets:** The Investment Manager shall take all decisions in relation to the day-to-day management and administration of the Trust and the Trust Assets as may be incidental or necessary for the advancement or fulfilment of the Investment Objective of the Trust in accordance with the InvIT Documents and InvIT Regulations.
3. **Power to make investment and divestment decisions:** The Investment Manager shall make the investment decisions with respect to the Trust and the Trust Assets including any further investments or divestments, subject to InvIT Regulations and in accordance with the relevant InvIT Documents, and in this regard is also empowered to do the following acts on behalf of the Trust:
 - a) acquire, hold, manage, trade and dispose of the Trust Assets, shares, stocks, convertibles, debentures, bonds, equity, equity related securities, debt or mezzanine securities of all kinds issued by any Holdco or SPVs (including loans convertible into equity), whether in physical or dematerialised form, including power to hypothecate, pledge or create encumbrances of any kind on such securities held by the Trust in such Holdco / SPVs to be used as collateral security for any borrowings by the Trust;
 - b) without limiting the generality of the foregoing, to decide, in the manner set out in the InvIT Documents and in compliance with InvIT Regulations and the Investment Objective, the amounts to be invested in each new entity that is to form part of the Trust and the mode, manner, terms and conditions for making such Investment and the forms of assistance including the return to be earned therefrom, and to realize such Investments and income and distribute the same to the Unitholders as per the terms contained herein and the InvIT Documents and in compliance with the InvIT Regulations;
 - c) keep the monies comprised in the Trust Assets in deposit with banks or in such other instruments or form as permitted under the InvIT Regulations in the name of the Trust;
 - d) collect and receive the profit, interest, repayment of principal of debt or debt like or equity or equity like mezzanine securities, dividend, return of capital of any type by the SPVs/ Holdco and any other income of the Trust, as and when the same may become due and receivable;
 - e) make Investments as set out in the InvIT Documents and Investment Objective and in the manner and to the extent permitted under the InvIT Regulations (including particularly under Regulation 18 of the InvIT Regulations);
 - f) structure investments through one or more investment vehicles in order to address tax or regulatory considerations.
4. **Objects of the Trust:** The Investment Manager is hereby authorized to do all such other acts, deeds and things as may be incidental or necessary for the advancement or fulfillment of the Investment Objective of the Trust, as set out in the Indenture.

5. *Power to issue and to accept subscription to Units of Trust:* The Investment Manager shall have the power to cause the issue and allotment of Units, including specifically in accordance with Regulation 14 of the InvIT Regulations. The Investment Manager shall have the power to accept Capital Contributions for the Trust and subscriptions to Units of the Trust and undertake all related activities. If the Investment Manager fails to allot or list the Units, if applicable, or refund the money within the time specified in the InvIT Regulations, then the Investment Manager shall pay interest to the Unitholders at a rate prescribed in the InvIT Regulations, till such allotment or listing or refund and such interest shall not be recovered in the form of fees or any other form payable to the Investment Manager by the Trust.
6. *Power to maintain register of Unitholders:* The Investment Manager shall cause the Depository to maintain a register of Unitholders.
7. *Power to make reserves:* Subject to the provisions of the InvIT Regulations (including particularly the requirements to make Distributions in accordance with Regulation 18(6) of the InvIT Regulations) and other Applicable Law, the Investment Manager shall, as it may deem proper, make such reserves out of the income or capital of the Trust.
8. *Power to borrow:* The Investment Manager may cause the Trust to issue debentures, borrow or to defer payments, subject to Applicable Law (including the requirement to procure approvals from the Unitholders in accordance with the InvIT Regulations).
9. *Power to exercise rights in respect of the Trust Assets:* Subject to and in compliance of any conditions laid out in the InvIT Regulations and other Applicable Law, the Investment Manager shall have the power to exercise all rights in relation to the shareholding of the Trust in the Holdcos / SPVs and other assets underlying the Trust Assets, including voting rights in every meeting including annual general meeting, rights to appoint majority of board of directors (in consultation with the Trustee as required under the InvIT Regulations), whether pursuant to securities held by the Trust, or otherwise.
10. *Power to appoint professional service providers, intermediaries and agents:*
 - (a) The Investment Manager, in consultation with the Trustee, shall have the power to appoint, determine the remuneration of and enter into, execute, deliver, perform, modify or terminate all documents, agreements and instruments containing customary terms including contractual indemnities with Valuers, Auditors, registrar and transfer agents, merchant bankers, credit rating agencies, search agents, property consultants, brokers, legal, financial and tax consultants or any other intermediary or professional service provider or agent as may be required in connection with the activities of the Trust in a timely manner and as per the provisions of the InvIT Regulations and other Applicable Law. Provided that any such appointee shall act under the supervision of the Investment Manager and the Investment Manager shall ensure that all activities of such intermediary or agent or service provider appointed by the Investment Manager are in accordance with the InvIT Regulations and guidelines or circulars issued thereunder.
 - (b) The Investment Manager shall not be responsible for the default or violation by any such professional service provider, intermediary or agent of their terms of service, if employed in good faith to transact any business identified in the arrangement with them.
 - (c) All fees in relation to such professional service providers, intermediaries and agents shall be determined by the Investment Manager in consultation with the Trustee and shall be to the account of the Trust, to be paid out of the monies comprised in the Trust Assets. Provided that remuneration of the Valuer shall not be linked to or based on the value of the Investments being valued by the Valuer. The Investment Manager shall be entitled to rely on the information, data, opinions and reports provided by such professional service providers, intermediaries and agents.
 - (d) The Investment Manager shall not appoint an Auditor, Valuer and such other intermediaries or agents (as applicable) for consecutive periods greater than as permitted under the InvIT Regulations, without the consents of Unitholders or governmental agencies, as may be required under the InvIT Regulations or other Applicable Law.
11. *Power to appoint Custodians:* The Investment Manager may appoint any Custodian in order to provide Custodian services, oversee the activities of the Custodian, and may permit any Trust Asset (and/ or any documents pertaining thereto, as applicable) to be and remain deposited with a Custodian, subject to such deposit as authorised by the Trustee and permissible under the Applicable Law.
12. *Power to pay duties and taxes:* In the event of any duties, fees or taxes (and any interest or penalty chargeable

thereon) whatsoever becoming payable in any jurisdiction in respect of the Trust or in respect of documents issued or executed in pursuance of the Indenture in any circumstances whatsoever, the Investment Manager shall have the power and duty to pay all such duties, fees or taxes and any interest or penalty thereon as well as to create any reserves for future potential tax liability out of the Trust's income. For the avoidance of doubt, it is clarified that, no Unitholder will be required to make a Capital Contribution to the Trust (other than the Issue Price for Units allotted).

13. *Power to spend on behalf of the Trust:* The Investment Manager shall have the power to pay Operating Expenses out of the monies comprised in the Trust Assets.
14. *Power to take counsel's opinion:* The Investment Manager shall have the power to take the opinion of legal / tax counsel in any jurisdiction concerning any difference arising under Investment Management Agreement or any matter in any way relating to Investment Management Agreement or to its duties in connection with Investment Management Agreement.
15. *Power to re-invest:* Subject to the conditions laid down in any InvIT Documents and the Investment Objective and as permissible under the InvIT Regulations, the Investment Manager, may retain, for the purpose of reinvestment into a potential Holdco/ SPV, any proceeds received by the Trust from any sale of any Trust Assets or any Holdco / SPV or any shares or interest in the Holdco or SPV. In such circumstances, the Investment Manager shall not be required to distribute any amounts retained for re-investment to the Unitholders.
16. *Power to make policies:* The Investment Manager may make internal policies to generally evolve, formulate and adopt from time to time such policies and procedures as may be conducive for the effective administration and management of the Trust and the attainment of the Investment Objective, in accordance with the InvIT Documents and the InvIT Regulations. In particular, and without prejudice to the generality of such power, the Investment Manager may provide for all or any of the following matters namely:
 - (a) norms of investment by the Trust in accordance with the Investment Objective of the Trust and in accordance with the powers and authorities of the Trustee as set out in the Indenture and those delegated to the Investment Manager;
 - (b) matters relating to entrustment / deposit or handing over of any documents, etc. pertaining to the Investments of the Trust in the Holdcos/ SPVs or other assets, to one or more Custodians and the procedure relating to the holding thereof by the Custodian;
 - (c) such other administrative, procedural or other matters relating to the administration or management of the affairs of the Trust and which matters are not by the very nature required to be included or provided for in the Indenture or Investment Management Agreement;
 - (d) procedure for seeking approval of the Unitholders in compliance with the InvIT Regulations; and
 - (e) procedure for summoning and conducting of meetings of Unitholders

Provided that, in case of any inconsistencies between the rules or policies framed by the Investment Manager the InvIT Documents, the terms of the InvIT Documents shall prevail.

17. *Power to restrict right to inspect:* Subject to Applicable Law, the Trustee acknowledges that no Unitholder shall be entitled to inspect or examine the Trust's premises or properties without the prior permission of the Investment Manager. Further, no Unitholder shall be entitled to require discovery of any information with respect to any detail of the Trust's activities or any matter which may be related to the conduct of the business of the Trust and which information may, in the opinion of the Investment Manager adversely affect the interest of other Unitholders.
18. *Power to buyback Units:* Investment Manager may facilitate the buyback of Units from the Unitholders by the Trust, at the end of the Term of the Trust or in any other manner in accordance with Applicable Law.
19. *Power to delegate:* The Investment Manager may delegate its administrative duties under Investment Management Agreement and may appoint advisors and consultants to assist with the same, the cost of which shall be borne by the Trust. Regardless of any delegation, the Investment Manager will remain liable for any delegatee's acts of commission or omission as if the Investment Manager would itself have been responsible and liable under Investment Management Agreement for that act of commission or omission. Any action taken by such delegatee in respect of the Trust shall be construed as an act done by the Investment Manager.
20. *Other Powers:* Without prejudice to any other provisions of the InvIT Documents and subject to the InvIT Regulations, the Investment Manager shall also have the following powers and authorities exercisable without any further act or approval or vote of the Unitholders:

- a) to open one or more bank accounts, demat accounts and any other accounts for the purposes of the Trust, to deposit and withdraw money and fully operate the same;
- b) negotiate and execute contracts, and/or terminate or modify such contracts and do all such acts, deeds and things for or on behalf of or in the name of the Trust as the Investment Manager may consider expedient for managing the Trust (including without limitation entering into, modifying or terminating rent agreements for use of office space for the Trust, maintenance service arrangements for the office of the Trust, share purchase agreements for acquisition of entities that are to be included as SPVs under the Trust, indemnity agreements, deed of right of first offer and refusal, escrow agreements, debt documentation, underwriting agreements, any investment pooling agreement, agreement relating to strategic investments, co-investment agreements);
- c) to vary, alter, postpone, extend or cancel the terms and conditions of agreements in relation to the Investments, as entered into with the relevant SPVs;
- d) to ascertain, appropriate, declare and distribute or reinvest the surplus comprised in the Trust Assets in compliance with the InvIT Regulations, to determine and allocate income, profits and gains and expenses in respect of the Trust to and amongst the Unitholders;
- e) to sign, seal, execute, deliver and register according to law all deeds, documents, and assurances in respect of the Trust;
- f) along with the Trustee, initiate, prosecute and/or defend any action or other proceedings in any court of law or through arbitration or in any other manner for recovery of debts or sums of money, for any claim, actions or suits in respect of and pertaining to the Trust, right, title or interest in the Trust Assets or any other matter in connection therewith, and to discontinue or settle any of the above, as the Investment Manager shall in its best judgment or discretion deem fit;
- g) to sign and verify all written statements, petitions, appeals, declarations, revisions and applications in connection with any proceedings in (f) above and have power to refer any claim to arbitration and to perform, observe and challenge the awards;
- h) to issue statement of accounts or Unit certificates (if requested) to the Unitholders on behalf of the Trustee. In case Unit certificates have been issued to the Unitholders, to submit the Units for dematerialisation and to make all applications and execute all documents with the Depositories and depository participants as may be necessary in this regard;
- i) to retain and pay to the relevant governmental agencies, any amounts that the Trustee or the Investment Manager is required to, or may deem prudent to, withhold from the amounts to be distributed to the Unitholders;
- j) to set up such systems and procedures, and submit such reports, as may be required by the Trustee as necessary for effective monitoring of the functioning of the Trust. The Trustee shall intimate SEBI of any failure by the Investment Manager to submit such reports in a timely manner;
- k) to ensure that the Trust Assets have proper legal title and that all the material contracts entered into on behalf of the Trust or SPV are legal, valid, binding and enforceable by and on behalf of the Trust or SPV;
- l) to make and give receipts, releases and other discharges for moneys payable to the Trust and for the claims and demands made or to be made by the Trust; and
- m) generally, to exercise all such powers as it may be required to exercise under the InvIT Regulations and do all such matters and things as may be incidental to or consequential upon the discharge of its functions, and the exercise and enforcement of all or any of the powers and rights under Investment Management Agreement and the InvIT Regulations, in relation to the Trustee, Unitholders, Trust Assets and the Holdcos/ SPVs.

InvIT Committee

1. The Board of Directors may constitute an investment committee (“**InvIT Committee**”) and shall confer on such InvIT Committee powers, functions and authorities, and determine the role of such InvIT Committee and responsibilities of the members of the InvIT Committee, as the Board of Director may deem fit, subject to the requirements of the InvIT Regulations and any other Applicable Law.
2. The composition of the InvIT Committee and its terms of reference shall be in accordance with Applicable Law and shall be determined by the Board of Directors. The Investment Manager shall have right to appoint/remove/replace members of the InvIT Committee.
3. Powers in relation to the InvIT Committee: The Board of Directors shall exclusively have the following specific powers with respect to an InvIT Committee:
 - (a) To determine minimum and maximum number of members and the composition of an InvIT Committee, appoint/remove/replace any members, determine qualification and disqualification of members, determine procedure for appointment/removal/replacement of members, determine terms of appointment of members, including tenure, fees and remuneration, and determine right of members to appoint any alternate;

- (b) To determine terms of reference of the InvIT Committee, determine powers, functions, roles, authorities, responsibilities of and restrictions on the members, and determine access rights to the management, advisors and consultants of the Trust and its Holdcos/ SPVs;
 - (c) To delegate to InvIT Committee such powers on such conditions as specified by the Board of Directors;
 - (d) To determine procedure and frequency for conducting meetings of the InvIT Committee, including quorum of the InvIT Committee, manner of voting, voting rights of members, affirmative voting rights and thresholds, appointment of chairperson, casting vote of chairperson, resolution of any deadlock, and appoint and determine role and rights of observers, if any; and
 - (e) To review adherence to the provision of the InvIT Regulations and Investment Management Agreement.
4. To the extent permitted under Applicable Law and the Board of Directors (in its resolution constituting an InvIT Committee), the InvIT Committee shall periodically review the items in relation to the Trust and SPV, in term of the Investment Management Agreement.
 5. The Investment Manager shall not take any action in relation to the matters listed under the Investment Management Agreement or agree to take any action in relation to such matters, unless such matter is approved by the relevant InvIT Committee.
 6. The Investment Manager shall, among others, take adequate measures to ensure that there is a clear segregation of the management (including governing boards), operation and activities of each of the InvITs that are being managed by the Investment Manager, to ensure compliance with the InvIT Regulations.

Liabilities of the Investment Manager

1. *Assets received by the Investment Manager:* The Investment Manager shall only be liable or responsible for such monies, stocks, funds, shares, assets, investment, property or securities as the Investment Manager shall have actually received and shall not be liable or responsible for any banker, broker, administrator, custodian or other Person in whose hands the same may be deposited or placed, nor for the deficiency or insufficiency in the value of any investments of the Trust nor otherwise for any involuntary loss. Any receipt signed by the Investment Manager for any monies, stocks, funds, shares, assets, securities, investment or property, paid, delivered or transferred to the Investment Manager under or by virtue of Investment Management Agreement or in exercise of the duties, functions and powers of the Investment Manager shall effectively discharge the Investment Manager or the Person or Persons paying, delivering or transferring the same therefrom or from being bound to see to the application thereof, or being answerable for the loss or misapplication thereof provided that the Investment Manager and such Persons shall have acted in good faith, without negligence and shall have used their best efforts in connection with such dealings and matters.
2. *Acts done in good faith:* The Investment Manager shall not be under any liability on account of anything done or omitted to be done or suffered by the Investment Manager in good faith.
3. *Suits, proceedings or claims against the Trust:* The Investment Manager shall not be under any obligation to institute, acknowledge the service of, appear in, prosecute or defend any action, suit, proceedings or claim (including tax proceedings) in respect of the provisions of Investment Management Agreement or other InvIT Documents in respect of the investments or any part of such investments or any corporate or shareholders' action which in its opinion, would or might involve expense or liability unless it is satisfied that the value of the investment is sufficient to provide adequate indemnity against costs, claims, damages, expenses or demands to which it may be put as the trustee as a result thereof.
4. *Bona fide action by the Investment Manager:* The Investment Manager shall not be liable in respect of any action taken or damage suffered by it on reliance upon any notice, resolution, direction, consent, certificate, affidavit, statement, certificate of stock, plan of reorganisation or (without being limited in any way by the foregoing) other paper or document believed to be genuine and to have been passed, sealed or signed by appropriate authorities or entities.
5. *Acts or things required to be done by the Investment Manager under law:* The Investment Manager shall not be liable to the Unitholders for doing or failing to do any act or thing which, by reason of force majeure or any provision of any present or future law or regulation made pursuant thereto, or of any decree, order or judgment of any court, or by reason of any request, announcement or similar action (whether of binding legal effect or not), may be taken or made by any Person or body acting with or purporting to exercise the authority of any government (which legally or otherwise) unless it shall be directed or requested to do or perform or to forbear from doing or

performing. If, for any reason it becomes impossible or impracticable to carry out any of the provisions of Investment Management Agreement, the Investment Manager shall not be under any liability therefore or thereby.

6. *Authenticity of signature and seal:* The Investment Manager shall not be responsible to any Unitholder for the authenticity of any signature or any seal affixed to any endorsement on any certificate or to any transfer or form of application endorsement or other document affecting the title to or transmission of interests in the Trust or of any investments of the Trust or be in any way liable for any forged or unauthorised signature on or any seal affixed to such endorsement transfer or other document or for acting upon or giving effect to any such forged or unauthorised signature or seal. The Investment Manager shall be entitled but not bound to require that the signature of any Unitholder to any document required to be signed by him under or in connection with Investment Management Agreement shall be verified to the Investment Manager's reasonable satisfaction.
7. *Information regarding the Trust, etc.:* If the Investment Manager is required by Applicable Laws or any other laws to provide information regarding the Trust and/or the Unitholders, the investments of the Trust and income or proceeds therefrom and provisions of Investment Management Agreement and complies with such request in good faith, whether or not it was in fact enforceable, the Investment Manager shall not be liable to any of the Unitholders or to any other party as a result of such compliance or in connection with such compliance.
8. *Depletion in the value of the Trust Assets:* The Investment Manager shall not incur any liability for doing or (as the case may be) failing to do any act or thing which may result in a loss to a Unitholder (by reason of any depletion in the value of the Trust Assets or otherwise), except in the event that such loss is a result of Disabling Conduct on the part of the Investment Manager.
9. *Limited Liability:* The Investment Manager shall not be personally liable for any losses (including indirect or consequential losses), costs, damages or expenses incurred in any way arising from anything which the Investment Manager does or fails to do. Further, the liability of the Investment Manager shall not exceed the fees received by the Investment Manager as Management Fees except in case of the Investment Manager engaging in Disabling Conduct.
10. *Investment Manager entitled to reimbursement:* If the Investment Manager engages any external advisors or experts (in accordance with Investment Management Agreement), to discharge its obligations under Investment Management Agreement, or undertakes any work (in the interest of the Unitholders) which is not covered within the scope of work of the Investment Manager under Investment Management Agreement and such additional work is beyond the obligations of the Investment Manager under Applicable Laws, the Investment Manager shall be entitled to recover such costs, charges and expenses which the Investment Manager may incur in this regard, from the funds of the Trust.

Duties of the Investment Manager

1. *Duty to manage the Trust:* The Investment Manager shall coordinate with the Trustee, as may be necessary, with respect to the operations of the Trust.
2. *Duty to undertake valuation:* The Investment Manager shall have the Trust Assets valued by an independent valuer and submit the same to the Stock Exchange and Unitholders in accordance with and within the timeframes prescribed in the InvIT Regulations (including particularly Regulation 21 therein). The Investment Manager shall ensure that the computation and declaration of net asset value (as defined in the InvIT Regulations) of the Trust is based on the valuation done by the Valuer, in accordance with the InvIT Regulations.
3. *Insurance:* The Investment Manager shall maintain adequate insurance coverage for the Trust Assets in accordance with the InvIT Regulations and shall ensure that assets held by the SPVs and the Holdco are adequately insured. Provided that, the requirement to maintain insurance for SPVs and Holdco shall not arise in case the assets have been insured (and maintained on an on-going basis) by any other Person under any agreement including a concession agreement or shareholders' agreement or pursuant to Applicable Law or direction of a governmental agency.
4. *Distributions:* The Investment Manager shall declare Distribution to Unitholders in accordance with distribution policy and Regulation 18 of the InvIT Regulations. Subject to Applicable Law, such percentage of the net distributable cash flows of the Holdco/ SPVs shall be distributed to the Trust and such percentages of the net distributable cash flows of the Trust shall be distributed to the Unitholders (in the ratio of the Beneficial Interest of the Unitholders), and within such time periods, as may be prescribed in the InvIT Regulations. The Investment Manager shall maintain a record (for such periods as may be prescribed by the InvIT Regulations) of the Distributions declared and made to the Unitholders.
5. *Meeting of Unitholders:*

- (a) The Investment Manager shall convene meetings of the Unitholders in accordance with the InvIT Regulations (including specifically Regulation 22 therein) and maintain records pertaining to the meetings in accordance with the InvIT Regulations (including specifically Regulation 26 therein).
 - (b) The Investment Manager shall convene meetings of the Unitholders at least once every year within requisite number of days from the end of a financial year (as prescribed under the InvIT Regulations) with the period between such meetings not exceeding such number of months as is prescribed under the InvIT Regulations.
 - (c) The Investment Manager shall be responsible for all the activities pertaining to conducting of meeting of the Unitholders, subject to overseeing by the Trustee in all cases other than where the meetings are on issues pertaining to the Trustee. Provided that, for Unitholder meeting related to issues related to Investment Manager such as change, removal or Change in Control of the Investment Manager, the Unitholder meetings shall be convened and conducted by the Trustee.
6. *Change in control:* The Investment Manager shall intimate the Trustee prior to any Change in Control of the Investment Manager to enable the Trustee to seek approval from the Unitholders and SEBI in this regard and shall ensure that any change is given effect to in compliance with any provisions of the InvIT Regulations and Applicable Law.
7. *Monitoring:* The Investment Manager will monitor the InvIT, including monitoring current and projected financial position of the Trust and the Trust Assets including the Holdco / SPVs. The Investment Manager shall place before its Board of Directors, a report on the activity and performance of the Trust, in accordance with and in the manner and at the frequency prescribed in the InvIT Regulations. The Investment Manager shall designate an employee or a director as the compliance officer for monitoring of compliance with the InvIT Regulations and any circulars or guidelines issued thereunder and intimating SEBI in case of non-compliance.
8. *Maintenance of records:* The Investment Manager shall maintain records pertaining to the activity of the Trust in terms of the InvIT Regulations (including specifically Regulation 26 therein).
9. *Duty in relation to the Investment Objective:* The Investment Manager shall manage the Trust in accordance with the InvIT Regulations and the Investment Objective, and shall ensure that the investments made by the Trust are in accordance with the investment conditions enumerated in the InvIT Regulations (including specifically Regulation 18 therein), in accordance with the Investment Objective and are solely in the interest of the Unitholders.
10. *Redressal of Complaints:* The Investment Manager shall ensure adequate and timely redressal of all Unitholders' grievances pertaining to the activities of the Trust.
11. *Submissions to Trustee:* The Investment Manager shall submit to the Trustee:
 - a) quarterly reports on the activities of the Trust including receipts for all funds received by it and for all payments made, status of compliance with the InvIT Regulations, specifically Regulations 18, 19 and 20 therein, performance report, status of development of underconstruction properties, within the time periods specified under the InvIT Regulations;
 - b) valuation reports as required under the InvIT Regulations within the time period specified under the InvIT Regulations;
 - c) decision to acquire or sell or develop any property or expand existing completed assets or projects along with rationale for the same;
 - d) details of any action which requires approval from the Unitholders as may be stipulated under the InvIT Regulations;
 - e) details of any other material fact including change in its directors, any legal proceedings that may have a significant bearing on the activity of the Trust, within such time period as required under the InvIT Regulations;
 - f) details of any breach of the investment conditions specified under the InvIT Regulations on account of market movements of the price of the Investments;
 - g) quarterly reports on the effective monitoring of the functioning of the Trust as per the InvIT Regulations;
 - h) details of any borrowings exceeding such percentage of the value of the Trust Assets as may be prescribed by the InvIT Regulations on account of market movements of the price of the Investments; and
 - i) any other reports, presentations, documents, as may be required under the InvIT Documents and Applicable Law including the InvIT Regulations;

The Trustee shall intimate SEBI of any failure by the Investment Manager to submit information or reports as specified above in a timely manner.

12. *Listing of Units:* The Investment Manager shall be responsible for all activities pertaining to the issue and listing of the Units of the Trust in accordance with the InvIT Regulations and other Applicable Laws, including:

- a) filing of Offer Document or Placement Memorandum with SEBI;
- b) filing the draft and final offer document or placement memorandum with SEBI and the stock exchanges within the prescribed time period;
- c) dealing with all matters up to allotment of Units to the Unitholders;
- d) obtaining in-principle approval, and final listing and trading approvals from the Stock Exchange;
- e) dealing with all matters relating to the issue and listing of the Units as specified under Chapter IV of the InvIT Regulations and any guidelines as may be issued by SEBI in this regard.

The Investment Manager is also responsible to ensure that all relevant provisions of the InvIT Regulations and other Applicable Law have been complied with and all statements and disclosures made in any Offer Document or Placement Memorandum comply with the InvIT Regulations and other Applicable Law, contain material, true, correct, not misleading and adequate disclosures in order to enable the investors to make an informed decision, do not provide guaranteed returns to the investors, not be misleading and not contain any untrue statements or mis-statements and shall include such other disclosures as may be specified by SEBI.

13. *Delisting of units and winding up of the Trust:* In case of occurrence of any event specified in Regulation 17(1) of the InvIT Regulations, the Investment Manager shall apply for delisting of units of the Trust to SEBI and the Stock Exchange in accordance with the InvIT Regulations and Applicable Law.
14. *Submission of half yearly and annual report:* The Investment Manager shall within the time period prescribed under the InvIT Regulations, submit half yearly and annual report to all the Unitholders.
15. *Disclosures:* The Investment Manager shall, in accordance with the requirements of the InvIT Regulations and other Applicable Laws, including any requirements prescribed by SEBI or the stock exchanges from time to time, disclose to stock exchanges any information having bearing on the operation or performance of the Trust as well as price sensitive information and other information that is required in terms of the InvIT Regulations and Applicable Law (including particularly the requirements under Regulation 23(6) of the InvIT Regulations). The Investment Manager shall ensure that the disclosures or reporting to the Unitholders, SEBI, Trustee and Stock Exchange, are in accordance with the InvIT Regulations and guidelines or circulars issued thereunder. The Investment Manager shall provide to the SEBI and to the Stock Exchange, where applicable, any such information as may be sought by the SEBI or the Stock Exchange, pertaining to the activities of the Trust.
16. *Related Party Transactions:* The Investment Manager (along with the Trustee) shall ensure that all Related Party transactions in relation to the Trust are on an arms-length basis and are consistent with the Investment Objective of the Trust and shall be disclosed to the Stock Exchange and Unitholders periodically in accordance with the relevant listing agreement of the Trust and the InvIT Regulations. Details of fees and commissions received by Related Parties are required to be disclosed to Unitholders and the stock exchanges, in accordance with the InvIT Regulations.
17. *Title to the Trust Assets:* The Investment Manager shall ensure that the Trust Assets have proper legal titles, if applicable, and that all the material contracts entered into on behalf of the Trust or the SPV are legal, valid, binding and enforceable by and on behalf of the Trust or the SPV.
18. *Conflict of Interest:* The Investment Manager shall review the transactions carried out between the Project Manager and its Associates and where the Project Manager has advised that there may be a conflict of interest, shall obtain confirmation from the practicing chartered accountant or the Valuer, as applicable, that such transaction is on arm's length basis.
19. *Standard of Care:* The Investment Manager shall comply with the InvIT Regulations, including rendering high standards of service, exercise due diligence, ensure proper care and exercise independent professional judgement.
20. *Other Duties:* Without prejudice to any other provision of Investment Management Agreement, the Investment Manager will also have the following duties and obligations:
 - a) maintain regular interaction with the Trustee on performance of the Trust and providing the Trustee with any information in relation to the operations of the Trust, as may be required;
 - b) keep the Unitholders updated on investment activities of the Trust in compliance with the InvIT Regulations and in accordance with the terms of the InvIT Documents;
 - c) to ensure that it has and continues to have adequate infrastructure and sufficient key personnel with adequate experience and qualification to undertake management of the Trust;
 - d) to fulfil any other duty, obligation and responsibility that may be required of the Investment Manager, in accordance with, and within the timelines prescribed under (if any) the provisions of the InvIT Regulations.

21. The Investment Manager shall provide to the Trustee such assistance as may be required by the Trustee in fulfilling its obligation towards the Trust under Applicable Law or as may be required by any regulatory authority with respect to the Trust.

Limitation of Liability and Indemnification

1. To the fullest extent permitted by law, the Trustee, the Investment Manager, the Sponsors and their respective affiliates, directors, officers, employees, shareholders, partners, advisors, members or agents and members of any committee constituted by the Investment Manager and/or Brookfield Sponsor (each, a “Protected Person”) shall not be liable to and shall be indemnified and held harmless by the Trust from and against any and all liabilities (including tax, interest and penalty), claims, costs, losses, damage and expenses (including reasonable attorney’s fees and costs) arising out of or in connection with the Trust or any other matters set out in the InvIT Documents, in each case, subject to any exceptions set out in the InvIT Documents or where the Protected Person has engaged in Disabling Conduct in respect of the matter for which it is to be indemnified.
2. The right of any Protected Person to indemnification as provided under the InvIT Documents shall be cumulative of, and in addition to, any and all rights to which such Protected Person may otherwise be entitled by contract or as a matter of law or equity and will extend to such Protected Person’s successors, assigns and legal representatives.
3. If the Trustee determines in its sole discretion that it is appropriate or necessary to do so, the Trustee, on the advice of the Investment Manager may establish reasonable reserves, escrow accounts or similar accounts to fund obligations.

Term and Termination

1. Unless terminated otherwise, Investment Management Agreement shall continue from the Effective Date for a period equal to the Term.
2. Investment Management Agreement (along with the appointment of the Investment Manager) may be terminated by the Investment Manager by delivery of a written notice to the Trustee at any time, subject to the approval of the Unitholders and SEBI in accordance with the InvIT Regulations.
3. Investment Management Agreement (along with the appointment of the Investment Manager) may be terminated by the Trustee on the occurrence of any of the following events (each, a “Termination Event”):
 - a) the Board of Directors of the Investment Manager passes a resolution for the Investment Manager to be voluntarily wound up under the Applicable Laws at such time, or any order of winding up against the Investment Manager is passed by any court or tribunal;
 - b) in the event the Investment Manager is held to be insolvent or a receiver is appointed to all or a substantial portion of the assets of the Investment Manager;
 - c) SEBI or any other governmental or regulatory authority passes a direction to remove the Investment Manager;
 - d) in the event that the Investment Manager desires to resign, it may submit its resignation to the Trustee;
 - e) in the event of termination by Trustee on account of material breach by the Investment Manager of the terms and conditions of Investment Management Agreement; and/or
 - f) in the event that the Unitholders holding such percentage of the Units of the Trust as prescribed in the InvIT Regulations elect in writing to terminate the services of the Investment Manager and appoint a new investment manager in accordance with the InvIT Regulations.
4. Upon the occurrence of a Termination Event, the Trustee shall follow the procedure set out in the InvIT Regulations, including Regulation 9(15) and Regulation 22 of the InvIT Regulations.
5. Consequences of Termination of the Investment Manager
 - a) Without prejudice to the actions required to be undertaken by the Trustee, in accordance with the InvIT Regulations, upon removal or replacement of the Investment Manager, the Investment Manager shall transfer to the Trustee, and deliver to the Trustee, all books of accounts, correspondence, documents and records relating to the Trust which the Investment Manager has in its possession.
 - b) In the event of removal or resignation of the Investment Manager, the Investment Manager shall be entitled to receive Management Fees and the reimbursements as mentioned in Investment Management Agreement only for the period for which the Investment Manager remains the investment manager of the Trust. However, subject to the terms of the Investment Management Agreement, nothing shall require the Investment Manager to return any Management Fees and/ or reimbursements already paid to it.

- c) Every new investment manager appointed shall have the powers, authorities and discretion, and shall in all respects act and be liable as if originally appointed as an investment manager under Investment Management Agreement.
- d) Notwithstanding termination, the Investment Manager shall continue to be liable for all its acts of default, omissions and commissions prior to such termination.
- e) Except as set forth in the Investment Management Agreement, upon termination of Investment Management Agreement, the powers, rights and obligations of the Parties under Investment Management Agreement shall terminate except to the extent of rights and obligations accrued prior to such termination.

Unitholding of the Investment Manager

As on the date of this Draft Letter of Offer, the Investment Manager does not hold any Units of the Trust.

E. The Project Manager - Jio Infrastructure Management Services Limited

For an overview of the Project Manager, please see the section entitled “Parties to the Trust” on page 86 of the Placement Memorandum, available at https://www.sebi.gov.in/filings/invit-private-issues/aug-2020/tower-infrastructure-trust_47577.html.

Neither the Project Manager nor any of the promoters or directors of the Project Manager (i) is debarred from accessing the securities market by SEBI; (ii) is a promoter, director or person in control of any other company or a sponsor, investment manager or trustee of any other infrastructure investment trust or an infrastructure investment trust which is debarred from accessing the capital market under any order or direction made by SEBI; (iii) are declared a wilful defaulter by any bank or financial institution or consortium thereof in accordance with the guidelines on wilful defaulters issued by the Reserve Bank of India; and/ or (iv) are declared fugitive economic offenders under the Fugitive Economic Offenders Act, 2018, as amended.

F. Jarvis Data-Infra Project Manager Private Limited (“JDIPMPL”) - The proposed project manager to the Target Asset

History and Certain Corporate Matters

Jarvis Data-Infra Project Manager Private Limited was incorporated on December 22, 2021 under the Companies Act, 2013. Its registered office is situated at 603, 6th Floor, 'B' Wing, Ashok Enclave, Chincholi Road, Kamla Nagar, Malad (West), Mumbai, Mumbai City, Maharashtra, India, 400064.

Jarvis Data-Infra Project Manager Private Limited is proposed to be appointed as project manager to the Target Asset.

Neither the JDIPMPL nor any of the promoters or directors of the JDIPMPL (i) is debarred from accessing the securities market by SEBI; (ii) is a promoter, director or person in control of any other company or a sponsor, investment manager or trustee of any other infrastructure investment trust or an infrastructure investment trust which is debarred from accessing the capital market under any order or direction made by SEBI; (iii) are declared a wilful defaulter by any bank or financial institution or consortium thereof in accordance with the guidelines on wilful defaulters issued by the Reserve Bank of India; and/ or (iv) are declared fugitive economic offenders under the Fugitive Economic Offenders Act, 2018, as amended.

OTHER PARTIES INVOLVED IN THE TRUST

The Auditor

Background and terms of appointment

The investment manager, in consultation with the Trustee, had appointed Deloitte Haskins & Sells LLP, Chartered Accountants (Firm Registration No. 117366W/W-100018) until fiscal 2023, as the auditors of the Trust for a period of five years.

For further details regarding the policy adopted by the Investment Manager on appointment of the auditors, please see the section entitled “*Corporate Governance - Policies in relation to the Trust*” on page 91.

Rights and Responsibilities of the Auditors

For rights and responsibilities of the Auditors in accordance with the InvIT Regulations, please see the section entitled “*Other Parties involved in the Trust*” on page 114 of the Placement Memorandum, available at https://www.sebi.gov.in/filings/invit-private-issues/aug-2020/tower-infrastructure-trust_47577.html.

The Investment Manager on behalf of the Trust undertakes that it shall comply with such disclosure and accounting norms specified by the SEBI from time to time and in accordance with the InvIT Regulations.

The Valuer

Background and terms of appointment

The Investment Manager, in consultation with the Trustee, has appointed BDO Valuation Advisory LLP (IBBI Registration No. IBBI/RV-E/02/2019/103) as the valuer of the Trust for fiscal 2022. In accordance with the InvIT Regulations, the Valuer has undertaken a valuation of the Tower Co. and its report in relation to such valuation as on September 30, 2021 is available on the website of BSE at <https://www.bseindia.com/xml-data/corpfiling/AttachHis/6c0b20a4-bacc-4d3d-ac34-c6acb7b8f3af.pdf> and on the website of the Trust at www.towerinfratrust.com.

In accordance with the InvIT Regulations, the Mr. Ankit Chhabra has undertaken a valuation of the Target Asset, which is proposed to be acquired by the Trust, and its report in relation to such valuation as on as on July 31, 2021 has been included in this Draft Letter of Offer.

For further details regarding the policy adopted by the Investment Manager on appointment of the valuer, please see the section entitled “*Corporate Governance - Policies in relation to the Trust*” on page 91.

Functions of the Valuer

For functions, duties and responsibilities of the Valuer will be in accordance with the InvIT Regulations, please see the section entitled “*Other Parties involved in the Trust*” on page 114 of the Placement Memorandum, available at https://www.sebi.gov.in/filings/invit-private-issues/aug-2020/tower-infrastructure-trust_47577.html.

CORPORATE GOVERNANCE

The section below is a summary of the corporate governance framework in relation to the Trust, implemented by the Investment Manager and each of the Portfolio Assets.

1. Investment Manager

Board of Directors

Composition of the Board of Directors of the Investment Manager

In addition to the applicable provisions of the Companies Act, the board of directors of the Investment Manager shall adhere to the following:

- (a) Not less than 50% of the board of directors of the Investment Manager shall comprise of independent directors and not directors or members of the governing board of an investment manager of another infrastructure investment trust registered under the InvIT Regulations. The independence of directors shall be determined in accordance with the Companies Act and other applicable laws;
- (b) Such other requirements as may be specified in the articles of association of the Investment Manager.

For details of the current composition of the board of directors of the Investment Manager, please see the section entitled “Parties to the Trust – Investment Manager – Board of Directors of the Investment Manager” on page 78.

Quorum

The quorum of the board of directors of the Investment Manager shall be in accordance with the Companies Act.

Frequency of meetings

The board of directors of the Investment Manager shall meet at least four times every year, with a maximum gap of 120 days between any two successive meetings in accordance with the Companies Act.

Sitting fee

The directors of the Investment Manager may receive sitting fee for attending board meetings and meetings of the committees, in accordance with the Companies Act.

Committee of the board of directors of Investment Manager

The board of directors of the Investment Manager has constituted two InvIT committees, namely ‘Pipeline InvIT Committee’ and ‘Data InvIT Committee’, for managing and administering respective InvITs and its assets, and has delegated the authority and responsibility of overseeing all the activities of the investment manager that pertain to the management and operation of the respective InvIT in accordance with the InvIT Regulations, respective trust documents, investment management agreement and other applicable laws to the respective InvIT committees.

Name of committee	Quorum	Frequency of meetings
Data InvIT Committee	The quorum for the committee meetings shall be one third of the total number of members	The committee shall meet at least 4 times a year

Please see below the indicative terms of reference for the Data InvIT Committee:

Terms of reference of the Data InvIT Committee

- 1. Approving all investment decisions of the Trust with respect to the capital contribution, immovable, movable and other assets, and cash (including cash equivalents) owned by the Trust;
- 2. Overseeing activities of the project manager with respect to compliance with the InvIT Regulations and the project management agreement.
- 3. Ensuring that the InvIT Assets have valid legal title, if applicable, and that all the material contracts entered into on behalf of the Trust or the SPV are legal, valid, binding and enforceable by and on behalf of the Trust or the SPV;
- 4. Retaining for the purpose of re-investment into the SPV, any proceeds received by the Trust from any sale of any InvIT Assets or the SPV or any shares or interest in the SPV and shall not be required to distribute any amounts retained for re-investment to the unitholders;

5. Appointing, in consultation with the Trustee, the valuer(s), registrar and transfer agent, merchant banker, custodian and any other intermediary or service provider or agent as may be applicable with respect to activities pertaining to the Trust in a timely manner and in accordance with the InvIT Regulations and the policy on appointment of auditor and valuer of the Trust;
6. Ensuring that all activities of the intermediaries or agents or service providers appointed by the committee are in accordance with the InvIT Regulations and guidelines or circulars issued thereunder;
7. Appointing the auditor of the Trust, in accordance with the criteria provided under the InvIT Regulations and the policy on appointment of auditor and valuer of the Trust;
8. Ensuring adequate insurance coverage for the Trust assets, in accordance with the provisions of InvIT Regulations;
9. Causing the Trust to issue debentures, borrow or to defer payments, subject to and in line with the provisions of Regulation 20 of the InvIT Regulations and the borrowing policy;
10. Ensuring all activities pertaining to issue, allotment and listing of units of the Trust;
11. Ensuring that disclosures made in the offer document or placement memorandum contains material, true, correct and adequate disclosures and are in accordance with InvIT Regulations and guidelines or circulars issued thereunder;
12. Accepting and utilizing the proceeds of the issue in the manner provided under the preliminary placement memorandum, the placement memorandum and the applicable law;
13. Declaring distributions to the unitholders of the Trust in accordance with Regulation 18 of the InvIT Regulations and the distribution policy;
14. Reviewing transactions carried out between the project manager and its associates, and where the project manager has advised that there may be a conflict of interest, the committee shall obtain confirmation from the practicing chartered accountant or the valuer, as applicable, that such transaction is on arm's length basis;
15. Ensuring adequate and timely redressal of all unitholders grievances pertaining to activities of the Trust;
16. Ensuring that the disclosures or reporting to the unitholders, SEBI, the Trustee and the stock exchange, are in accordance with the InvIT Regulations and guidelines or circulars issued thereunder;
17. Approving and recommending to the board the standalone and consolidated half-yearly and annual financial information of the Trust, in terms of the InvIT Regulations read with guidelines and circulars issued thereunder;
18. Approving and adopting policies and procedures as may be conducive for the effective administration and management of the Trust;
19. Appointing, in consultation with the Trustee, majority of the board of directors of SPV;
20. Submitting a quarterly report to the board with respect to its activities related to the Trust during the quarter;
21. Make necessary authorisations for opening, closing and operation of bank accounts in the name of the Trust and any changes thereto;
22. Doing any other act and/or deed, to negotiate and execute any document(s), application(s), agreement(s), undertaking(s), deed(s), affidavits, declarations and certificates, and/or to give such direction as may be necessary or required in relation to the issue;
23. Undertaking any other action or activities as may be required to be undertaken by the company under the InvIT Regulations, InvIT documents and/or the policies adopted by the board/ committee, from time to time.

Further, (i) the committee will periodically review the specified information including but not limited to proposed annual budget, initial business plan, material financial and accounting reports, etc, in relation to the Trust and the SPV; (ii) the Investment Manager will not take any action in relation to the specified matters including but not limited to material amendments to constitutional documents, nature of business of SPV and/or Trust or agree to take any action in relation to such matters, unless such matter is approved by the committee.

Policies in relation to the Trust

In line with the requirements of the InvIT Regulations and in order to adhere to the good governance practices for the Trust, the erstwhile investment manager had adopted various policies and codes in relation to the Trust. Consequent to the change of investment manager, following policies in relation to the Trust have been adopted by the Investment Manager, at its meeting held on October 19, 2020 and August 17, 2017:

1. Distribution policy;
2. Code of conduct for prohibition of insider trading;*
3. Code of conduct for the Trust;
4. Policy on appointment of the auditor and valuer of the Trust;
5. Policy on related party transaction of the Trust;

6. Borrowing policy of the Trust.

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

For brief details of the policy, please refer to the annual report of the Trust for the financial year ended March 31, 2021 available on the website of the Trust at www.towerinfratrust.com. For details of code of conduct for prohibition of insider trading, please refer <https://www.bseindia.com/xml-data/corpfiling/AttachHis/d6436c7b-b817-45d5-8715-916d7f3ca8db.pdf>.

For details of the Distribution Policy in relation to the Trust, see the section entitled “*Distribution – Distribution Policy*” on page 135.

2. **InvIT Assets**

Representatives on the Board of Directors of the Tower Co.

Infinite India Investment Limited, the erstwhile investment manager of the Trust, in consultation with the Trustee, had appointed majority of the board of directors of Tower Co.

Representatives on the Board of Directors of the Target Asset

Pursuant to the InvIT Regulations, the Investment Manager, in consultation with the Trustee, shall appoint majority of the board of directors of the Target Asset as and when applicable.

INDUSTRY OVERVIEW

Unless noted otherwise, the information in this section is extracted from the “Wireless Towers in India: Industry Overview, 2021” report dated July 2021 prepared by Capitel. As used in this Industry Overview, “RJio” refers to RJIL. Data included herein is as of the date of publication of the underlying sources and not as of the date of this Draft Letter of Offer. Capitel believes that the sources used are reliable; however, we cannot ensure the accuracy or completeness of underlying assumptions of this information, and no representation or warranty, express or implied, is made by us as to the accuracy or completeness of the information set forth in this section, and nothing contained in this section shall be relied upon as a promise or representation, whether as to the past or future. This information should not be unduly relied on. The industry information included in this section may moreover be prepared as of specific dates and may no longer be current or reflect current trends. In addition, some of the information in this section contains forward-looking statements that are based on estimates, projections, forecasts and assumptions that may prove to be incorrect. See “Forward-Looking Statements” for more information. Investors should not place undue reliance on this industry information.

Consolidation of Telecommunication Industry in India

In recent years, the telecommunication industry in India has seen consolidation of major telecommunication companies, from eight players (RJIL, Bharti Airtel Limited (“Airtel”), Idea Cellular Limited, Vodafone India Limited, Aircel, Bharat Sanchar Nigam Limited (“BSNL”), Telenor and Tata Docomo) to four (RJIL, Airtel, Vodafone Idea Limited (“VIL”) and BSNL), which was followed by increasing user base. According to TRAI, the number of wireless telecommunication service subscribers in India increased from 1,127 million as of December 31, 2016 to 1,154 million as of December 31, 2020, and the number of wireless internet subscribers in India increased from 370 million as of December 31, 2016 to 770 million as of December 31, 2020. In addition, according to TRAI, the monthly voice usage per subscriber in India, measured as minutes of usage per subscriber per month, increased from 667 minutes for the three months ended December 31, 2018 to 785 minutes for the three months ended December 31, 2020, and the monthly data usage per wireless subscriber, measured as gigabytes of data usage per wireless data subscriber per month, increased from 0.9 gigabytes for the three months ended December 31, 2016 to 8.7 gigabytes for the three months ended December 31, 2018 to 12.1 gigabytes for the three months ended December 31, 2020. In addition, accordingly to TRAI, the gross revenues of the telecommunication industry in India were US\$9,051 million, US\$8,025 million and US\$9,739 million for three months ended December 31, 2016, 2018 and 2020, respectively.

Operator context and market tenancy demand

Capitel believes that churn from VIL will be complete by FY23 and operator market shares will stabilize.

- VIL is churning customers that purchased a secondary SIM from RJIL and migrated to RJIL as their primary SIM. It is also churning voice users in rural areas that are migrating to a RJIL or Airtel Smartphone, as VIL is optimizing coverage in some of these districts.
- Capitel estimates that VIL has a core loyal (and high ARPU) user base of approximately 75 million users and will also be able to retain approximately 150 million mid-end data users, with a stable base of approximately 225 million users by FY23. Capitel estimates VIL FY23 revenues to be Rs. 503 billion.

Both RJIL and VIL need to launch 5G to increase their blended ARPU; Capitel believes Airtel’s 5G launch will be defensive.

- RJIL has not been able to gain a high share in the postpaid and high ARPU segments, and in general its user base has low-mid end users. It is difficult to improve the ARPU of this user base without an enhanced product, and RJIL will need to offer a 50GB-100GB data product and bundled content to upgrade these users to 5G at a higher ARPU.
- VIL also needs its core loyal user base to migrate to 5G at a higher ARPU, otherwise it will not be able to meet its revenue and EBITDA targets. Capitel estimates that VIL can achieve Rs. 655 billion revenues by FY25 if its core high ARPU user base selectively moves to 5G.
- Airtel is well placed as it has retained all its high-end user base and is now focused on churning semi-urban and rural users with 2300MHz LTE and is also upgrading its own voice users to LTE. Airtel will launch 5G as a defense against others targeting its high-end user base.

Tenancy demand will be led by 4G coverage matching by Airtel in SU/R areas, select 4G capacity / in-fill sites by RJIL and Airtel, and 5G densification on 3.5GHz and 26GHz.

- Capitel estimates a differential of approximately 75,000 coverage sites on 2300MHz between Airtel and RJIL and Airtel will have to deploy approximately 60,000+ sites at least in Tier 3 towns and large villages. The deployment must be on 2300MHz as no other band has the spectrum quantum to allow Airtel to offer 10GB+ data in SU/R markets.

- All operators are deploying in-fill sites within cities, coverage sites on out-skirts of cities, and finally capacity sites within cities to serve rising 4G data traffic. As it will take time for the 5G handset adoption cycle to drive traffic, Capitel believes that Airtel and RJIL will need 4G in-fill sites in the interim.
- Finally, there will be demand from densification of the grid on 3.5GHz band as well as 28GHz hotspot deployments. Capitel believes that operators want to deploy mm wave band (400MHz+ spectrum on a single site) that will offer a 5G differentiated product and also the spectrum is relatively inexpensive.

Capitel estimates a tenancy demand of 669 thousand tenancies from FY21-30, with RJIL accounting for 268 thousand sites, Airtel accounting for 260 thousand, VIL accounting for 126 thousand and other MNOs accounting for 15 thousand gross tenancies.

- Capitel expects deployment by Airtel to go through three broad phases of a) 2.3GHz 4G coverage expansion to match RJIL footprint + 4G capacity sites to manage rising data adoption and usage, b) 5G deployment and urban grid densification on 3.5GHz band and c) deployment of mm wave 26GHz band to service high-capacity use cases around AR/VR, gaming and other 5G.

Towerco context

The portfolio of Indus towers in semi-urban and rural areas was designed for 900MHz and 1800MHz coverage. Indus sites in urban areas are occupied by incumbents and RJIL.

- Indus towers has 80,000 sites in the rural area but as the portfolio was formed by pooling of Airtel, Vodafone and Idea grids, these rural sites are suitable for tenancies on 900MHz with some sites suited for 1800MHz.
- A major share of Indus sites have occupancy from Airtel, with urban grids fully occupied by VIL and selectively occupied by RJIL. If Indus wants to address demand from 5G in urban areas, it will have to build new sites.

The ATC portfolio was formed mainly on a grid of 1800MHz and has available site locations for new tenancies.

- Capitel estimates that ATC has approximately 40K sites in rural areas and that grid is for 900MHz / 1800MHz as ATC acquired portfolios from operators such as Tata (1800MHz, 850MHz), Telenor (1800MHz) and other new entrants. ATC has urban sites from Vodafone / Idea tower acquisition
- ATC has available locations across the portfolio, and Capitel believes it can gain market share from Airtel and RJIL in semi-urban and urban areas for 4G and 5G.

Summit's portfolio was formed to serve 2300MHz demand in urban, semi-urban and rural areas.

- Before RJIL's deployment of LTE on 2300MHz, incumbents such as Airtel and Vodafone used 900MHz for GSM coverage, 1800MHz for GSM in-fills and LTE, and finally 2100MHz for 3G, mainly as loading on existing site locations.
- When RJIL started deploying 2300MHz, it leased almost all the relevant site locations from Indus, ATC and others that fit-in with its 2300MHz grid plan, but there were still gaps as the underlying tower grids were designed for a lower frequency band. This gap was high particularly in outskirts of urban markets, semi-urban areas and large villages / cluster of villages.
- The RJIL own tower portfolio (now SDIPL) was formed to plug-in the in-fill gaps within urban markets and coverage gaps within semi-urban and rural markets for any operator deploying on 2300MHz or higher bands.

Towerco market shares

Capitel believes that Summit is best positioned among all towercos to address the upcoming demand on 2300MHz for 4G.

- Summit site locations are best placed to address demand on 2300MHz. Airtel (or VIL) will have to deploy sites on 2300MHz if they want to match RJIL's offerings of 10GB+ monthly data buckets.
- There is no other grid better placed in semi-urban and rural markets to address demand from 2300MHz deployment than Summit as the portfolio was designed for this band and has sites within tier 2 and tier 3 towns (rather than covering these towns using 900MHz from outskirt locations) and large villages.

Both Indus and Summit will need to deploy new sites to address 5G demand, and ATC can use some of its existing footprint in urban markets to gain share. Towercos with access to fiber, street furniture and capital will be best placed for 5G share gain.

- As incumbents are already occupying Indus sites in urban markets, Indus will need to deploy new sites if it wants to capture incremental 5G tenancy demand. Indus can lease fiber from its partner operators but does not have the operational experience to deploy fiber or street furniture.
- ATC has availability on its urban sites and will gain share. However, ATC will need to fiberize these sites and lease fiber from the open market – unlike Indus, ATC does not have a RoFR agreement with any operator and is dependent on the open market for tenancy gain / fiber lease / street furniture agreements. Capitel believes that the lack of fiber footprint may constrain some 5G market share gain potential for ATC.
- Summit is equally placed with other towercos to address demand in urban areas form 5G. It can lease fiber on wholesale basis from its partner operators and gain access to street furniture from municipalities and smart cities. Summit will also need to do new builds in urban areas for 5G. Summit can gain from amendments on 2300MHz and also semi-urban deployment of 5G on 3.5GHz.

Capitel does not expect pricing pressure on base rentals for macro tower business. There will be some revision of loading terms especially at the time of renewals. The unit economics of micro-sites / small cells / street furniture business will evolve over time.

- The unit economics of street furniture can only be assessed based on global benchmarks and may end up being lower than macro tower business unless there is significant innovation in tower design, institutional tie-ups and access to fiber at a fair market price.

Capitel believes there can be some upside from edge data centers and other areas for non-tower revenues, although Capitel expects these to contribute to less than 15% of the tower revenues.

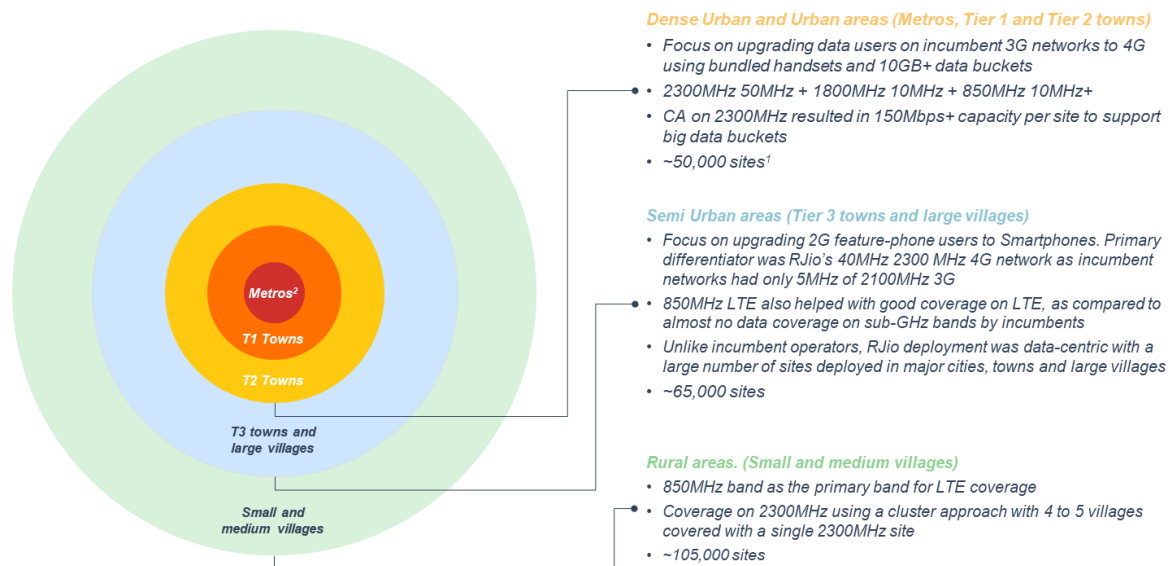
Operator Context: 4G

Wireless market disruption by RJIL

RJIL disrupted the India wireless market with big 4G data buckets using its 2300MHz spectrum for 4G capacity and 850MHz spectrum for rural 4G coverage. In urban areas RJIL focused on bundled handsets and providing high data buckets to users, to upgrade them from 3G to 4G by deploying the 1800MHz to 2300 MHz band to support high data requirements.

In semi-urban areas it focused on upgrading 2G users to 3G/4G supporting smartphones by deploying the 2300 MHz spectrum band and on coverage by deploying LTE on the 850 MHz band in major cities, towns and villages. Around 50 per cent. of RJIL site deployment was in rural regions on the 850 MHz band to increase coverage and on the 2300 MHz band in key village clusters.

Figure 1. RJIL 4G GTM and network plan in T2, T3 towns and villages



Note: 1. Includes sites leased from third party providers and sites built by Rjio that were later transferred to Summit Digitel 2. Population range: Metros 20mn+, Tier 1 cities 10mn to 20 mn, Tier 2 cities > 1mn, Tier 3 towns 10K to 1mn, Large villages > 2K to 10K, Medium villages 1K to 2K, small villages < 1K

Source: Capitel analysis, engagement experience

Airtel expands footprint to match RJIL's 2300MHz network

Airtel matched RJIL's urban footprint by FY20 by increasing site deployment on the 2300 MHz band and is at par with RJIL on network coverage and spectrum holding. It is deploying sites to match sub-urban and Tier 3 network coverage on 2300MHz to match RJIL footprint; In rural regions it re-farmed 900 MHz to LTE to retain its subscriber base from churning to RJIL

VIL is only matching RJIL in urban and high revenue market share semi-urban markets.

Figure 2. Airtel and VIL coverage gap vs. RJIL on 2300MHz



Note: 1. Revenue Market Share

	Urban	Semiurban	Rural
Airtel, FY19-20	Deployed 2300MHz band Increased sites to ~35,000	Deployed 2300MHz band Increased sites to ~55,000	Re-farmed 900MHz to LTE Did not increase sites
Difference, FY21	Network coverage and spectrum holdings at par with RJIL	Still matching RJIL coverage on 2300MHz in Tier 3 towns – expected to complete by FY23-FY24	Will only add limited additional sites

	Urban	Semiurban	Rural
Vodafone_Idea, FY19-20	Selective deployment of 2300MHz/ 2500MHz Sites constant	Only deploying 2300MHz in circles with high RMS	Has 900MHz only in select circles – re-farming to 4G
Difference, FY21	Need further densification on 2300MHz 4G	Will deploy some additional sites to match RJIL in towns where VIL has been strong	Is optimizing sites from areas of low RMS; exiting select districts

Source: Capitel analysis, engagement experience

Fragmentation of VIL subscriber base with RJIL secondary SIM attach

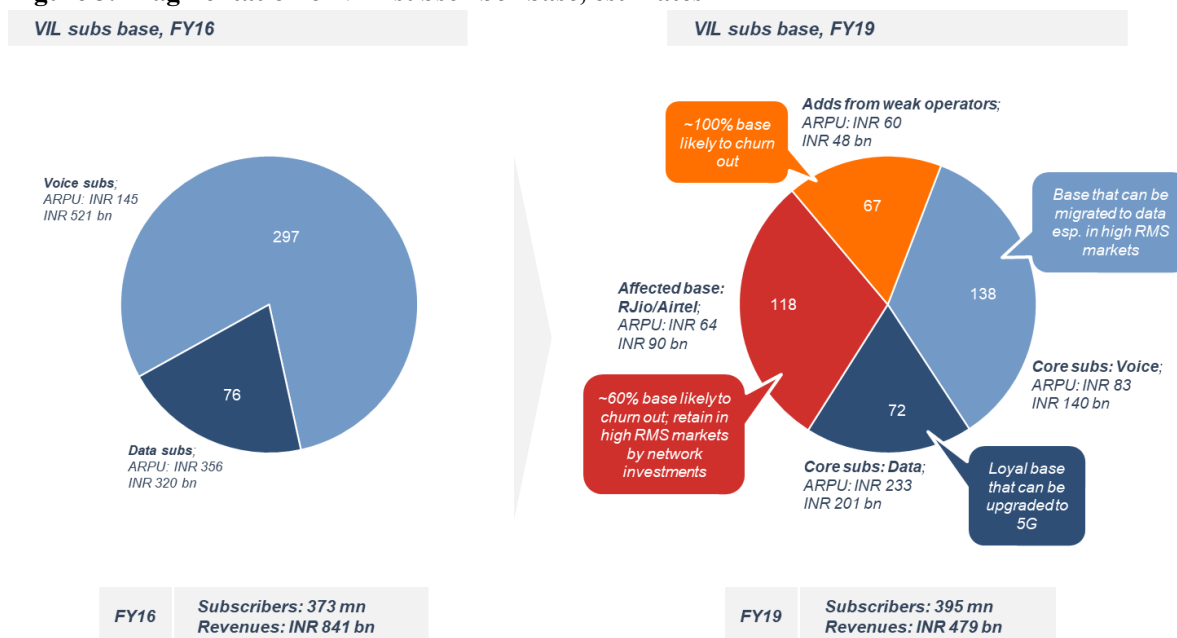
In addition to upgrading feature-phone users of Airtel, VIL and other weaker operators to smartphones, RJIL also attached secondary SIMs to the smartphone users of these operators. A secondary SIM user will have a handset that supports dual SIM, and the user can choose the SIM to be used for a service. When a Vodafone 3G data user buys a RJIL SIM for their handset, the RJIL SIM is by default the SIM used for 4G services.

The Vodafone SIM continues to be reflected as a customer on the Vodafone network, although all the data ARPU and usage shifts to RJIL and the Vodafone number may get incoming calls, other voice usage and only some data usage. This shifts the overall data ARPU to RJIL with a decline in Vodafone ARPU. If over time, Vodafone is not able to match the pricing (which operators matched) and network experience (which Airtel matched with its 2300MHz offering) then the customer makes RJIL as the primary SIM and may deactivate the Vodafone SIM or keep it dormant with incoming usage at very low ARPU.

As Airtel had 2300MHz band and invested in networks, it was able to contain the secondary to primary SIM conversion. Vodafone and Idea only selectively matched the RJIL network experience and were the worst hit with the secondary SIM churn to RJIL. In addition, the customers they had acquired from weaker exiting operators such as Aircel also eventually moved to RJIL smartphones.

This fragmentation of VIL subscriber base into core high value users, voice customers in semi-urban/rural areas, subscribers gained from weaker exiting operators and finally the subscribers with a RJIL secondary SIM is illustrated in Figure 3 below. This fragmentation reduced the ARPU and also shrunk the customer base, with a sharp decline in VIL revenues.

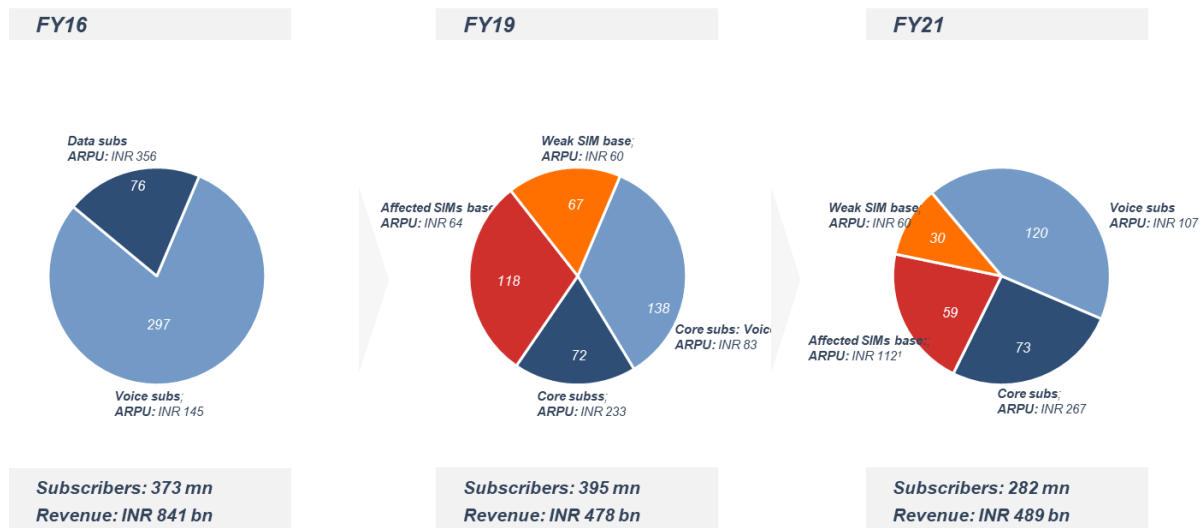
Figure 3. Fragmentation of VIL subscriber base, estimates



Source: Capitel analysis, engagement experience

The churn is expected to continue for the coming 6 to 8 quarters as VIL voice subs to RJIL/Airtel data migration will continue, with churn of weak/affected SIM base. Capitel estimates a FY21 subscriber base of 282 million for VIL.

Figure 4. Expected evolution of VIL subscriber base and revenue

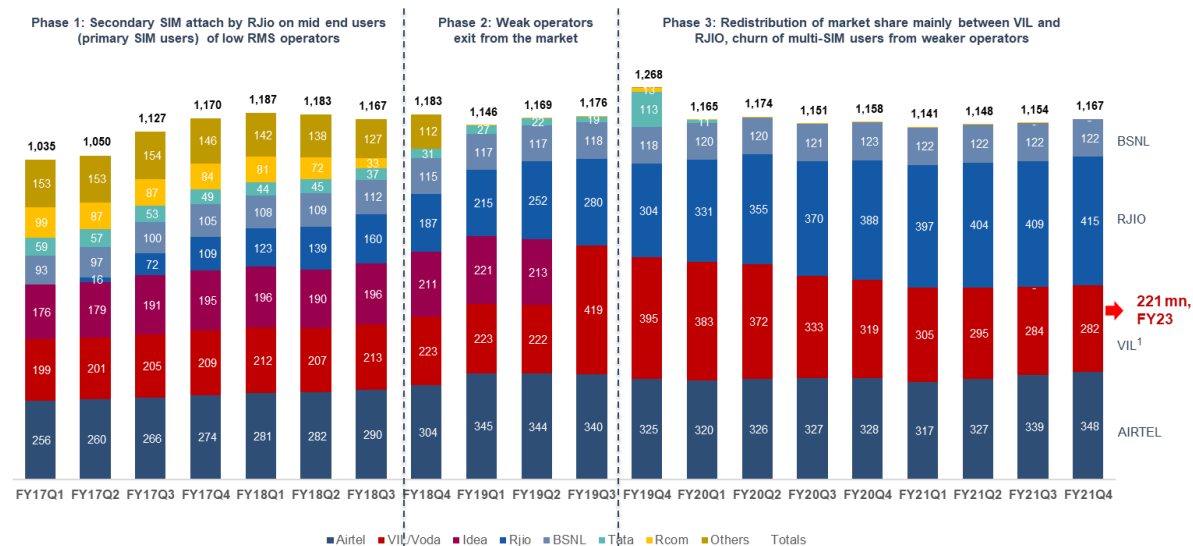


Note. 1 Assuming users in the remaining 59mn with RJio secondary SIM did not move to RJio as their primary SIM and are using a VIL data connection

Source: Capitel analysis, engagement experience

Capitel expects the churn and migration process to be completed by FY23-24 and the VIL base is estimated to stabilize at ~221 million by FY23.

Figure 5. Historical evolution of subscriber base by operator



Note: 1. VIL subscriber base of 282 mn as on Feb-21, reported by TRAI

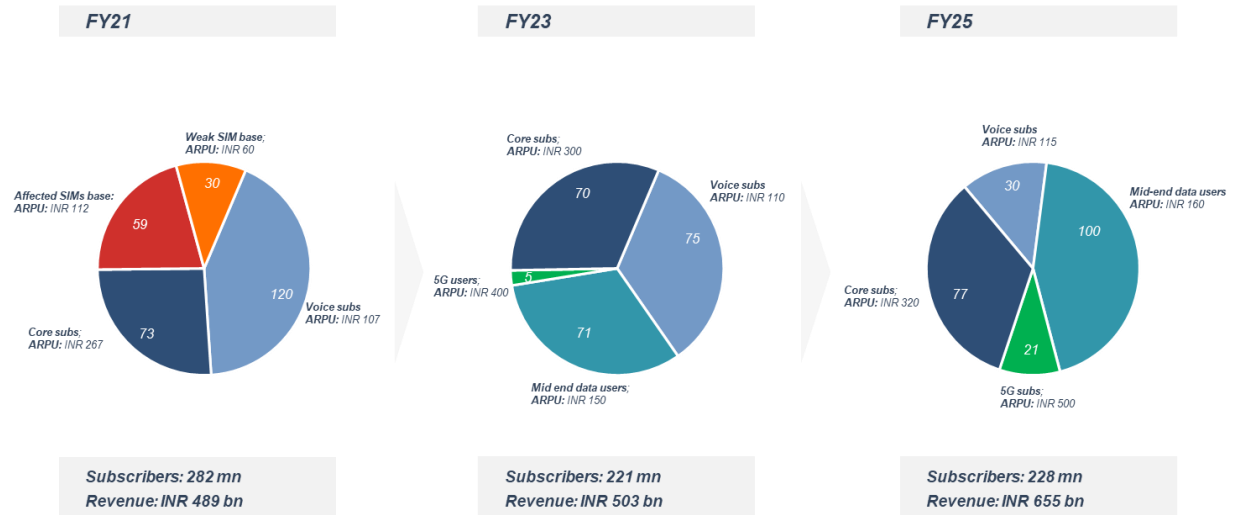
Operator Context: 5G

VIL 5G strategy

Capitel believes that VIL's going forward strategy is almost entirely based on 5G given they skipped the 4G technology upgrade cycle. They have been able to hold on to their loyal, high value core customer base particularly in markets such as Gujarat, Maharashtra, Kerala, UPW and others where they have been traditionally strong with 900MHz, 1800MHz and 2100MHz bands and a good mix of postpaid users, business users and mid-high end customers.

The VIL business plan is contingent on a) adoption of 5G by this core user base and an increase in their ARPU, b) 4G adoption by their mid-end user base in tier 1 / tier 2 cities in top 16 circles, and some retention of their voice user base, again in target districts. The weak operator user base and secondary SIM attach base will churn out over time. Capitel estimates that VIL subscriber base will reduce to 228 million users by FY25, but with higher data adoption and increase in ARPU because of 5G, the revenue will improve to Rs. 655 billion. This is lower than the Rs. 841 billion revenues for VIL in FY16 but is likely to be more profitable and sustainable.

Figure 6. VIL subscriber base and revenue projection



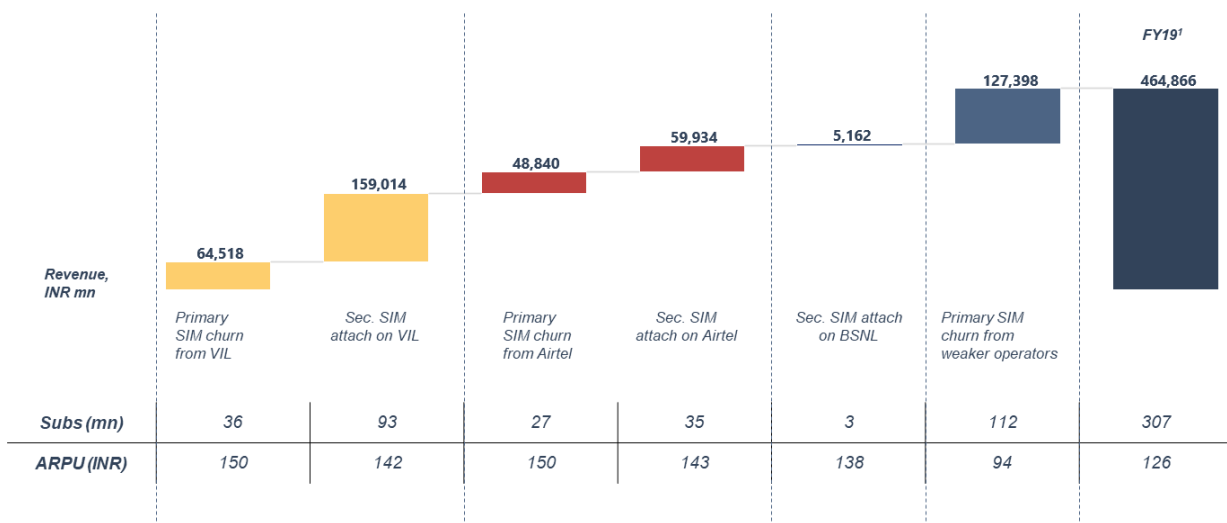
In line with this GTM strategy, Capitel expects VIL to buy 3.5GHz and 28GHz spectrum and deploy them in select circles beginning FY23.

RJIL 5G strategy

RJIL subscriber base was aggregated using secondary SIM users from VIL/Airtel, subs from existing operators and feature-phone users upgraded to Smartphones in semi-urban / rural areas, with a mix of different levels of ARPU, as illustrated in Figure 7.

The primary offering from RJIL to a majority of these users was the Rs. 150 ARPU plan, with 1GB+ daily data buckets. Given that there is limited scope in upgrading users on offering additional data on 4G plans, with some users already in the low-medium ARPU category, RJIL will need a new differentiated product to upgrade at least a section of their customer base to higher ARPU plans.

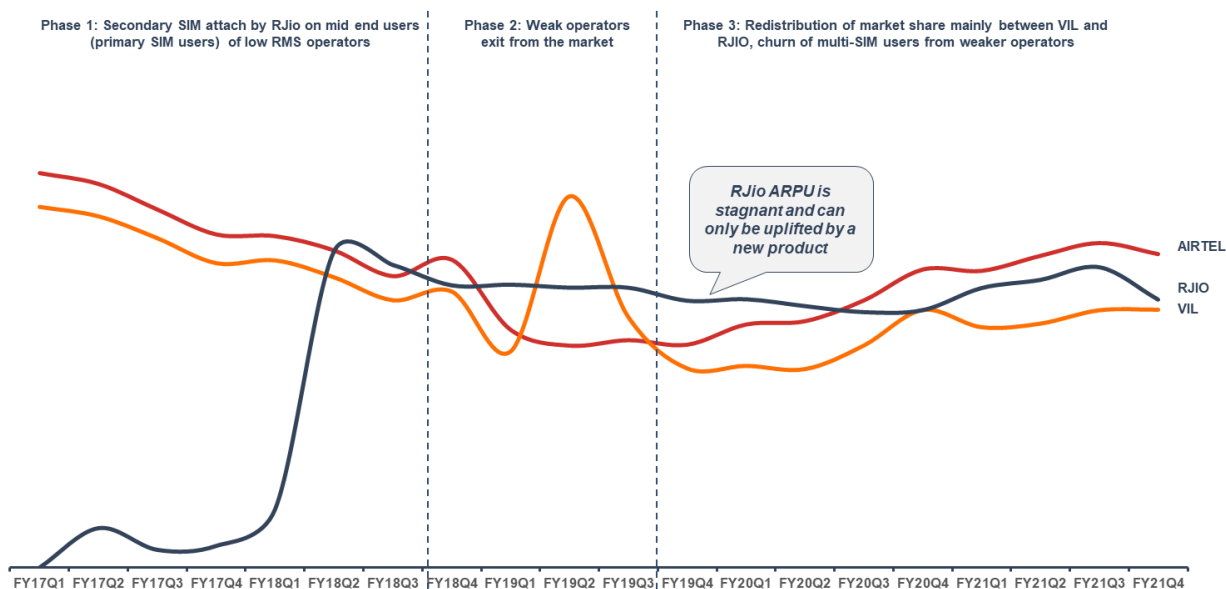
Figure 7. Composition of RJIL revenues by source segment, Mar'16 – Mar'19, estimates



Source: Capitel analysis, engagement experience

The RJIL blended ARPU is higher than VIL due to 100% data adoption, but it has been almost stable over time as illustrated in Figure 8. Capitel believes that the primary motivation of RJIL to launch 5G will be to upgrade their user base to 50GB+ data buckets and new devices / services that will increase the overall ARPU.

Figure 8. Operator ARPU evolution, FY18 - FY21, Rs.



Source: Capitel analysis, engagement experience, TRAI

Capitel believes that RJIL will lead the 5G deployment with big GB buckets and Airtel and VIL will match its offerings to defend their core user base, and also grow their revenues.

Spectrum plan for 5G

Global operators are using a mix of low frequency band such as 700MHz, 850MHz or 900MHz, along with 2300MHz, 3.5GHz and 26GHz / 28GHz bands to launch 5G. The mix of low and mid-frequency band spectrum is typically a function of existing holdings for 4G.

For India, Airtel and RJIL have 2300MHz as the 4G band, and Capitel expects this band to be used for primary 4G+5G DSS in the marketing launch stage. RJIL will use its 850MHz holdings for 5G coverage DSS to achieve a pan-India 5G footprint, although the experience on 15MHz will be nominal. VIL will also re-farm their 900MHz holdings in all its high RMS markets to 4G/5G DSS and use 1800MHz / 2300MHz / 2600MHz for 4G/5G DSS in urban markets.

All operators will have to use 3.5GHz for 5G mobility as only that band will have the required quantum of spectrum to support a differentiated experience on 5G, especially as 2300MHz is already carrying 4G traffic. Finally, operators will buy 28GHz band with anywhere from 100MHz to 400MHz spectrum for hotspots, fixed wireless access and other high capacity services. The likely band plans for major operators in India and similar models by global operators is detailed in Figure 9.

Figure 9. Expected 5G spectrum band usage by operator

850MHz + 2300MHz + 3.5GHz + 28GHz	2300MHz + 3.5GHz + 28GHz	2600MHz + 3.5GHz + 28GHz
850MHz as the DSS¹ band for nation-wide 5G coverage 2300MHz (or AWS bands or other C bands) DSS for 4G + 5G traffic - Software upgrade of 4G radios to 5G + 5G NR 3.5GHz as the overlay layer for metros and urban markets 26GHz, 400MHz+ for hotspot coverage for gaming zones, other high-capacity use cases	2300MHz (or AWS bands or other C bands) DSS for 4G + 5G traffic, mainly in urban markets - No coverage of rural markets on 5G for the initial years – use of 700MHz band or re-farmed 900MHz band in the later stages (FY25 onwards) - Software upgrade of 4G radios to 5G + 5G NR 3.5GHz as the overlay layer for metros and urban markets 26GHz, 400MHz+ for hotspot coverage for gaming zones, other high-capacity use cases	2600MHz (or AWS bands or other C bands) DSS for 4G + 5G traffic, mainly in urban markets - No coverage of rural markets on 5G for the initial years – use of 700MHz band or re-farmed 900MHz band in the later stages (FY25 onwards) - Software upgrade of 4G radios to 5G + 5G NR 3.5GHz as the overlay layer for metros and major markets (12 circles) 26GHz, 400MHz+ for hotspot coverage for gaming zones, other high-capacity use cases
 	 	 

Note: 1. Dynamic Spectrum Sharing

Source: Capitel analysis, engagement experience, TRAI

Capitel expects operators to purchase 3.5GHz and 28GHz bands in the upcoming auctions for a commercial launch of 5G and use DSS on 2300MHz / 2500MHz / 1800 MHz for a marketing launch in the interim, as detailed in Figure 10 below.

Figure 10. Expected spectrum roadmap by operator, by band

Spectrum band	2021 ¹	2022	2023	2024	2025	2026 (E)->
700MHz	Not assigned	Not assigned	Not assigned	10MHz 5G (Airtel)	10MHz 5G (Airtel)	10MHz 5G (Airtel)
	Not assigned	Not assigned	Not assigned	10MHz 5G (R.Jio)	10MHz 5G (R.Jio)	10MHz 5G (R.Jio)
850MHz	LTE (R.Jio)	LTE (R.Jio)	LTE (R.Jio)	LTE (R.Jio)	LTE (R.Jio)	LTE (R.Jio)
900MHz	GSM/3G/LTE [3G shutdown]	GSM/LTE (VIL, Airtel)	GSM/LTE (VIL, Airtel)	GSM/LTE (VIL, Airtel)	GSM/LTE (VIL, Airtel) [GSM shutdown]	LTE (VIL, Airtel)
1800MHz	LTE (R.Jio)	LTE (R.Jio)	LTE (R.Jio)	LTE (R.Jio)	LTE (R.Jio)	LTE (all operators)
	GSM/LTE (VIL, Airtel)	GSM/LTE (VIL, Airtel)	GSM/LTE (VIL, Airtel)	GSM/LTE (VIL, Airtel)	GSM/LTE (VIL, Airtel) [GSM shutdown]	
2100MHz	3G/LTE [3G shutdown]	LTE (VIL, Airtel)	LTE (VIL, Airtel)	LTE (VIL, Airtel)	LTE (VIL, Airtel)	LTE (VIL, Airtel)
2300MHz/ 2500MHz	35MHz LTE (Airtel)	35MHz LTE (Airtel)	35MHz LTE (Airtel)	35MHz LTE (Airtel)	35MHz LTE (Airtel)	35MHz LTE (Airtel)
	40MHz LTE (R.Jio)	40MHz LTE (R.Jio)	40MHz LTE (R.Jio)	40MHz LTE (R.Jio)	40MHz LTE (R.Jio)	40MHz LTE (R.Jio)
	20MHz LTE (VIL)	20MHz LTE (VIL)	20MHz LTE (VIL)	20MHz LTE (VIL)	20MHz LTE (VIL)	20MHz LTE (VIL)
3500 MHz	Not assigned	50MHz 5G (all operators)	50MHz 5G (all operators)	50MHz 5G (all operators)	50MHz 5G (all operators)	50MHz 5G (all operators)
28GHz	Not assigned	Not assigned	Not assigned	400MHz 28GHz 5GHotspots (all)	400MHz 28GHz 5GHotspots (all)	400MHz 28GHz 5GHotspots (all)

Note. 1. Includes results from the spectrum auction held in March 2021.

Source: Capitel analysis, engagement experience, TRAI, DoT, company reports

The tenancy forecast model is mainly led by coverage densification on 3.5GHz and 28GHz, and although the quantum of spectrum is important, it does not have a significant impact on 5G tenancy demand.

5G adoption

The launch of 5G has two types of impact on the subscriber base, a) increase in number of devices per person particularly in metros and urban markets, and b) change in subscriber base mix with increasing adoption of 5G over time.

Operators across markets understand that they will need a differentiated customer proposition in order to charge a premium for 5G. Consultation paper responses for 5G by operators such as Singtel suggest that there will be an explosion in the number of devices that are “lower in cost, smaller and light weight”¹, with major emerging areas such as cloud gaming and VR/AR/MR terminals. Capitel believes that in India also, the commercial launch of 5G will result in an increase in additional devices with new form factors. This will increase the user base that will be offset by some reduction due to multi-SIM consolidation on 4G.

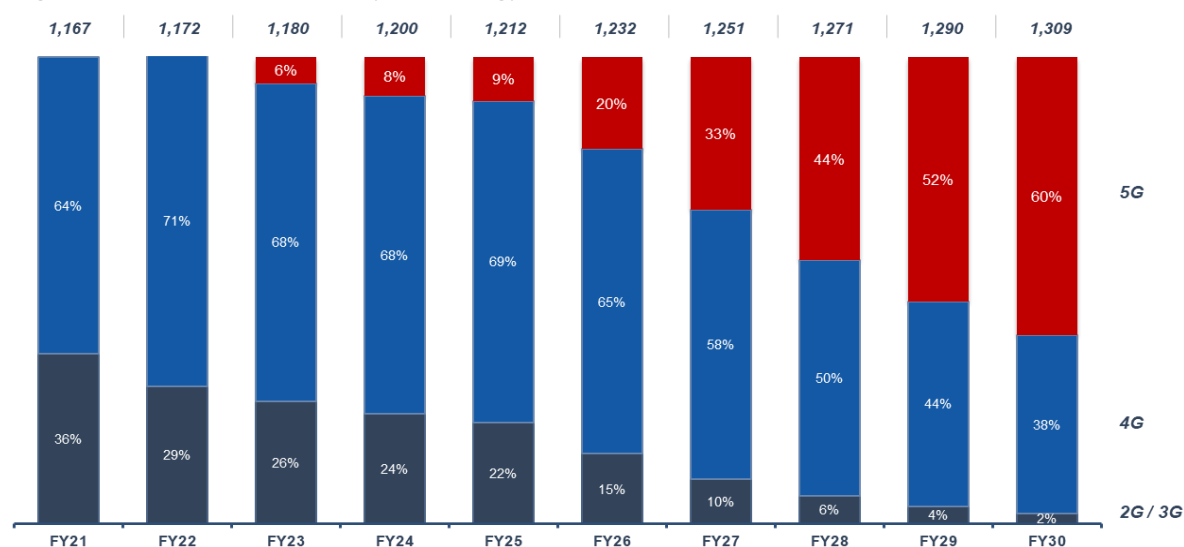
It will be in operator’s interest to drive 5G adoption as fast as possible as particularly in the initial stages, the incremental Capex for 5G network upgrade will be lower as compared to the returns. As the handset price decline cycle will take time, Capitel expects mainstream adoption of 5G only from FY25, and expect 5G penetration to be 60 per cent. by FY30. GSMA² estimates that 5G will account for 29 per cent. of user base in Europe in 2025, with China at 67 per cent., and other developed markets such as Japan, the U.S. and South Korea at more than 50 per cent. adoption by 2025 (FY26).

Capitel believes that its estimates of approximately 20 per cent. 5G penetration by 2025/FY26 is in line with global adoption estimates and the likely handset affordability curve. Capitel’s estimates for the overall subscriber base and share of technology is shown in Figure 11.

¹ <https://www.imda.gov.sg/-/media/Imda/Files/Regulation-Licensing-and-Consultations/Consultations/Consultation-Papers/Second-Public-Consultation-on-5G-Mobile-Services-and-Networks/Second-5G-Consultation-Singapore-Telecommunications-Limited.pdf?la=en>

² GSMA Mobile Economy 2020 Europe, GSMA Mobile Economy China 2021

Figure 11. Market evolution, by technology



Source: Capitel analysis, engagement experience

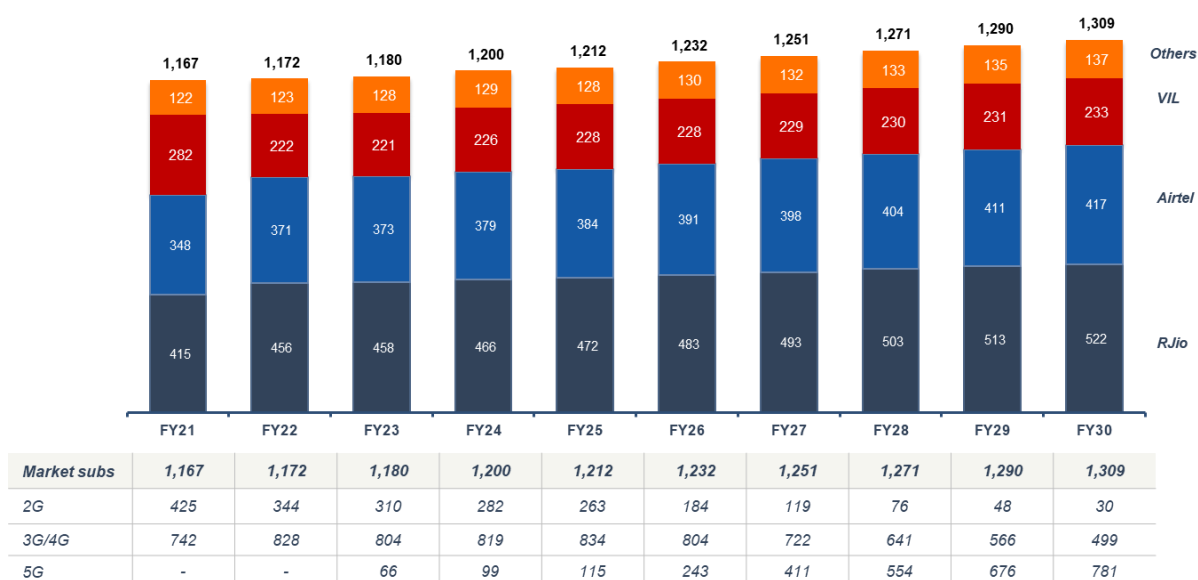
Operator market shares

Capitel expects RJIL to continue to be the market leader in terms of subscriber base, particularly as it has a strong presence in the broadband under-served towns in semi-urban and rural areas. It will also have a strong 5G offering that will contribute to some increase in the base with additional devices and terminals.

Capitel expects Airtel to gain 4G user base from semi-urban and rural areas in addition to new devices led 5G subs base in urban markets. VIL is likely to become a provider with stronger presence in its traditionally high RMS markets, and marginal presence in the balance 6+ markets. It also loses its 4G user base while gaining some 5G additional SIMs.

RJIL is expected to increase market share from 36 per cent. in FY21 to 40 per cent. by 2030, Airtel retains market share between 30 per cent. to 32 per cent. while VIL loses share to RJIL and Airtel by approximately 5 per cent., as set out below in Figure 12.

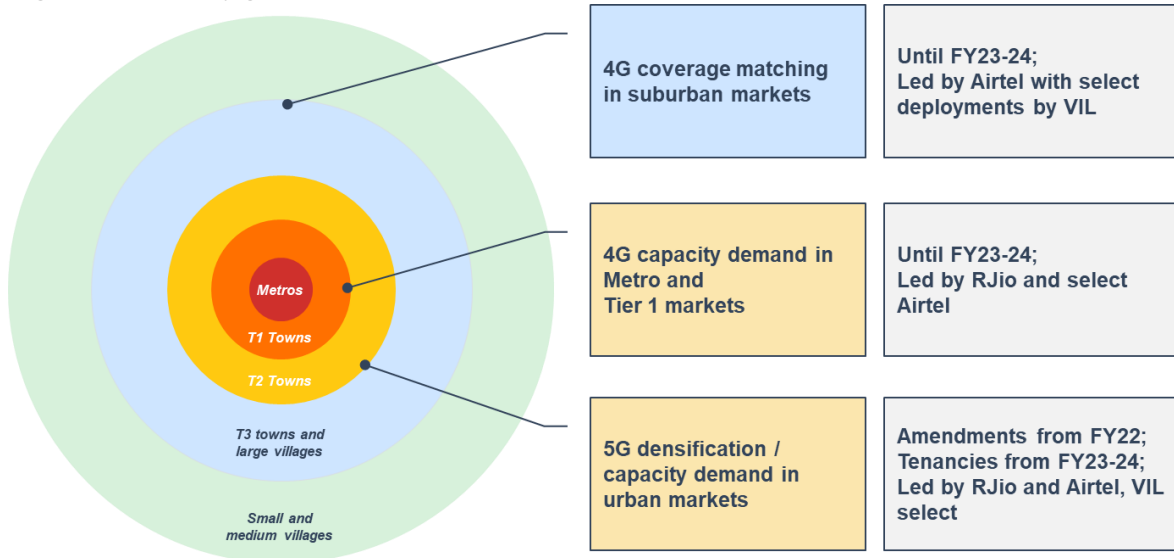
Figure 12. Customer market share by operator, estimates



Tenancy Growth Drivers

At the current stage of the market, Capitel believes there are three major drivers for tenancy demand, namely, 4G coverage matching by Airtel and VIL, 4G capacity demand in select markets and finally, 5G densification on 3.5GHz and 28GHz mm wave bands, as illustrated below.

Figure 13. Tenancy growth drivers, FY21-30



2300MHz 4G coverage matching by Airtel and VIL

Capitel estimates that Airtel has a coverage gap of 75,000 locations with RJIL on 2300MHz as illustrated in Figure 14.

Figure 14. Airtel-RJIL coverage gap on 2300MHz, Estimates

Area category		RJio 2300MHz Installed FY20	Airtel 2300MHz Installed FY20	Airtel RJio 2300MHz coverage gap	Tenancy demand drivers
Urban	Metros	75,000	70,000	5,000	Nominal coverage gap in dense urban and urban locations as Airtel has been rolling out 2300MHz sites from FY19 to match RJio
	Tier 1 cities				
	Tier 2 Cities				
Semi-urban	Tier 3 towns	90,000	60,000	30,000	- Airtel will have to deploy 2300MHz if it wants to provide 10GB+ data buckets in these markets - Other bands do not have the spectrum capacity - Airtel will like to gain share in churn of VIL users and also defend its SU user base from migrating to RJio
	Large villages				
Rural	Medium Villages	75,000 ¹	35,000	40,000	Airtel will only match coverage gap in large villages (20,000+ population) as the investment case for two operators beyond this pop will have low returns
	Small Villages				
Total		240,000	165,000	75,000	Overall Airtel will need to deploy 60K+ sites to match RJio's proposition in SU and R markets

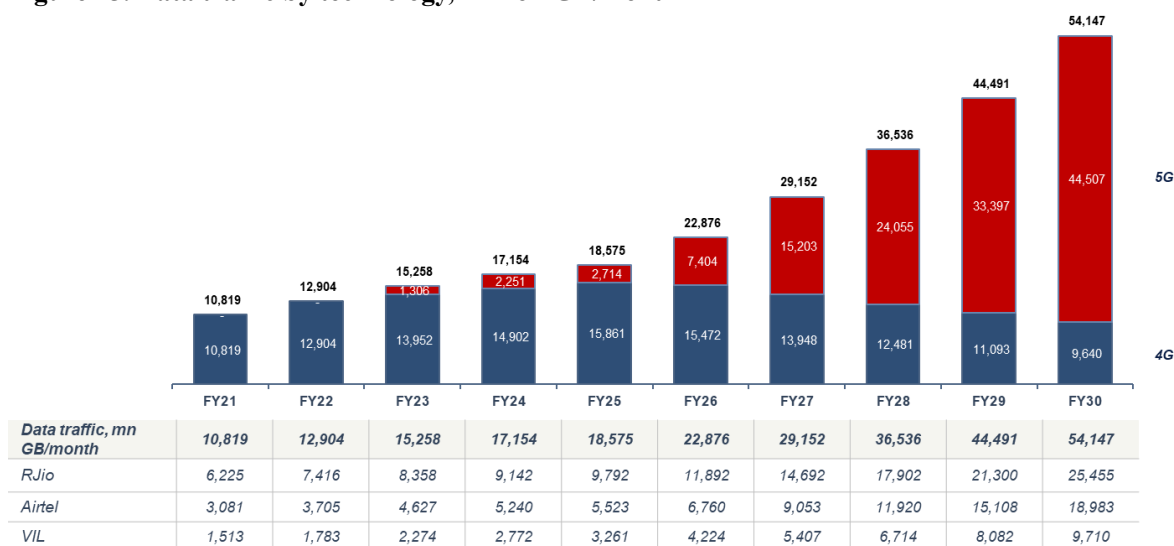
Note. 1. Excludes Reliance Infratel grid on 850MHz

As VIL is vacating some of the rural districts particularly in Cat C markets where it has a marginal revenue market share, as well as other weaker Category A and B circles, Airtel is also investing in its network to gain a share of these subscribers. Capitel believes that Airtel will not go beyond large villages given it does not subsidize handsets. However, Capitel expects that Airtel will match RJIL in their 2300MHz network coverage in city outskirts, in-fill areas, tier 2 towns, tier 3 towns and large villages. Capitel also expects VIL to strengthen 4G coverage on 2300MHz/2500MHz bands in circles with strong revenue market shares.

4G capacity demand in metros and tier 1 markets

With increasing data adoption and 10GB+ data buckets becoming a norm, Capitel finds an increase in overall 4G data traffic, at least until 5G is launched and traffic begins to shift to 5G from FY24-25. The increase in 4G traffic necessitates additional capacity sites for 4G particularly in tier 1/tier 2 towns with large population clusters, high penetration of smartphones and rising data usage.

Figure 15. Data traffic by technology, million GB/month



Capitel believes that one of the differentiating factors of a 5G (eMBB) offering in the initial years will be big data buckets. For operators to ask their users for even a 20 per cent. to 30 per cent. higher ARPU commitment, there has to be an additional incentive, and Capitel expects 50GB+ plans along with high resolution AR/VR content to be the flagship 5G propositions in the early years (before SA services with network slicing and other IoT/low latency services kick-in in the later years). Such an offering gets reflected in rapidly rising 5G traffic from FY25, with 5G accounting for 50 per cent. to 60 per cent. data traffic after FY27.

5G densification on 3.5GHz and 28GHz

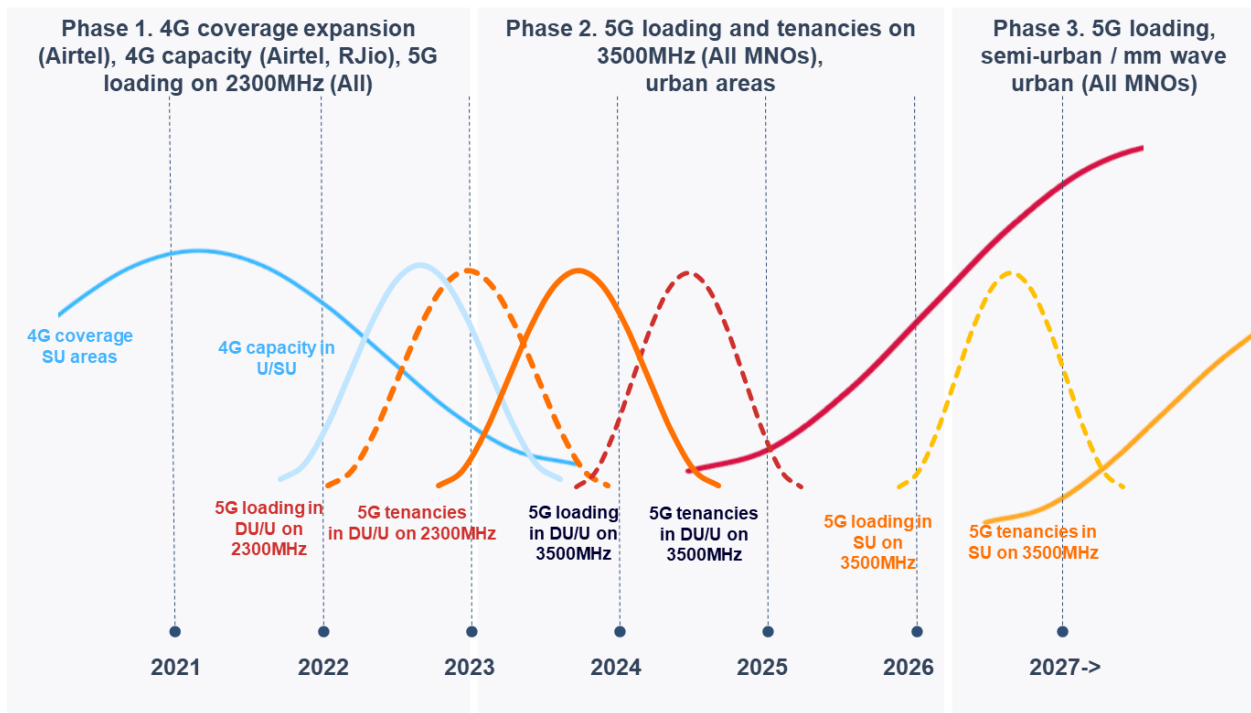
Finally, Capitel believes the demand for tenancies will be from network densification to support 5G on high frequency bands such as 3.5GHz and 28GHz. In markets in Asia and Europe where 5G has been launched, operators are deploying 400MHz to 800MHz spectrum on 26GHz/28GHz bands, and 50MHz to 100MHz on 3.5GHz bands.

As the primary initial offering is big GB buckets, with even higher consumption by connected cars in the later stages, operators will have to densify their networks for these bands. Operators will try and match such densification to 5G device adoption and content availability cycle and will initially try and use their 2300MHz/2600 MHz/1800 MHz bands to offer 5G in a DSS³ mode.

Capitel believes that the initial stages of 5G launch (mainly a marketing launch) will be based on such a DSS platform, with operators optimizing their Capex spend on active equipment as well as new tenancies. There will be loading revenues from installation of new 5G antennas, 5G base stations for DSS and additional space for power back-ups and fiber provisioning.

Figure 16. Loading and tenancy cycles for 4G and 5G

³ Dynamic Spectrum Sharing refers to the use of the deployed quantum of spectrum to support 4G as well as 5G traffic with real-time allocation of spectrum resources between 4G and 5G based on demand



There will be some minor densification required on 2300MHz 4G/5G DSS bands in tier 1 towns initially for the marketing launch, with major demand for 5G tenancies coming from commercial launch and deployment of 3.5GHz bands in Phase 2 beginning FY23. In the Phase 3 of the deployments, Capitel expects expansion of 5G footprint to Tier 2 and Tier 3 towns as well as mm wave 28GHz expansion. This phase-wise evolution of loading and tenancies informs Capitel's tenancy forecast model in the following section.

Tenancy Demand Forecast

FY21-30 Tenancy Forecast: Modeling Approach

Capitel uses its coverage-capacity forecast model to develop base station and tenancy demand by operator, by frequency band and by regions. Capitel uses tenancy forecast model to evaluate 30+ tower deals globally including transactions in multiple markets such as India, China, Myanmar, Bangladesh, Indonesia, Malaysia, The Philippines, Africa, Japan, Australia and Europe. There are six major modules in the coverage capacity model, as illustrated in Figure 17. The model has the following sections:

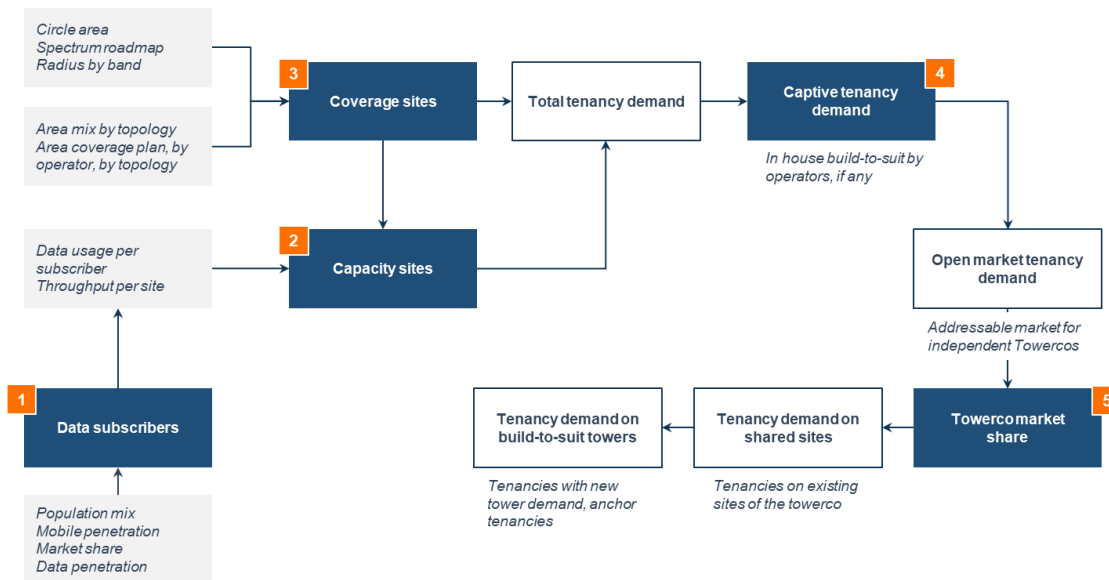
1. Ending data subscriber base and mix, FY21-FY30: This is generally based on a need-affordability analysis that indicates if subscribers can afford the service and esp. handsets and whether they need the service. Capitel has used models in their prior engagement experience for 4G and 5G adoption in these markets and also look at the consumer income levels vs. handset pricing.

2. Incremental capacity base stations, FY21-FY30: Capitel calculates data traffic demand (million Mbps) based on GB data consumed per subscriber per month for the number of subscribers attached to the 4G and 5G network, including FWA demand. The data traffic supply is calculated based on the spectrum holding of MNO and the number of 4G and 5G sites deployed in that region. Capitel also analyzes the potential impact on market share and tenancy demand from Bharti Airtel and RJIL with optimized footprint of VIL.

3. Incremental coverage base stations, FY21-FY30: Capitel calculates the number of coverage base stations on 700MHz, 2.6GHz, 3.6GHz, 26GHz / 28GHz and other relevant bands for 5G for the geographical segments and for each of the operator. Capitel develops the starting coverage mix based on the current site deployment and site mix database.

Also, based on Capitel's recent experience in Asia and US, it is clear that a 5G FWA offering will take away market share from FTTH based home broadband especially for underserved or lower income households. 5G based FWA deployments are expected to reach technological maturity in a few years (Qualcomm QTM527 antenna chipsets for enhanced range, self-install capability) and will be cost competitive to FTTx. Such 5G FWA deployments on mm Wave (28GHz) will result in a high site density (some markets going as high as 20 APs per sq. km) and offer a high growth opportunity, particularly for towercos with fiber assets

Figure 17. Macro model coverage-capacity approach



4. Incremental tenancies, FY21-FY30: Incremental base station demand is the sum of incremental coverage and capacity base station demand. The percentage of loading (on currently occupied sites) depends on the inter-site distance of the underlying grid, and spectrum band of incoming coverage base stations. Capitel calculates incremental tenancy demand as total base station demand less loading demand and split it into sharing demand and build to suit demand, depending on availability of towers to operators for sharing.

This also includes estimation of tenancies available to towercos after accounting for the share of tenancies addressed by fiberco, specialist small cell builders and other providers of 5G network infrastructure that can partner with municipalities or government agencies for a faster and cheaper rollout. This will reduce the demand available to traditional towercos if they do not have similar assets and offerings.

5. Incremental towers, FY21-FY30: Finally, Capitel aggregates the build to suit demand from all operators and forecast the demand for new towers by estimating the number of tenancies at locations where new towers are required resulting from coverage expansion or densification of existing grid.

Finally, Capitel triangulates the tenancy and new tower forecast from the model using operator financials to ensure that Capitel is not over-estimating the tenancy demand and are only projecting sites that can be supported by the operator P&L over a period of time. Capitel forecasts high level revenues and EBITDA for all the major operators to estimate the number of total sites that can be supported by an operator while maintaining constant EBITDA.

FY21-30 Tenancy Forecast: Market

The market forecast is informed by a) phase-wise deployment of technology, b) use of spectrum bands for each technology, and c) mix of topology for the particular phase of deployment. Capitel expects the initial few years to witness 4G demand from coverage expansion and capacity, followed by 5G tenancies on 3.5GHz and 28GHz. The 5G deployments are in metro and urban markets initially with coverage expansion to tier 2 markets at a later stage.

Capitel estimates a total market demand of 669,125 tenancies from FY21-30, led by RJIL and Airtel, with the 4G demand focused on semi-urban and rural, and 5G demand in urban and dense-urban areas, as set forth in figures 18 below.

Figure 18. Overall market tenancy demand by topology

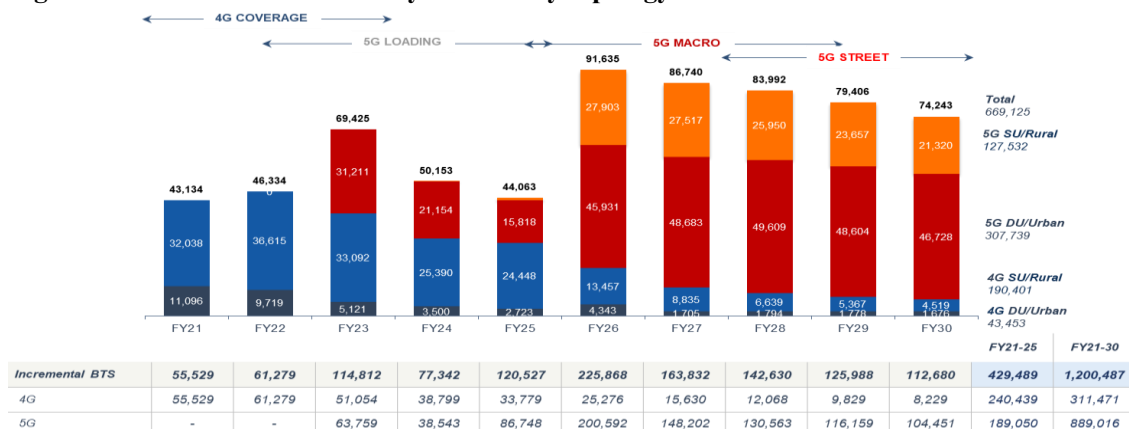
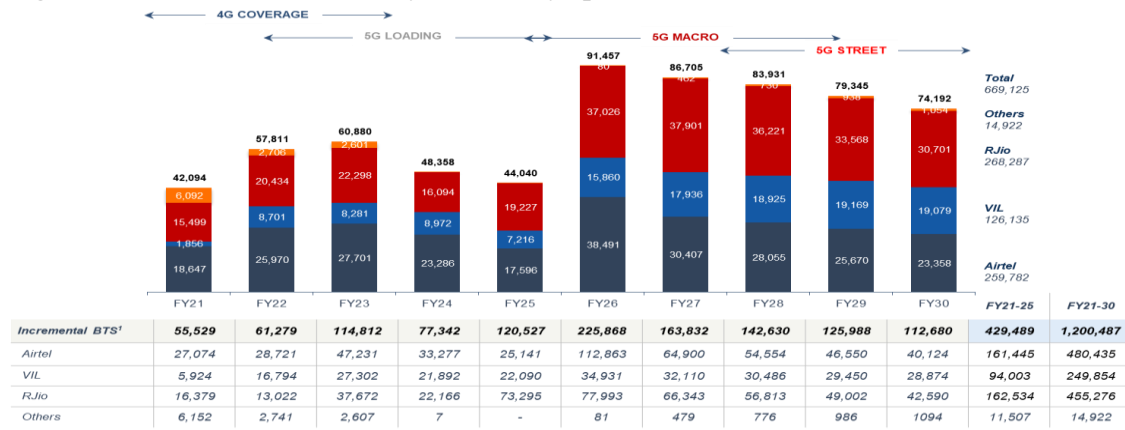


Figure 19. Overall market tenancy demand by operator



Source: Capitel tenancy forecast model

FY21-30 Tenancy Forecast: RJIL

Capitel estimates a tenancy demand of approximately 93,000 from FY21-25 and approximately 269,000 from FY21-30. The RJIL 4G demand is expected to be concentrated in semi-urban and rural markets, with 5G demand mainly in dense urban and urban markets in the initial years, as illustrated below.

Figure 20. RJIL tenancy demand by technology

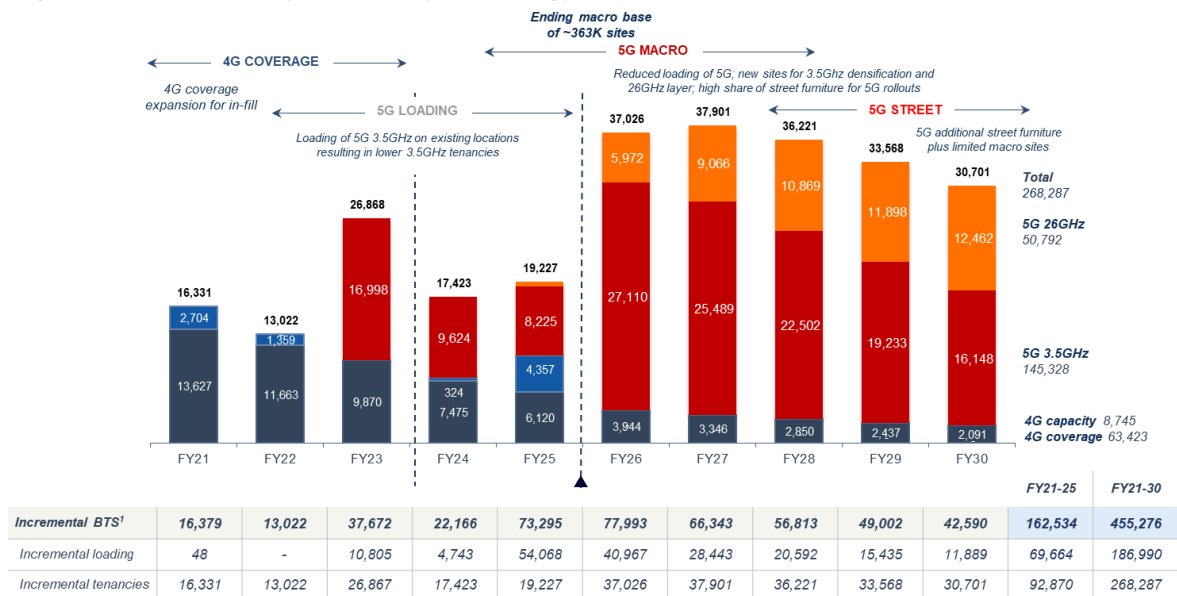
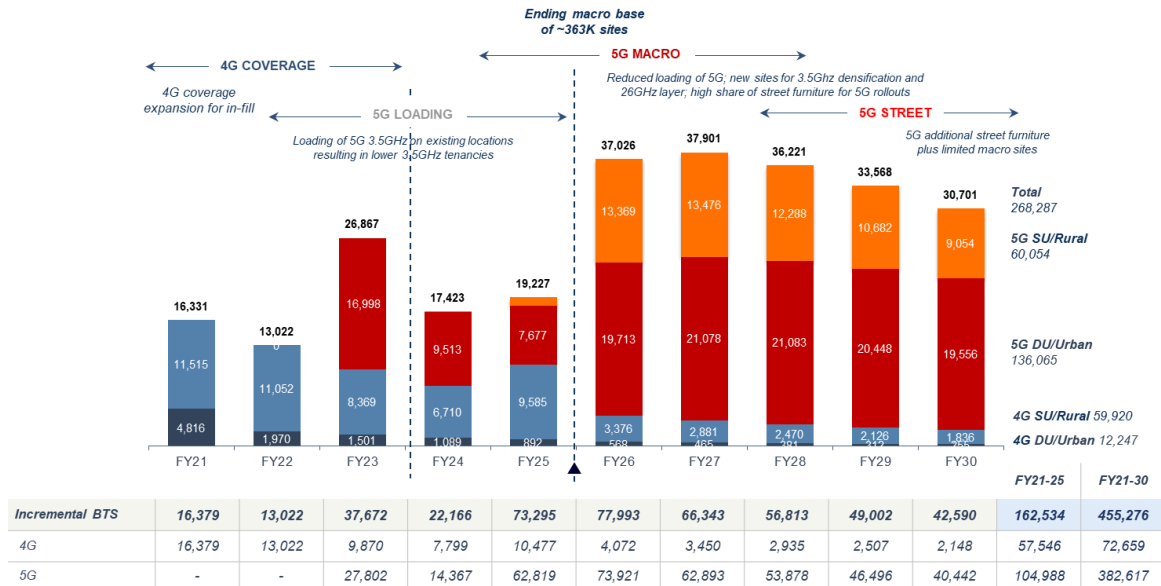


Figure 21. RJIL tenancy demand by topology



Source: Capitel tenancy forecast model

Capitel expects 2300MHz deployment by RJIL in Tier 3 markets and 3500MHz and 28GHz 5G in urban areas. Some of the key assumptions informing Capitel's tenancy forecasts for VIL are set out in Figure 22 below.

Figure 22. RJIL tenancy forecast assumptions

Variables	FY21	FY25	FY30	Assumption / Forecast context
Customer market share	36%	40%	41%	- RJio continues to gain customers from Tier 2, Tier 3 and rural markets using big GB buckets on 2300MHz and handset subsidies or bundles - RJio invests in 5G in urban markets using 3500MHz band and 700MHz and gains some share from VIL urban users esp. in their weaker Cat A markets such as AP - In parallel, RJio subs using VIL as primary SIM move RJio from secondary SIM to primary SIM although this is not reflected in customer market share
Data penetration ¹	100%	100%	100%	RJio subscriber base is all LTE / 5G with 100% data penetration in the base
Data usage ² (mn Gb/month)	6,225	9,790	25,500	- Data usage is expected to reach a blended level of ~25GB per month per subscriber on 4G and 59GB per sub per month on 5G networks by FY30 - Some of the data traffic begins to shift from 4G to 5G after FY24 resulting in reduced number of capacity site demand on 4G
Spectrum, 3G/LTE and 5G	60 MHz (3G/LTE)	65 MHz (3G/LTE) 460 MHz (5G)	65 MHz (3G/LTE) 460 MHz (5G)	- Purchase of 10MHz of 700MHz in FY25 for national 5G services - Purchase of 50MHz of 3400MHz in FY22, purchase of 400MHz of 28GHz in FY24 for hotspot/ FWA 5G deployment in dense urban areas
Cumulative tenancies ³	232,168	308,707	484,124	Incremental tenancies are led by 4G densification in Tier 2 and Tier 3 markets, 4G capacity sites in Metro and Tier 1 markets until FY24, and 5G sites in Metro and Tier 1 markets We assume that 5G sites on 4G sites currently occupied by RJio are treated as loading

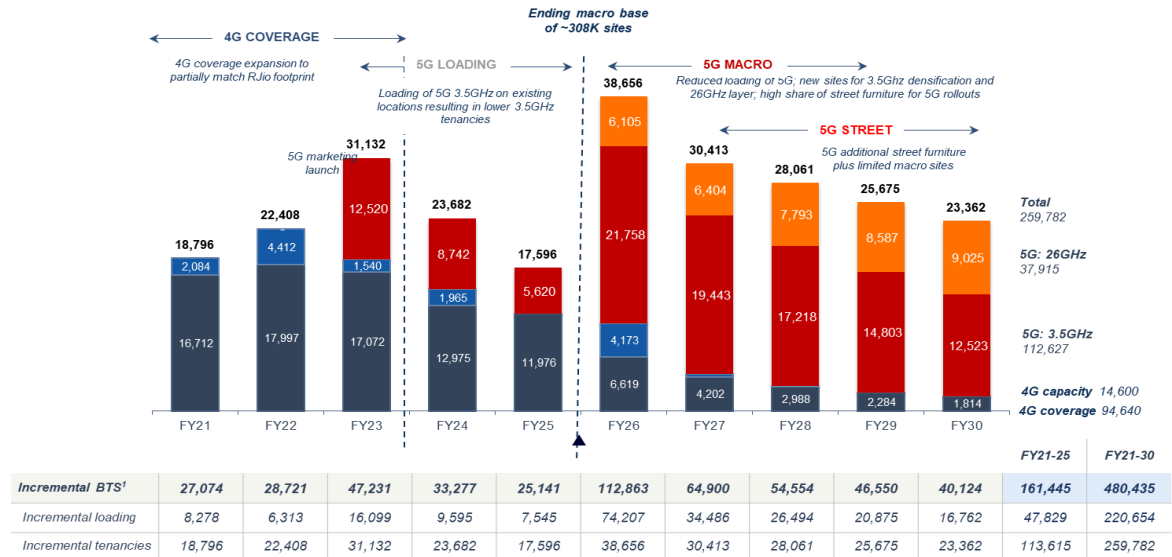
Note. 1. As a percentage of mobile subscriber base 2. Mobile data after wi-fi offload 3. Based on Capitel tenancy forecast model

Source: Capitel tenancy forecast model

FY21-30 Tenancy Forecast: Airtel

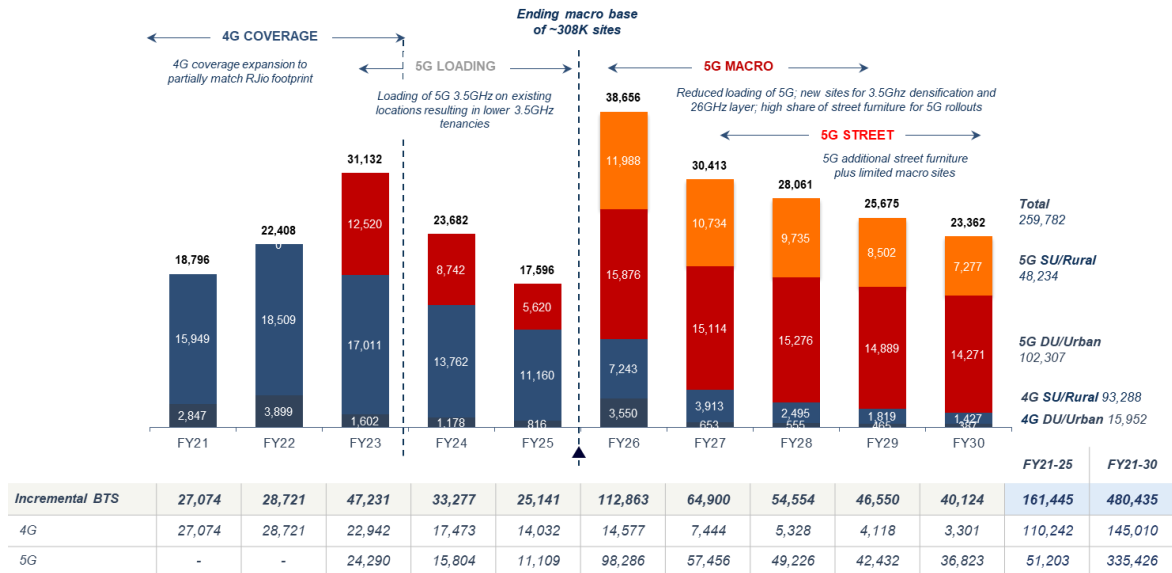
For Airtel, Capitel estimates 4G tenancy demand of approximately 109,000 and 5G tenancy demand of approximately 150,000 from FY21-30. The Airtel 4G demand is expected to be concentrated in semi-urban and rural markets, with 5G demand mainly in dense urban and urban markets in the initial years.

Figure 23. Airtel tenancy demand by technology



Note: 1. Incremental BTS includes capacity BTS of 16k from FY21-25 and 23k from FY21-30

Figure 24. Airtel tenancy demand by topology



Source: Capitel tenancy forecast model

Capitel expects 2300MHz deployment by Airtel in Tier 3 markets and 3500MHz 5G in urban with associated spectrum and network investments. Some of the key assumptions informing Capitel's tenancy forecasts for Airtel are tabulated in Figure 25 below.

Figure 25. Airtel tenancy forecast assumptions

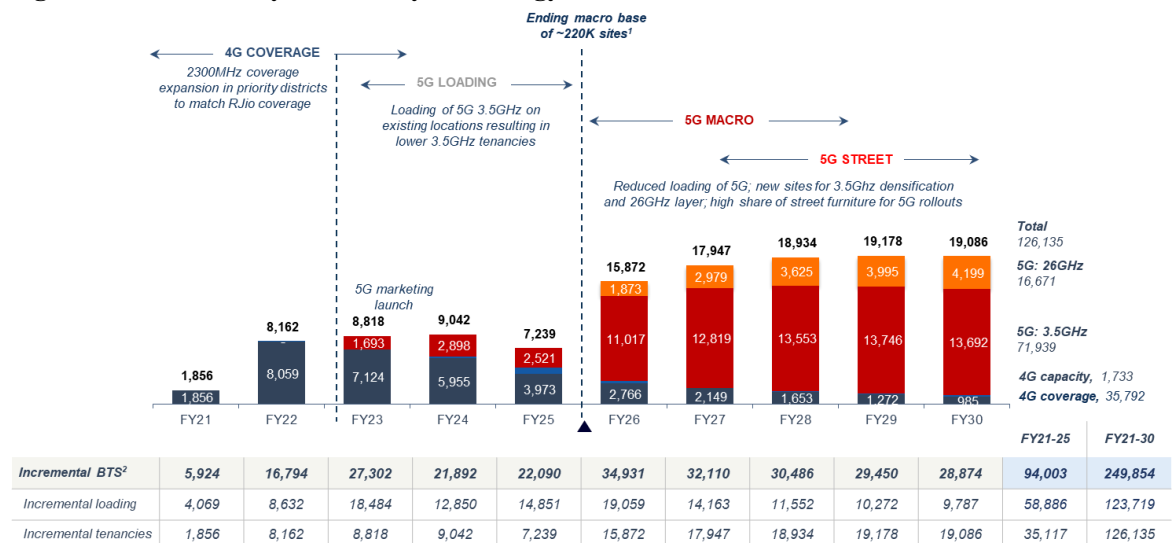
Variables	FY21	FY25	FY30	Assumption / Forecast context
Customer market share	30%	32%	32%	- Airtel continues to strengthen its position and network in Tier 2 and Tier 3 markets to gain subscribers from VIL as well as upgrade its voice customer base to data services - Airtel benefits from lower price of 2300MHz handsets in the open market and matching network to gain users with matching GB buckets - Airtel invests in 5G in urban markets using 3500MHz band and 700MHz and gains some share from VIL urban users esp. in their weaker Cat A markets such as AP
Data penetration ¹	54%	73%	99%	- Airtel data penetration improves as it continues to deploy 2300MHz coverage beyond Tier 1 markets and urban areas to city outskirts, Tier 2 markets and Tier 3 towns - Although Airtel does not offer handset subsidy, it gets some benefit from lower price of 2300MHz handsets in the open markets
Data usage ² (mn Gb/month)	3,080	5,520	18,980	- Data usage is expected to reach a blended level of ~23GB per month per subscriber on 4G and 57GB per sub per month on 5G networks by FY30 - Some of the data traffic begins to shift from 4G to 5G after FY24 resulting in reduced number of capacity site demand on 4G
Spectrum, 3G/LTE and 5G	60-70 MHz (3G/LTE)	60-70 MHz (3G/LTE) 460 MHz (5G)	60-70 MHz (3G/LTE) 460 MHz (5G)	- Purchase of 10MHz of 700MHz in FY25 for pan-India 5G services - Purchase of 50MHz of 3400MHz in FY22, purchase of 400MHz of 26GHz in FY24 for national hotspot 5G deployment in dense urban areas
Cumulative tenancies ³	223,371	318,190	464,357	Incremental tenancies are led by 4G deployment on 2300MHz in Tier 2 and Tier 3 markets to be able to match RJio GB buckets (alternative is weak coverage on 900MHz, 5MHz of spectrum as compared to 40MHz on 2300MHz), 4G capacity sites in Metro and Tier 1 markets until FY24, and 5G sites in Metro and Tier 1 markets

Note. 1. As a percentage of mobile subscriber base 2. Mobile data after wi-fi offload 3. Based on Capitel tenancy forecast model

FY21-30 Tenancy Forecast: VIL

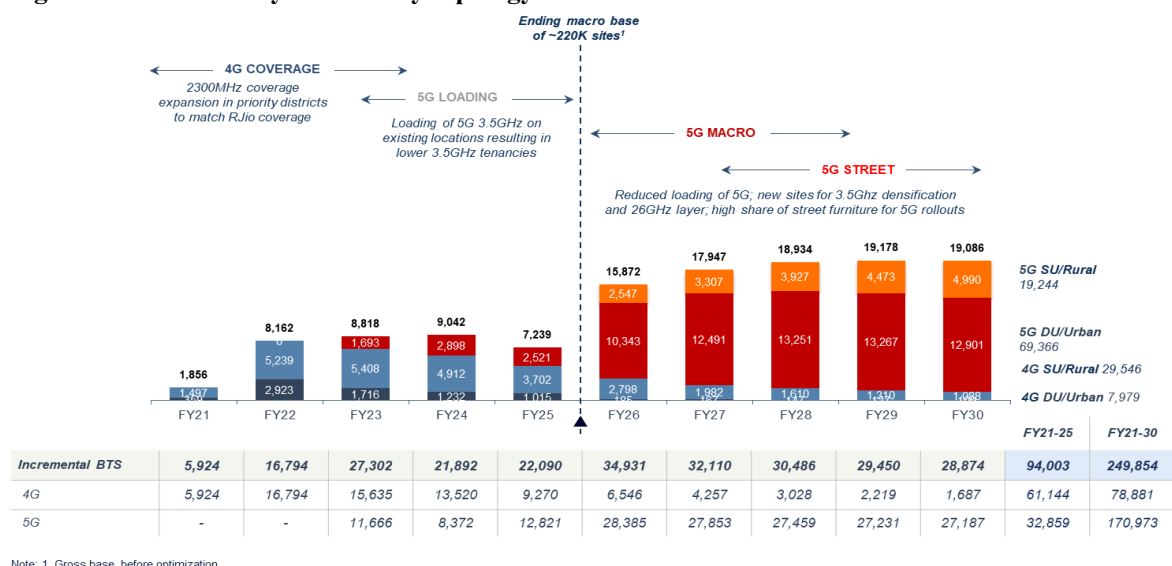
The investment focus of VIL in top 16 circles, with limited 4G coverage matching and good quality 5G coverage to protect and grow revenues from its high-end subscriber base is reflected in its network rollout forecast. Capitel estimates a demand of 37,000 tenancies from 4G deployment by VIL which still leaves a gap of 100,000+ 4G sites as compared to RJIL. However, unlike RJIL, Capitel expects VIL to be more focused on urban and semi-urban markets and on 5G densification using 3.5GHz and then 28GHz bands as shown below in Figures 26 and 27.

Figure 26. VIL tenancy demand by technology



Note: 1. Gross base, before optimization 2. Incremental BTS includes capacity BTS of 2k from FY21-25 and 6k from FY21-30

Figure 27. VIL tenancy demand by topology



Source: Capitel tenancy forecast model

As detailed in the operator context section, Capitel expects VIL to be an urban focused mobile operator with less than 20 per cent. subs market share and rising data penetration over time. Certain of the key assumptions informing Capitel's tenancy forecasts for VIL are tabulated in Figure 28 below.

Figure 28. VIL tenancy forecast assumptions

Variables	FY21	FY25	FY30	Assumption / Forecast context
Customer market share	24%	19%	18%	- VIL optimizes its network footprint in weaker markets and does not invest further in rural and tier 3 towns. VIL loses customer market share in rural areas to R.Jio and Airtel in these markets - VIL selectively invests in 5G using 3400Mhz band in 12 markets to retain high ARPU unaffected users in its stronger markets (Invest and Maintain) and - VIL churns subs esp. in markets where VIL does not have a competitive offering on sub-GHz band and 2300MHz band deployment
Data penetration¹	44%	80%	99%	VIL data penetration improves as it withdraws coverage from weaker markets and rural areas and focuses on urban and semi-urban markets with better smartphone affordability and means of financing smartphones
Data usage² (mn Gb/month)	1,510	3,260	9,710	- Data usage is expected to reach a blended level of ~22 GB per month per subscriber on 4G and ~60GB per sub per month on 5G networks by FY30 - Some of the data traffic begins to shift from 4G to 5G after FY24 resulting in reduced number of capacity site demand on 4G
Spectrum, 3G/LTE and 5G	40-50 MHz (3G/LTE)	40-50 MHz (3G/LTE) 450 MHz (5G)	40-50 MHz (3G/LTE) 450 MHz (5G)	- Selective purchase of 50MHz of 3400MHz in 16 circles in FY22 esp. with the spectrum purchase guidelines allowing lower upfront payments - Selective purchase of 400MHz of 28GHz in 16 circles in FY25 to be used for hotspot 5G deployment in dense urban areas
Cumulative tenancies³	211,470	244,731	335,748	- Incremental tenancies are led by 4G densification in Metro and Tier 1 markets until FY23, - Selective 4G densification in Tier 2 and Tier 3 markets, and 5G sites in Metro and Tier 1 markets

Note: 1. As a percentage of mobile subscriber base 2. Mobile data after wi-fi offload 3. Based on Capitel tenancy forecast model

Source: Capitel analysis, engagement experience

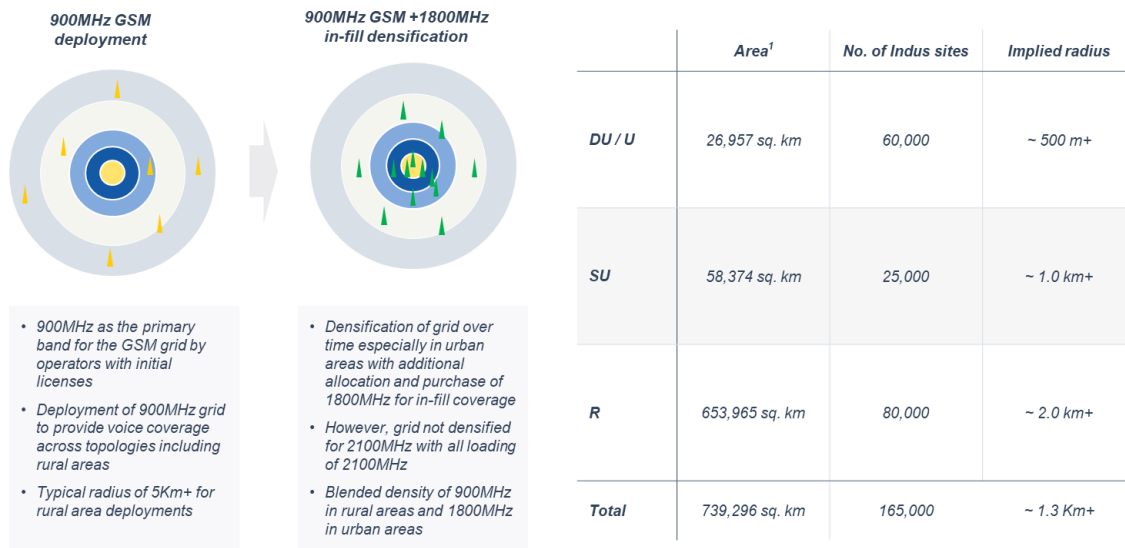
Portfolio Analysis: Indus Towers

The Indus portfolio was formed by pooling of towers from Airtel, Vodafone and Idea Cellular. All of these were incumbent operators with 900MHz holdings for GSM awarded in the initial stages or acquired from acquisition of smaller operators such as Spice Telecom. The network grids deployed by these operators were for 900MHz coverage in urban, semi-urban and GSM markets, that was followed by in-fill coverage on 1800MHz within cities.

This resulted in a portfolio with an 1800MHz grid within urban areas, a mix of 900MHz and 1800MHz grid in semi-urban areas and mainly a 900MHz grid in rural areas, as is evident from the implied grid radius⁴ estimates in Figure 29.

⁴ Lower implied radius suggests a site with higher frequency band deployment

Figure 29. Indus portfolio distribution by topology, estimates



Note. 1. Area covered by mobile services

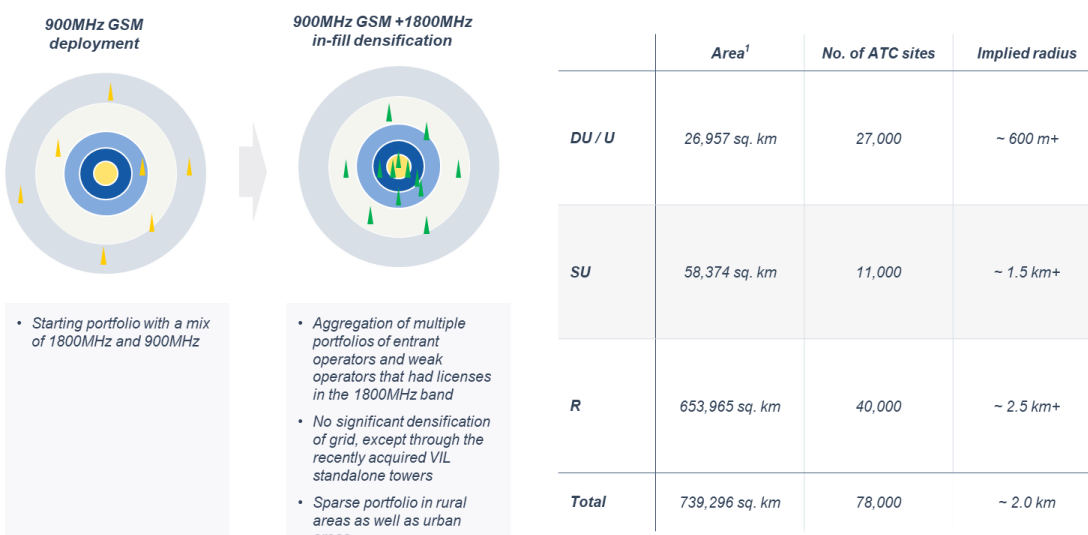
Source: Capitel analysis, engagement experience

Capitel believes that such a portfolio can serve incoming 2300MHz tenancy demand in dense urban and urban areas, some demand in semi-urban areas and limited demand in rural areas. This is because the semi-urban and rural grids are mainly designed for a lower frequency band and do not have the site locations that are required for a 2300Mhz deployment.

Portfolio Analysis: ATC Towers

The ATC portfolio was formed through an aggregation of network grids of multiple new entrants and smaller towercos. The grid was a mix of 900MHz and 1800MHz – Aircel had 900MHz in its markets and Tata Teleservices also had an 850MHz grid. With a primary frequency band of 1800MHz, entrants focused mainly on urban areas (including city outskirts) except Uninor that had a stronger rural footprint. With the acquisition of the Vodafone and Idea captive tower portfolios, ATC added additional tower footprint in urban areas, as this portfolio was mainly designed for in-fill coverage and capacity for Vodafone and Idea.

Figure 30. ATC portfolio distribution by topology, estimates



Note. 1. Area covered by mobile services

Source: Capitel analysis, engagement experience

Capitel believes that ATC can address some demand on 2300MHz in urban and semi-urban areas, and a larger share of colocation sharing demand on 5G as unlike Indus, the ATC site locations in urban areas still have available slots. The Indus grid is already occupied by incumbents with some availability for RJIL, as detailed in Figure 31.

Figure 31. Estimated tenancy utilization by towerco

Estimated tenancy utilization of Indus towers
164,000 towers

	Sites	Airtel on Indus	VIL on Indus	RJio on Indus
DU / U	60,000	92%-95%	70%-75%	45%-60%
SU	25,000	60%-65%	50%-55%	35%-40%
R	80,000	75%-78%	50%-55%	5%-10%
Total	165,000	140,000	115,000	50,000

Estimated tenancy utilization of ATC towers
77,600 towers

	Sites	Airtel on ATC	VIL on ATC	RJio on ATC
DU / U	27,000	30%-35%	60%-65%	25%-30%
SU	11,000	45%-50%	40%-42%	38%-40%
R	40,000	12%-15%	60%-65%	15%-20%
Total	78,000	19,000	47,000	25,000

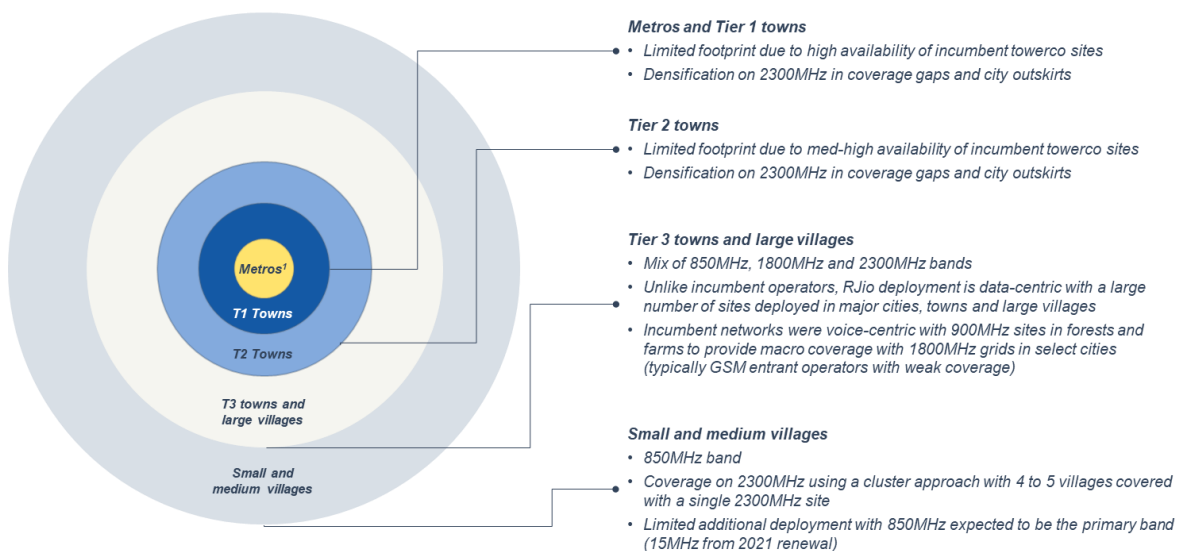
Source: Capitel analysis, engagement experience

Portfolio Analysis: Summit Towers

The RJIL deployment was mainly on the tow bands of 850MHz and 2300MHz, with an in-fill of 1800MHz. The 850MHz was mainly used for VoLTE and pan-India coverage, including in semi-urban and rural areas, and this band was installed mainly on the 35,000 sites of Reliance Infratel.

The 2300Mhz band was the primary spectrum band for RJIL as it had 30MHz-40MHz of spectrum which was required to support a 10GB+ monthly data offering by RJIL. As a large share of RJIL's base was from semi-urban and rural areas, particularly users migrating from feature-phones to smartphones, such a 2300MHz deployment had to be done even in Tier 3 towns, large villages and cluster of smaller villages. Without such a dense deployment, it was not possible for RJIL to offer 1GB per day type of high capacity plans.

Figure 32. RJIL spectrum plan by topology



Note: 1. Population range: Metros 20mn+, Tier 1 cities 10mn to 20 mn, Tier 2 cities > 1mn, Tier 3 towns 10K to 1mn; Large villages > 2K to 10K, Medium villages 1K to 2K, small villages < 1K

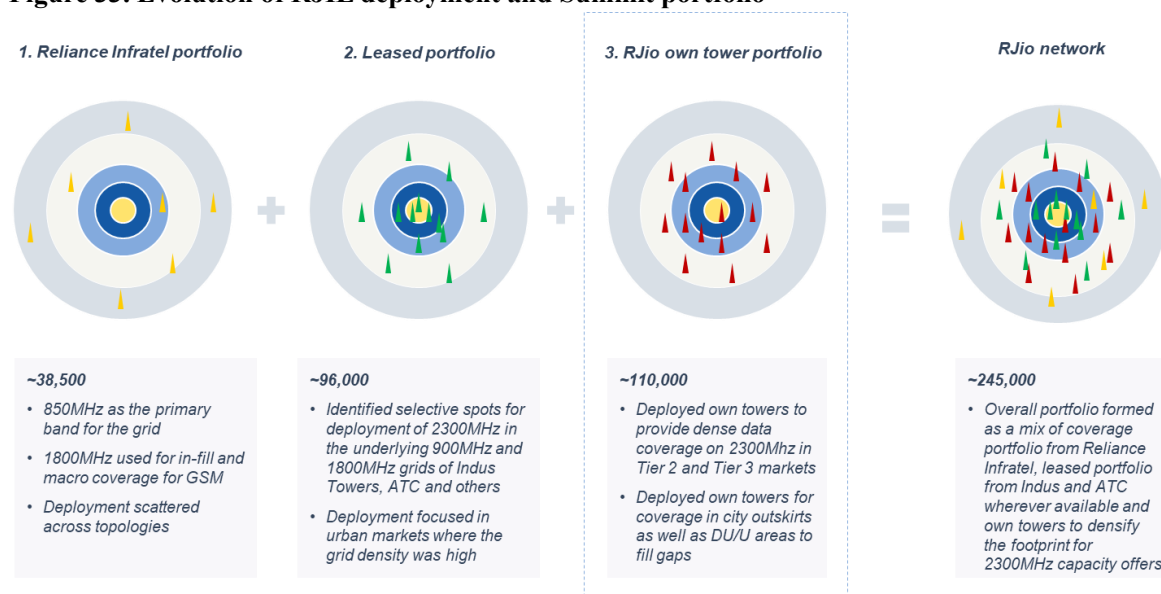
Source: Capitel analysis, engagement experience

To support such a spectrum deployment model RJIL required a grid that was dense enough to support this band. It was relatively easier to find sites in urban areas as the grids were designed for 1800MHz with some densification for 2100MHz, and RJIL leased these sites from Indus, ATC and other smaller towercos.

However, as the underlying grids were designed for 900MHz and 1800MHz particularly in semi-urban and rural areas, RJIL had to deploy its own sites in these areas to enable a 2300MHz network grid. Capitel believes that in some tier 2 and tier 3 towns, incumbent towercos had 2-3 sites, whereas RJIL had to densify the grid to say 10 sites to allow for a 2300MHz coverage. Such an evolution of the RJIL grid and Summit tower portfolio is illustrated in Figure 33 below.

Such a dense grid is almost impossible for other towercos to replicate particularly in tier 2 and tier 3 towns where the tenancy upside potential from VIL is limited only to select circles.

Figure 33. Evolution of RJIL deployment and Summit portfolio



Source: Capitel analysis, engagement experience

Given that this portfolio was complementary to the existing portfolios, and also focused within semi-urban locations as well as under-served urban locations (such as colonies in the outskirts of cities), Capitel estimates that there is limited overlap of Summit's portfolio with other towercos, as illustrated in Figure 34.

Figure 34. Proximity analysis for Summit Towers, estimates

DU/U	18,351 (13%)	7,429 (5%)	3,084 (2%)	1,243 (1%)	781 (1%)
SU	13,016 (9%)	6,784 (5%)	3,606 (3%)	1,810 (1%)	1,722 (1%)
R	55,873 (40%)	13,170 (9%)	4,440 (3%)	2,362 (2%)	7,025 (5%)
	No Competitor	One Competitor	Two Competitors	Three Competitors	More than Three Competitors

Note: 1. Includes GBM, COW and NBT structures 2. Radius for DU/U: 150 m, SU: 300 m, R: 1,000 m
Legend: XX: Number of sites within the quadrant, [x%]: Percentage of total portfolio within the quadrant

Towerco Market Share

Given towers are immovable assets and their locations are fixed, the towerco market shares are almost a direct function of the location of towers within the portfolio. If a towerco has sites in a metro market and dense urban locations, and if the expected demand is on 3.5GHz 5G, then it's very likely that this towerco will be able to address this 5G demand. The market share will depend on other towers in the vicinity, with additional considerations such as RoFR relationships, uptime and pricing in some select cases.

Even within location, there is a question of the primary design band of the sites. There may be sites within rural areas, but if they were designed for a 900MHz coverage (and a 6 kilometer radius), then generally these sites are outside of tier 2 or tier 3 towns to allow for a broader area coverage. If an operator wants to deploy 2300MHz 4G in such a rural area, then a site designed primarily for 900MHz coverage is not useful as the target radius for 2300MHz will be approximately

500 meters rather than 6 kilometers. Such a 2300MHz site will be best deployed on sites designed for 2300MHz or even 2100MHz.

Figure 35 summarizes Capitel's view on the relative positioning of towercos and their share gain potential within colocation⁵ rather than through new builds. Within dense urban and urban areas for 4G demand, Capitel believes Indus and ATC can gain share as ATC has lesser utilization of slots and Indus is not fully occupied by RJIL. Capitel believes that given Summit's portfolio is mainly semi-urban and rural, it can gain only limited market share from dense urban and urban 4G deployments without new builds.

Figure 35. Towerco share gain potential

Demand	Remarks	FY21-30	Indus	ATC	Summit
DU/U 4G	- Limited demand from 4G in DU/U areas, except for capacity sites - ATC is well placed for Airtel and Rjio demand, with some Rjio demand also captured by Indus. Summit does not have site locations	41,716	Medium	Medium	Low
SU/R 4G	- Demand led by 2300Mhz grid expansion by Airtel, VIL and Rjio - Summit is well placed for Airtel and VIL demand; ATC may get some demand from Rjio / others - Indus does not have sites in the right locations to support a 2300MHz deployment	190,401	Low	Medium	High
DU/U 5G	- Demand led by 3.5GHz deployments as well as 2300MHz densification for 5G in the initial stages for the DSS launch - Indus as well as Summit will need new site builds, although fiber access may be easier for both - ATC will have colocation sites, but fiber access will be harder	309,187	Medium	Medium	Medium
SU/R 5G	- Demand led by 2300MHz DSS and 3.5GHz densification esp. in the latter phase of 5G launch - ATC fiber access will be a major constraint to address 5G demand. Summit's location will be useful for 2300Mhz as well as 3500MHz	127,508	Low	Low	High

Source: Capitel analysis, engagement experience

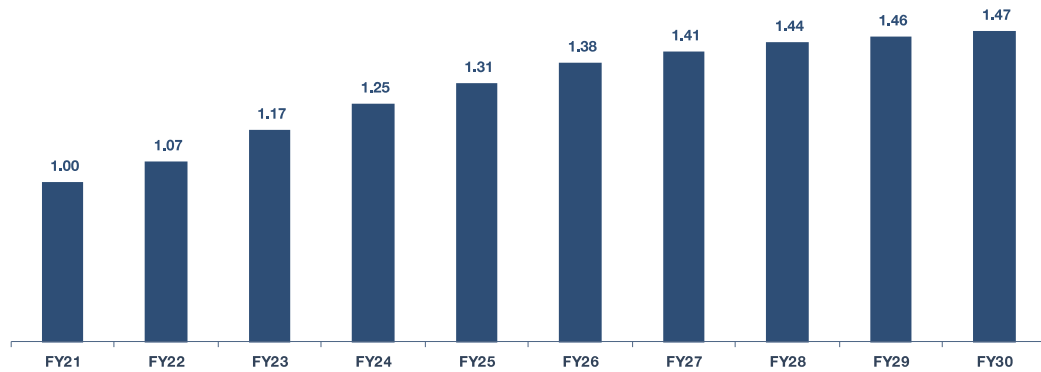
Within semi-urban and rural 4G, the majority of deployments is on 2300MHz with Airtel matching RJIL's coverage across all locations and VIL matching RJIL's coverage in its priority districts in high RMS markets such as Gujarat, Maharashtra and others. As the Indus portfolio was formed mainly by pooling of sites that were designed for 900MHz (with some 1800MHz in-fill), Capitel believes that within semi-urban and rural areas, Indus grid is not well suited for additional tenancies on 2300MHz.

Capitel remains optimistic about ATC's market share as some of that grid was made for 1800MHz (for new operators such as Tata, Telenor, Aircel and others) and can address some of the 2300MHz coverage demand in semi-urban and rural areas.

Capitel believes that Summit's portfolio is best placed to address this demand as that grid was designed for 2300MHz coverage in semi-urban and rural markets and has a very high density of sites within tier 2 and tier 3 towns (unlike other tower portfolios that mainly cover these towns from fields, farms, highways and other locations on the outskirts of these towns). Capital estimates a tenancy ratio of 1.47 for Summit Towers in FY30 on a constant base of ~175k towers.

⁵ Sharing on the same site rather than as anchor sharer on a new site

Figure 36. Tenancy ratio forecast for Summit Towers, 175K towers



Summit										
Cumulative tenancies	138,086	186,167	203,470	217,615	229,064	240,004	246,248	250,813	254,325	257,091
Cumulative towers	138,086	174,451	174,451	174,451	174,451	174,451	174,451	174,451	174,451	174,451

Source: Capitel tenancy forecast model

For 5G deployment in dense urban and urban areas on 3.5GHz as well as mm wave, Capitel believes that all towercos are almost equally positioned, with a likely higher share gain by towercos that will have access to fiber. Each of the 5G site will require a fiber connection and as on date there are very limited options for towercos to lease fiber as all operator fiber is captive. Operators have been engaging in bilateral fiber deployments and have also been wary about sharing their last mile fiber with third parties or leasing dark fiber.

If towercos want to offer a full 5G solution then they will need institutional partnerships with municipalities, educational institutions, street furniture providers, utility companies and real estate developers, in addition to access to fiber. In some cases, operators may be willing to fiberize the site using their own fiber, but unlike a 4G site, each operator will need to have last mile fiber to a 5G site to make that site usable. A shared backhaul solution (preferably fiber pairs vs. bandwidth) will be more efficient and preferred by operators.

Summit and Indus will need almost a full new build solution to serve the dense urban and urban 5G demand, and ATC will need to find a partner (such as VIL fiberco, if and when it becomes available) for fiber access.

Finally, for 5G deployments in semi-urban and rural areas, Capitel believes Summit remains well positioned, as Capitel expects operators to prefer a shared Colocation solution rather than ask a towerco to do a new site build for 5G in these areas. There will be some new builds at a later stage once the 2300MHz grid needs to be further densified, but from a colocation sharing basis, Summit will gain a majority market share.

Key Risks and Potential Upside

Capitel believes the primary risks to towercos is in the areas of the unit economics of street furniture for 5G, captive builds by operators and loading rates for 5G.

The unit economics of street furniture is still evolving, and some towercos have a view that the macro tower economics is better than street furniture (such as Lite poles) unit economics, mainly because of the cost of the fiber and the potential for tenancy upside. However, Capitel is seeing that new structures are evolving in the market that can support 2-3 tenancies and it is likely that availability of wholesale fiber will improve over time. Of the three operators in India, VIL's fiber is reportedly available in the market and will be available for towercos to lease and offer 5G network infrastructure. Summit can potentially get access to RJIL or VIL wholesale fiber (if available as a neutral provider) and Indus also has strong operator partnerships. Towercos are optimizing structural Capex and fiber models to earn similar returns from street furniture as macro towers.

Figure 37. Areas of potential risks to towerco business

#	Risks	Description	OCF Impact
1	Uncertainty on 5G infrastructure pricing	- Unlike 4G macro sites, the form factor as well as pricing of 5G network infrastructure esp. street furniture has some uncertainty. Some share of 3.5GHz sites as well as almost all of 26GHz sites will be deployed on street furniture including wall mounts on rooftops, metro pillars, bus stops, utility poles and other structures - There are some form factors already available in the market through Indus and other providers with Capex ranging from INR 0.2 mn to INR 0.7 mn depending on sharing capacity, height, energy backup and other parameters. However, unlike 4G macro, the exact mix of these street furniture elements (including structures available through institutional tie-ups through governments, real estate companies as well as private entities) is unclear and will evolve overtime - This uncertainty over the mix of structures and their source will also get reflected in pricing - Finally, as fiber connectivity will be an integral part of such street furniture offerings, some of these structures will also be procured by fiberco's that will be new to the market. Such fiberco's may be better placed to serve some of the street furniture demand as compared to towerco's and may drive price competition	High
2	Captive buildouts for 5G	- Industry inputs suggest that in addition to its 2300MHz 4G macro deployments, RJio has built ~10,000+ mini-macro sites over the past year – these are single sector sites to solve for in-fill coverage and specific needs in dense urban and urban areas - Given RJio's reported announcements on building its own 5G network, their in-house capability in developing and deploying sites, their access to large government and private institutions for real estate partnerships for site deployments and finally their access to high quality captive intra-city fiber, its possible that RJio develops a sizeable share of 5G street furniture build on their own as its faster, cheaper and efficient - In case this demand comes to the open market, it will result in price led competition as RJio would offer rates that will be closer to its own cost to build such sites	Medium
3	Loading rates at renewals/ 5G	- The current MSAs define loading as a) weight on the tower through new set of access antennas, new microwave antennas, b) additional space within the cabinet and c) additional requirement of power. Operators typically pay INR 3,000 to INR 5,000 per site per month for such loading depending on the configuration - A typical 5G site will require more dense MIMO antennas, higher power capacity and fiber access. Operators are likely to negotiate for such 5G loading terms esp. at the time of renewals to mitigate such loading charges. The 4G loading will in any case reduce as operators deploy multi-mode base stations, outdoor BTS that are more energy and space efficient and multi-band antennas that can support low-high frequency bands - Again, some of this risk also needs to be managed contractually esp. while finalizing anchor tenant MSAs	Medium

Source: Capitel analysis, engagement experience

The other risk is captive builds by operators, especially for 5G. Capitel has seen operators build towers in the past, especially in collaboration with municipalities, metro railways and other institutions. However, their ability to manage tower SLAs and uptime and operational efficiency does not match towerco's. RJIL has the operational expertise to build new towers and they deploy sites, and Capitel expects them to account for approximately 10 per cent. to 15 per cent. share of the overall new site builds. Also, operators do not get the benefit of sharing on their own site builds and so this is not a preferred model.

Finally, there is some risk to downward adjustment of revenues from amendments⁶ (addition of a new technology, antenna, space. Although amendment revenues in India remain much lower in India as compared to other markets, Capitel believes there is a possibility that operators may redefine loading terms to save 5G led loading payouts.

Potential upside

Towerco's in other emerging markets such as Indonesia and China generate anywhere from 10 per cent. to 20 per cent. revenues from non-tower based activities, mainly from adjacent areas such as fiber-based network infrastructure, in-building solutions or DAS, and increasingly from Edge data centers.

With telcos using their captive fiber for FTTx businesses, the primary opportunity for towerco's in fiber is to develop solutions around 5G based network infrastructure such as lite Poles for mm wave and small cell deployments.

Towerco's that can get access to fiber footprints through collaboration with MNOs (such as potential access of fiber to Summit through RJIL wholesale fiberco, or Indus through Bharti Airtel captive fiber) are better placed to participate in the 5G business, particularly in the network infrastructure area.

⁶ Amendment refers to a tower tenant demanding space to deploy new antennas, put additional weight on the tower or occupy additional space in the cabinet, generally with the introduction of new technology such as 5G (MIMO antennas)

Figure 38. Areas of potential upside to towerco business

#	Upside	Description	OCF Impact
1	Edge DCs, IoT and smart cities	- With the introduction of 5G based services such as real time video streaming, assisted driving and other services that have a high concurrency and low latency requirement, operators will be required to process traffic as close to the cell sites as possible. One of the emerging models for such processing is deployment of low-capacity Edge data centers that are mounted within containers on a macro cell site location - Such Edge DCs are part of the broader DC fabric within the city and controlled by larger wholesale DC nodes - Although there are pilots by operators such as Vodafone for these Edge DCs in India, yet the introduction of such low latency 5G services will begin only by FY25-FY26, most likely led by RJio. A major city will not require more than 20-30 Edge DCs in the initial stages and even if these are co-located with cell site locations, the overall revenue upside on the overall tower base of Indus will not be significant - In markets such as China, there is some upside from installation of sensors, surveillance cameras, metering devices and other IoT elements on towers. The overall contribution of such TSSAI (Trans-Sector Site Application and Information) business is less than 4% of overall revenues	Low
2	In-building solutions and DAS	- Some towercos have also expanded into providing in-building solution and DAS deployments in public venues, stadiums and other retail locations. Again, this business requires laying fiber/ coax wiring within the building and uses a cellular tower on top of the building for backhaul - Indus has been wiring up some of the condominium complexes and other locations in India for operators without getting involved into a B2C model. The competitors in this business are different including OFC producers such as Sterlite and specialist indoor solution providers such as Ubico - Again, for China Towers, such IBS business contributes less than 5% of the overall revenues. For CellNex telecom, DAS, IoT and other services (including segments in segment 1 in the row above) account for total of 10% revenue	Low
3	Fiber based shared network infrastructure	- The fiber based shared network infrastructure TAM is much higher as compared to the above two categories, although it requires investments and operational capabilities in the fiber business - Towercos will need significant IRUs on intra-city fiber in the access and distribution ring, along with some access to last mile fiber to address this market segment. Also, if RJio fiber is available on a wholesale basis, then there will be other providers such as Summit and ATC who will provide such fiberco solutions - We estimate the overall TAM for fiberco to be ~10 mn FPKm, and assuming an annual addressable market revenue of \$3bn to \$5bn over time	High

Source: Capitel analysis, engagement experience

In-building solution is also a significant adjacent opportunity for towercos, although the overall addressable market remains a concern. Also, in some cases, landlord rentals and unwillingness of operators to pay for the additional coverage affects the unit economics and returns. However, increasingly, building owners as well as operators are realizing that providing seamless coverage in buildings is critical as a majority of the network traffic is served indoors.

Finally, there is an opportunity related to Edge data centers, although purely from a towerco perspective, a related opportunity is installing Edge DCs on towerco site locations. Towercos such as American Tower have acquired edge data center providers such as ColoAtl, although Capitel believes this is part of a broader data center business rather than tower business.

OUR BUSINESS

This section should be read in conjunction with, and is qualified in its entirety by, the sections entitled “Risk Factors”, “Financial Statements” and “Management’s Discussion and Analysis of Financial Condition and Results of Operations” on pages 64, 191 and 137, respectively, as well as all other information contained in this Draft Letter of Offer. References to “we”, “us” and “our” are to the Trust and its subsidiary, Tower Co., on a consolidated basis.

Except as stated herein below, for an overview of our business, please see the section entitled “Business” on page 133 of the Placement Memorandum available at https://www.sebi.gov.in/filings/invit-private-issues/aug-2020/tower-infrastructure-trust_47577.html. Please also refer to the annual report of the Trust for the financial year ended March 31, 2021.

1. On August 31, 2020, the Trust, acting through the Trustee, acquired the remaining 49% of the issued and paid-up equity share capital of the Tower Co., pursuant to the Share Purchase Agreement - II.
2. Tower Co. is engaged in the business of setting up and maintaining passive tower infrastructure and related assets and providing passive tower infrastructure services to telecommunication service providers. Tower Co. has 144,728 operational telecommunication towers as on September 30, 2021 and 29,723 under-construction and under-development towers.
3. As of September 30, 2021, more than 62% of our towers are fiberized, i.e., they use fibre for backhaul and have access to a fibre network, which we believe is critical for TSPs whose revenue growth is increasingly being led by data services and products offering.
4. For details of Investment Manager of the Trust, please see section entitled “Overview of the Trust” on page 17.
5. For structure of the Trust, please see section entitled “Description of Portfolio Assets” on page 19.
6. Our Towers are mainly comprised of ground-based towers. The table below sets forth our operational Tower Sites by type as of September 30, 2021:

Region	Tower Type				Total
	GBT/NBT	GBM	RTP/RTT	COW	
Andhra Pradesh	3,499	343	1,330	46	5,218
Arunachal Pradesh.....	188	-	24	-	212
Assam	3,046	1	444	10	3,501
Bihar	5,843	94	1,009	12	6,958
Chhattisgarh	3,556	259	186	47	4,048
Delhi	231	755	3,748	277	5,011
Goa	33	133	76	2	244
Gujarat.....	4,759	4,840	1,300	24	10,923
Haryana	2,090	100	475	69	2,734
Himachal Pradesh.....	1,640	21	90	7	1,758
Jammu	728	34	152	19	933
Jharkhand	3,653	251	607	34	4,545
Karnataka	4,513	340	1,926	37	6,816
Kashmir	1,303	42	102	33	1,480
Kerala	1,545	33	599	61	2,238
Kolkata	999	119	2,558	14	3,690
Madhya Pradesh	7,833	1,487	714	23	10,057
Maharashtra	6,903	665	2,465	32	10,065
Manipur	366	-	44	-	410
Meghalaya	632	-	9	3	644

Region	Tower Type				Total
	GBT/NBT	GBM	RTP/RTT	COW	
Mizoram	177	-	20	1	198
Mumbai	401	680	2,437	35	3,553
Nagaland.....	290	-	27	1	318
Odisha	4,276	134	437	43	4,890
Punjab.....	1,469	861	1,368	81	3,779
Rajasthan	6,083	2,091	772	77	9,023
Tamil Nadu.....	4,965	995	2,855	31	8,846
Telangana	2,681	494	1,915	100	5,190
Tripura.....	543	-	37	-	580
Uttar Pradesh (East).....	7,950	1,516	1,370	67	10,903
Uttar Pradesh (West)	4,952	396	1,156	26	6,530
Uttarakhand	1,687	66	413	25	2,191
West Bengal	6,504	65	632	41	7,242
Total.....	95,338	16,815	31,297	1,278	144,728

7. We have added new customer on a few of our towers and collected in full their payments and also executed term sheet with the customer.
8. For details of subscribers of RJIL, please see section entitled “*Industry Overview*” on page 93.
9. As of September 30, 2021, Tower Co. had 176 full-time employees. Tower Co. is led by a team of senior managers who are responsible for its strategy and overall operations. Tower Co. conducts periodic reviews of our employees’ job performance and determine salaries and discretionary bonuses based upon those reviews and general market conditions. In addition, Tower Co. offers internal training programs tailored to different job requirements to develop its employees’ skills.

SUMMARY OF THE TOWER AND OTHER AGREEMENTS

The following are references of summaries of the tower and other agreements. The descriptions and summaries of the agreements in the references are indicative, and they are not, nor do they purport to be, full, complete or exhaustive descriptions and summaries. Certain terms used in this section have the meaning assigned to them in the relevant Tower Agreements.

Set forth below are the references of disclosures relating to summaries of certain arrangements pertaining to the Tower Co. made in the placement memorandum dated August 31, 2020 and issued by the Trust ("Placement Memorandum") available at

<https://www.bseindia.com/downloads/ipo/2020914165631Tower%20Infrastructure%20Trust%20%20Placement%20Memorandum.pdf>; https://www.sebi.gov.in/filings/invit-private-issues/aug-2020/tower-infrastructure-trust_47577.html and www.towerinfratrust.com.

Sr. No.	Title of Document	Section of the Placement Memorandum
1.	Master Services Agreement	See section entitled "Summary of the Tower Agreements" on page 145 of the Placement Memorandum.
2.	O&M Agreement	See section entitled "Summary of the Tower Agreements" on page 145 of the Placement Memorandum.
3.	Project Execution Agreement	See section entitled "Summary of the Tower Agreements" on page 145 of the Placement Memorandum.
4.	Transition Services Agreement	See section entitled "Summary of the Tower Agreements" on page 145 of the Placement Memorandum.
5.	Share Purchase Agreements in relation to Tower Co.	See section entitled "Related Party Transactions" on page 178 of the Placement Memorandum.
6.	Shareholder and Option Agreement	See section entitled "Related Party Transactions" on page 178 of the Placement Memorandum.
7.	Memorandum of Understanding	See section entitled "Related Party Transactions" on page 178 of the Placement Memorandum.

Set forth below are the details of key amendments to the tower and other agreements:

- (i) In terms of memorandum of understanding dated June 3, 2021 entered into by and between RJIL, RPPMSL and Tower Co., it was, among others, confirmed that the primary responsibility for rendering the operations and maintenance services under the terms of the Master Services Agreement is that of the Tower Co.
- (ii) Regarding services under the O&M Agreement, in terms of the letter agreement dated March 11, 2021 ("**Letter**"), by and among the Tower Co., the Project Manager and the RPPMSL, it has been agreed that the RPPMSL shall ensure that the services provided by the RPPMSL shall not be less than the technical and service standards of operation and maintenance at which the RJIL Sites were being maintained prior to the closing date under the original master services agreement. The Letter is effective from December 16, 2019.
- (iii) The Tower Co., the Project Manager, RJIL and RPPMSL pursuant to the letter agreement dated December 21, 2020 ("**Letter**") have agreed upon certain adjustments under the Project Execution Agreement, including in relation to capex limits and closing accounts. The Letter is effective from December 16, 2019.
- (iv) In terms of the amendment agreement to the transition services agreement dated March 30, 2021 and September 18, 2021 by and between RPPMSL and the Tower Co., subject to provisions of the Transition Services Agreement, RPPMSL will perform transition services until February 28, 2022 which may be extended as may be mutually agreed.

Acquisition of the Target Asset by the Trust

The Trustee, on behalf of and acting in its capacity as Trustee to the Trust, has entered into a securities purchase agreement for the purpose of acquiring 100% of the issued, subscribed and paid-up equity share capital of the Target Asset.

The Data InvIT Committee of board of directors of the Investment Manager has approved the acquisition of the Target Asset. For further details, please refer to the section entitled "Use of Proceeds" on page 126.

Securities Purchase Agreement for acquisition of the Target Asset

The Trust (acting through the Trustee) has entered into a securities purchase agreement dated July 20, 2021 ("**Securities**

Purchase Agreement”) with Ankit Goel, Radhey Raman Sharma, Ram Gopal Goyal, Westwood Business Consultancy LLP, Space Teleinfra Private Limited (“**STPL**” or “**Target Asset**”) and the Investment Manager read with indemnity cum amendment agreement dated December 30, 2021 to acquire 100% of the equity share capital of STPL (the “**Sale Shares**”) from Ankit Goel (“**Seller 1**”), Radhey Raman Sharma (“**Seller 2**”), Ram Gopal Goyal (“**Seller 3**”) and Westwood Business Consultancy LLP (“**Seller 4**”) (collectively referred to as “**Sellers**”), such that as of the SPA closing date, the Trust shall receive legal and beneficial ownership of the Sale Shares free and clear of all encumbrances, except one Sale Share that shall be transferred to a nominee shareholder of the Trust (the “**Transaction**”).

Consideration: The Trust has agreed to pay ₹ 9,000 million as consideration for the Sale Shares, subject to certain adjustments agreed under the Securities Purchase Agreement. In addition, parties to the Securities Purchase Agreement have agreed that with respect to transfer of Sale Shares by Seller 4 to the Trust, the sale consideration shall be payable in form of (i) cash consideration; and (ii) preferential allotment of certain units of the Trust to Seller 4 in exchange for transfer of part of the Sale Shares from Seller 4 to the Trust (“**LLP Subscription Units**”).

Further, the parties to the Securities Purchase Agreement have agreed that a part of the sale consideration towards the Sale Shares shall be transferred to a cash escrow account, which shall be utilised on SPA closing date towards payments due and payable by STPL and/or the Sellers to third parties.

As part of the Securities Purchase Agreement, the Sellers are entitled to an upside upon achieving certain revenue targets. The preference shares issued to the Sellers will have the terms provided under the Securities Purchase Agreement, such as (a) being optionally convertible redeemable preference shares; (b) having a dividend of 0% per annum; (c) being non-voting and non-transferable (other than with the prior written consent of the Target Asset or as contemplated in the restated articles); (d) being mandatorily redeemable at the end of 20 years from the date of issuance; (e) liquidation preference, redemption and conversion being linked to formula connected with revenue targets.

Conditions Precedent: Pursuant to the Securities Purchase Agreement, the Sale Shares will stand transferred to the Trust subject to the satisfaction of certain conditions precedent by the Sellers, STPL and the Trust, including:

- (i) execution and full force and effect of all relevant transaction documents;
- (ii) STPL providing to the Trust (i) a certificate from a chartered accountant or a merchant banker registered with the SEBI or a practising cost accountant as regards the fair value of the Sale Shares determined in accordance with applicable law; and (ii) a valuation certificate from an independent chartered accountant in accordance with Section 56(2)(x) of the Income-Tax Act, 1961 read with Rule 11UA of the Income Tax Rules, 1962 based on the pro-forma financial statements of STPL;
- (iii) a ‘no objection certificates’ under Section 281 of the Income-tax Act, 1961 from the respective jurisdictional tax officers of each of the Sellers for transfer of Sale Shares;
- (iv) the parties to the Securities Purchase Agreement shall have agreed on the form of the restated articles of association of STPL incorporating the relevant provisions of the transaction documents; and
- (v) the parties to the Securities Purchase Agreement shall have agreed on the final Consideration payable by the Trust to the Sellers basis the adjustments and mechanism agreed under the Securities Purchase Agreement.

In addition, the Trust is required to satisfy the following conditions precedent:

The Trust having undertaken all necessary corporate processes required to be done prior to SPA closing date and as may be required under the InvIT Regulations to complete a preferential allotment of the LLP Subscription Units.

Representations and Warranties: STPL, Seller 1, Seller 2, Seller 4, the Trust and the Investment Manager have provided certain representations and warranties under the Securities Purchase Agreement, such as:

- (i) due incorporation and due authorisation for the consummation of the Transaction;
- (ii) non-contravention of constitutional documents, applicable law, agreements to which such entity is a party;
- (iii) in case of the Sellers, that each of the Seller is sole, legal and beneficial owner of the respective Sale Shares and has good, valid and marketable title to their respective Sale Shares; and
- (iv) representations in relation to solvency and brokerage and commissions.

Indemnity: Pursuant to the Securities Purchase Agreement, Seller 1, Seller 2 and Seller 4 have agreed to indemnify the Trust (acting through its Trustee), nominee shareholder of the Trust, STPL and their respective directors, officers and employees (acting in their official capacity) from and against any and all direct losses resulting from certain events, including:

- (i) any breach of warranties;
- (ii) any breach of any covenants or obligations of STPL or the Sellers under the Securities Purchase Agreement;
- (iii) fraud of the Sellers or STPL

Further, Seller 4 has agreed to create a pledge over certain LLP Subscription Units, with a security trustee or agent appointed

as per the mutual agreement of the relevant parties to the Securities Purchase Agreement, to secure the due performance and discharge of the indemnification obligations under Securities Purchase Agreement of the aforesaid Sellers. The said pledge shall continue for a period of 18 months from the SPA closing date, unless an indemnity claim is decided against the Sellers by a judgement passed by a court of competent jurisdiction of first instance or an indemnity claim is raised in relation to a third party claim raised by DOT against STPL for the period prior to SPA closing date.

INFORMATION CONCERNING THE UNITS

Unitholding of the Trust as at September 30, 2021

Category	Category of Unitholders	Number of Units held ⁽¹⁾⁽²⁾	As a percentage of total outstanding Units (%)
(A)	Sponsor(s) / Investment Manager / Project Manager(s) and their associates/related parties		
(1)	Indian	-	-
(a)	Individuals or HUF	-	-
(b)	Central government or state government	-	-
(c)	Financial Institutions Banks	-	-
(d)	Any other (Specify)	-	-
	Sub- Total (A)(1)	-	-
(2)	Foreign		
(a)	Individuals (non-resident Indians or foreign individuals)	-	-
(b)	Foreign government	-	-
(c)	Institutions	-	-
(d)	Foreign portfolio investors	-	-
(d)	Any Other (specify)	-	-
(i)	Foreign body corporate (BIF IV Jarvis India Pte. Ltd.)	2,264,100,000	89.79
	Sub- Total (A)(2)	2,264,100,000	89.79
	Total unit holding of Sponsor & Sponsor Group (A) = (A)(1)+(A)(2)	2,264,100,000	89.79
(B)	Public Holding		
(1)	Institutions		
(a)	Mutual Funds	-	-
(b)	Financial Institutions or Banks	-	-
(c)	Central government or state government	-	-
(d)	Venture capital funds	-	-
(e)	Insurance companies ⁽³⁾	2,600,000	0.10
(f)	Provident or pension funds	-	-
(g)	Foreign portfolio investors	249,600,000	9.90
(h)	Foreign venture capital investors	-	-
(i)	Any Other (specify)	-	-
	Sub-Total (B)(1)	252,200,000	10.00
(2)	Non-Institutions		
(a)	Central government or state governments or president of India	-	-
(b)	Individuals	-	-
(c)	NBFCs registered with RBI	-	-
(d)	Any Other (specify)	-	-
(i)	Bodies Corporates	5,200,000	0.21
	Sub-Total (B)(2)	5,200,000	0.21
	Total Public Unit holding (B) = (B)(1)+(B)(2)	257,400,000	10.21
	Total Units Outstanding (C) = (A) + (B)	2,521,500,000	100.00

Notes:

(1) Units of the Trust have been listed on BSE Limited w.e.f. September 1, 2020. As on September 30, 2021, 2,264,100,000 Units (representing 89.79% of the total Units issued by the Trust) are mandatorily held by the Brookfield Sponsor in terms of the InvIT Regulations.

(2) As on September 30, 2021, 2,264,100,000 Units, representing 100% of unitholding of the Brookfield Sponsor, are under lock-in in terms of the InvIT Regulations and the Brookfield Sponsor has not pledged any Unit held by it.

(3) Unitholding of Star Health and Allied Insurance Company Limited has been considered in insurance companies.

Unitholders holding more than 5% of the Units of the Trust as at September 30, 2021

S. No.	Name of Unitholder	Pre-Issue		Post-Issue*	
		Number of Units	Percentage of holding (%)	Number of Units	Percentage of holding (%)
1.	BIF IV Jarvis India Pte. Ltd.	2,264,100,000	89.79	●	●
2.	Anahera Investment Pte. Ltd.	179,000,000	7.10	●	●

* Assuming all Unitholders subscribe to their respective entitlements. Post-Issue number of units and percentage of holding does not take into account any issue of Units other than this Issue.

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

Brookfield Sponsor holds 2,264,100,000 Units of the Trust aggregating to 89.79% of the Unit capital of the Trust.

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

Unitholding of the directors of the Investment Manager

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

Sponsor lock-in

In terms of the InvIT Regulations, the Brookfield Sponsor holds at least 15% of the Unit capital of the Trust (378,225,000 Units), which are locked-in for a period of three years from the date of listing of the Units in the initial offer of units.

Capitalisation statement

For the Trust on a consolidated basis

<i>(in ₹ million)</i>		
Particulars	Pre-Issue at September 30, 2021	As adjusted for the Issue
Total Debt (A)	213,451	[●]
Unit Capital	252,390	[●]
Retained earnings	(58,534)	[●]
Total unitholders fund (B)	1,93,856	[●]
Debt equity ratio [A/(A+B)]	0.52	[●]

USE OF PROCEEDS

The proceeds of this Issue are up to ₹ 3,180 million* (the “**Issue Proceeds**”) and the proceeds of this Issue net of the total expenses in relation to this Issue (the “**Net Proceeds**”) are ₹ [●] million.

* The size of the Issue shall be subject to finalisation of Allotment in the Issue

Subject to compliance with applicable law, the Net Proceeds are proposed to be utilised, at the discretion of the Investment Manager and the Trustee, towards the following objects:

- (i) Funding towards acquisition of approximately 35% of issued, subscribed and paid-up equity share capital of Space Teleinfra Private Limited; and
- (ii) General purposes.

The Investment Manager believes that abovementioned use of proceeds is consistent with the Trust’s strategy of growth and expansion of its business.

The details of the Issue Proceeds are provided in the following table:

(in ₹ million)	
Particulars	Amount
Gross Proceeds from this Issue*	3,180
Less: Estimated Issue expenses	[●]
Net Proceeds	[●]

* Assuming full subscription and Allotment of Units. The size of the Issue shall be subject to finalisation of Allotment in the Issue.

Requirements of Funds

The Net Proceeds are proposed to be used in accordance with the details provided in the following table:

(in ₹ million)		
Sr. No.	Particulars	Amount
1.	Funding towards acquisition of approximately 35% of issued, subscribed and paid-up equity share capital of Space Teleinfra Private Limited	3,157.60
2.	General purposes	[●]

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

Any unutilised funds, until such amounts are deployed towards the objects of this Issue, as detailed herein, shall be invested by the Trust in the manner permitted under the provisions of the InvIT Regulations.

Details of the Objects of the Issue

The details in relation to the objects of the Issue are provided below:

1. Acquisition of Space Teleinfra Private Limited

The Net Proceeds amounting to ₹ [●] million are proposed to be utilized to acquire approximately 35% of the equity share capital of the Target Asset.

The Trust (acting through the Trustee) has entered into a securities purchase agreement dated July 20, 2021 (“**Securities Purchase Agreement**”) with Ankit Goel, Radhey Raman Sharma, Ram Gopal Goyal, Westwood Business Consultancy LLP, Space Teleinfra Private Limited (“**STPL**” or “**Target Asset**”) and the Investment Manager read with indemnity cum amendment agreement dated December 30, 2021 to acquire 100% of the equity share capital of STPL (the “**Sale Shares**”) from Ankit Goel (“**Seller 1**”), Radhey Raman Sharma (“**Seller 2**”), Ram Gopal Goyal (“**Seller 3**”) and Westwood Business Consultancy LLP (“**Seller 4**”) (collectively referred to as “**Sellers**”), such that as of the SPA closing date, the Trust shall receive legal and beneficial ownership of the Sale Shares free and clear of all encumbrances, except one Sale Share that shall be transferred to a nominee shareholder of the Trust (the “**Transaction**”).

In terms of the Securities Purchase Agreement, the Trust has agreed to pay ₹ 9,000 million as consideration for the Sale Shares, subject to certain adjustments agreed under the Securities Purchase Agreement. In addition, parties to the Securities Purchase Agreement have agreed that with respect to transfer of Sale Shares by Seller 4 to the Trust, the sale consideration shall be payable in form of (i) cash consideration; and (ii) preferential allotment of certain

units of the Trust to Seller 4 in exchange for transfer of part of the Sale Shares from Seller 4 to the Trust (“**LLP Subscription Units**”). Such acquisition is proposed to be completed on, or before, January 31, 2022 or such other longer date as may be mutually agreed between the Sellers and the Trust.

For details of brief details of the Securities Purchase Agreement, please see section entitled “*Summary of the Tower and Other Agreements*” on page 121.

The acquisition stated above will be made in compliance with the requirements specified in the InvIT Regulations, including in relation to valuation, and are subject to satisfaction of conditions precedent and receipt of necessary approvals and consents. For details of the Valuation Report and Technical Report, please see Annexure A and Annexure B. For details regarding Target Asset, please see sections entitled “*Financial Statements*” on page 191.

The Trust proposes to finance the proposed acquisition of approximately 65% of the equity share capital of the Target Asset, subject to closing adjustments, pursuant to preferential allotment of LLP Subscription Units. Subject to the approval of Unitholders of the Trust, pursuant to the resolution dated December 28, 2021, the Data InvIT Committee of the board of directors of the Investment Manager has approved the issue of up to 52,870,104 Units at a price of ₹ 110.46 per Unit by way of preferential issue in accordance with applicable laws and pursuant to the Securities Purchase Agreement.

In terms of the SEBI Rights Issue Guidelines, the Trust shall not make any further issue of Units in any manner whether by way of public issue, rights issue, preferential issue, qualified institutions placement, institutional placement, issue of bonus shares or otherwise during the period between the date of filing this Draft Letter of Offer with SEBI and the listing of the Units offered through the Letter of Offer or refund of application monies thereof.

2. **General purposes**

The Investment Manager shall, at its discretion, deploy the balance Net Proceeds aggregating ₹ [●] million towards general expenses for the operation of the Trust, subject to compliance with the InvIT Regulations. The general purposes for which the Trust proposes to utilize Net Proceeds include meeting exigencies and expenses incurred, by way of the Trust in the ordinary course of business as considered expedient, and as approved by the Investment Manager or the Trustee, as the case may be, subject to compliance with applicable law.

The Investment Manager will have flexibility in utilizing the proceeds earmarked for general purposes, in accordance with the investment objectives of the Trust, policies of the board of directors of the Investment Manager and the InvIT Regulations.

Issue expenses

The total expenses of this Issue are estimated to be approximately ₹ [●] million, which will be borne solely by the Trust. The Issue expenses include fees and commissions payable to the Lead Manager, legal counsels, Registrar to the Issue, other advisors to this Issue, printing and stationery expenses, and all other incidental and miscellaneous expenses in relation to this Issue and listing of the Units issued pursuant to this Issue on the Stock Exchange.

Monitoring Utilization of Funds from the Issue

The Investment Manager (on behalf of the Trust) has appointed [●] as the Monitoring Agency in relation to the Issue. The board of directors of the Investment Manager and the Trustee will monitor the utilization of the Net Proceeds.

Variation between Projected Utilization of Funds

The Investment Manager (on behalf of the Trust) shall furnish to the Stock Exchange, on a quarterly basis, (i) a statement on material deviations, if any, in the utilization of the proceeds of the Issue from the objects of the Issue as stated above; and (ii) statement indicating category wise variation between projected utilization of funds made as disclosed in the Letter of Offer, as applicable, and the actual utilization of funds.

FINANCIAL INDEBTEDNESS

The details of indebtedness of the Trust (on a standalone basis) and the Portfolio Assets (other than the Target Asset) as at September 30, 2021 and the post-Issue principal amount outstanding, are provided below:

(in ₹ million)

Category of borrowing	Pre-Issue Principal Amount outstanding as on September 30, 2021 (including current maturities, except interest accrued but not due on borrowings and current and non-current lease liability)	Post-Issue Principal Amount outstanding
Trust Standalone		
Particulars		
-	-	-
Total Borrowings	-	-
Tower Co.		
Particulars		
Unsecured India Rupee borrowings under the Trust Loan Agreement	250,000	250,000
Secured Indian Rupee term loan from banks/ financial institution	75,830	75,830
Secured external commercial borrowings	36,130	36,130
Secured, rated, redeemable non-convertible debentures	101,360	101,360
Non-cumulative redeemable Preference Shares	131	131
Total Borrowings	463,451	463,451

The details of indebtedness on a consolidated basis (other than the Target Asset) as at September 30, 2021 and the post-Issue principal amount outstanding, are provided below:

(in ₹ million)

Category of borrowing	Pre-Issue Principal Amount outstanding as on September 30, 2021 (including current maturities, except interest accrued but not due on borrowings and current and non-current lease liability)	Post-Issue Principal Amount outstanding
Trust Consolidated		
Secured Indian Rupee term loan from banks/ financial institution	75,830	75,830
Secured external commercial borrowings	36,130	36,130
Secured, rated, redeemable non-convertible debentures	101,360	101,360
Non-cumulative redeemable Preference Shares	131	131
Total Borrowings	213,451	213,451

The details of indebtedness of the Target Asset as at March 31, 2021 on a standalone basis and the post-Issue principal amount outstanding, are provided below:

(in ₹ lacs)

Category of borrowing	Pre-Issue Principal Amount outstanding as on March 31, 2021 (including current maturities, except interest accrued)	Post-Issue Principal Amount outstanding
Particulars		
Vehicle loan	68.49	68.49
Overdraft limit (Axis Bank)	214.36	214.36
Total	282.85	282.85

Borrowing Policy

The Investment Manager shall ensure that all funds borrowed in relation to the Trust are in compliance with the InvIT Regulations. Accordingly, the Investment Manager has formulated a borrowing policy to outline the process for borrowing monies in relation to the Trust. For further details, please see the section entitled “Corporate Governance” on page 90.

Principal terms of the borrowings availed by the Trust

There are no borrowings outstanding at the Trust standalone level.

Principal terms of the borrowings availed by the Tower Co.

Unsecured Indebtedness

A. Data Infrastructure Trust

The Tower Co. entered into a term loan agreement dated August 26, 2020 with the investment manager of the Trust, for an aggregate amount of Rs. 250,000,000,000.

The agreement provides for a moratorium period of 3 years from the date of the first drawdown for payment of principal. Further, there is no fixed repayment schedule for this loan as per the loan agreement. The cash surplus is subject to the InvIT Regulations, and is calculated post deducting, among other things, payment towards scheduled external debt obligations of the Tower Co. The availability of cash surplus determines the payment of interest on the loan and towards any repayment of this loan. Thus, cash surplus which is available with the Tower Co. will be applied by the Tower Co. towards the payment of interest on the loan and subject to moratorium mentioned above, towards the repayment of this loan. Further, no repayment date shall fall 30 years from the date of the first drawdown. The agreement also states that all the outstanding amounts under this loan and all other obligations and liabilities of the Tower Co. under the loan agreement shall constitute subordinated obligations.

Secured Indebtedness (“Secured Borrowings”)

1. Rupee Term Loans

The Tower Co. is party to agreements under which borrowings are denominated in Rupees with banks and financial institutions (each a “**Rupee Bank Loan**”).

The facilities are typically secured by a charge over our present and future movable assets and current assets including, in certain cases, our bank accounts, intangible assets including all accounts of the Tower Co. The following is a description of certain material terms of the Rupee Bank Loans. The interest rate payable by the Tower Co. on certain Secured Borrowings is a floating interest rate, which is reset on an annual basis in accordance with the terms of the relevant financing documents.

The following is a description of certain material terms of the Rupee Bank Loans.

A. Axis Bank Limited

The Tower Co. entered into a term loan agreement dated January 18, 2020 with Axis Bank Limited for an aggregate sanctioned amount of Rs. 50,000,000,000. It is to be repaid in 40 equal consecutive quarterly instalments, the first of which shall be repaid on the date falling 27 months after the first drawdown date i.e., starting from December 1, 2022. The applicable rate of interest payable on this loan is 8.00%.

B. Bank of Baroda

The Tower Co. entered into a term loan agreement dated February 15, 2020 with Bank of Baroda for an aggregate sanctioned amount of Rs. 30,000,000,000. It is to be repaid in 40 equal consecutive quarterly instalments each for any amount equal to Rs. 750,000,000, the first of which shall be repaid on the date falling 27 months after the first drawdown date i.e., starting from December 1, 2022. It has a tenure of 12 years with a moratorium of 2 years. The rate of interest payable on this loan is 8.50%.

C. HDFC Bank Limited

The Tower Co. entered into a term loan agreement dated January 28, 2020 with HDFC Bank Limited (as amended from time to time) for an aggregate sanctioned amount of Rs. 70,000,000,000. It is to be repaid in 40 equal consecutive quarterly instalments each for any amount equal to 2.5 % of the total draw down, the first of which shall be repaid on the date falling 27 months after the first drawdown date i.e. starting from December 1, 2022. The interest payable on a part of this loan is a fixed interest at the rate of 6.15% for 3 years from the drawdown date, post which the interest rate will be the same as that is payable on the balance portion of the loan. The applicable rate of interest payable on the balance portion of this loan as on March 31, 2021, is 8.10%.

D. Housing Development Finance Corporation Limited

The Tower Co. entered into a term loan agreement dated February 13, 2020 with Housing Development Finance Corporation Limited for an aggregate sanctioned amount of Rs. 15,080,000,000. It is to be repaid in 40 consecutive quarterly installments which consist of 39 equal instalments for an amount equal to Rs. 375,000,000 and the last instalment of Rs. 455,000,000 of the total loan drawn down at the end of the availability period of this loan. The rate of interest payable on this loan is 8.30%.

E. Punjab National Bank

The Tower Co. entered into a term loan agreement dated January 17, 2020 with Punjab National Bank for an aggregate amount of Rs. 30,000,000,000. The final maturity date is 12 years starting from first disbursement. It is to be repaid in 40 equal consecutive quarterly instalments, each for an amount equal to Rs. 750,000,000 the first of which shall be repaid on 27 months after the first drawdown date i.e. starting from December 1, 2022. The rate of interest payable on this loan is 7.85%.

F. State Bank of India

The Tower Co. entered into a term loan agreement dated February 19, 2020 with State Bank of India for an aggregate amount of Rs. 70,000,000,000. The final maturity date is 12 years starting from first disbursement. It is to be repaid in 40 equal consecutive quarterly instalments, each for an amount equal to Rs. 1,750,000,000 starting from December 1, 2022. The rate of interest payable on this loan is 7.70%.

G. Union Bank of India

The Tower Co. entered into a term loan agreement dated January 18, 2020 with Union Bank of India for an aggregate amount of Rs. 10,000,000,000. The final maturity date is 12 years starting from first disbursement. It is to be repaid in 40 equal consecutive quarterly instalments, the first of which shall be repaid on date falling 27 months after the first drawdown date i.e., starting from December 1, 2022. The rate of interest payable on this loan is 8.00%.

H. ICICI Bank

The Tower Co. entered into a term loan agreement dated August 26, 2020 with ICICI Bank (as amended from time to time) for an aggregate amount of Rs. 25,000,000,000. The final maturity date is 12 years starting from first disbursement. It is to be repaid in 40 equal consecutive quarterly instalments, each of Rs. 625,000,000 the first of which shall be repaid on date falling 27 months after the first drawdown date. The rate of interest payable on this loan is 8.05%.

2. Rupee Debentures (“Debentures”)

A. SBI 1Y MCLR + 0.97% Listed Non-Convertible Debentures (allotted on March 15, 2021)

The Tower Co. issued 118,360 secured, listed, redeemable non-convertible debentures (the “NCD 1”) on private placement basis having a face value of Rs. 1,000,000 per debenture aggregating to Rs. 118,360,000,000.

The NCD 1 are listed on the wholesale debt market segment of BSE limited and National Stock Exchange of India Limited. The NCD 1 are redeemable in 40 equal consecutive quarterly instalments, each for an amount equal to Rs. 2,959,000,000, the first of which shall be repaid on the last day of the 20th month falling after March 15, 2021.

The rate of interest payable on the NCD 1 as of March 31, 2021 is 7.97%. The interest rate payable on the NCD 1 are floating interest rates that are reset on an annual basis.

B. SDIPL 6.59% 2026 Listed Non-Convertible Debentures (allotted on June 17, 2021)

The Tower Co. issued 15,000 secured, listed, redeemable non-convertible debentures (the “NCD 2”) on private placement basis having a face value of Rs. 1,000,000 per debenture aggregating to Rs. 15,000,000,000.

The NCD 2 are listed on the wholesale debt market segment of National Stock Exchange of India Limited. The NCD 2 are redeemable in full on the date falling 5 years from the date of allotment. The interest rate payable on the NCD 2 is a fixed interest rate of 6.59%.

C. SDIPL 7.40% 2028 Listed Non-Convertible Debentures (allotted on September 28, 2021)

The Tower Co. issued 6,500 secured, listed, redeemable non-convertible debentures (the “NCD 3”) on private placement basis having a face value of Rs. 1,000,000 per debenture aggregating to Rs. 6,500,000,000.

The NCD 3 are listed on the wholesale debt market segment of National Stock Exchange of India Limited. The NCD 3 are redeemable in full on the date falling 7 years from the date of allotment. The interest rate payable on the NCD 3 is a fixed interest rate of 7.40%.

D. SDIPL 7.62% 2030 Listed Non-Convertible Debentures (allotted on November 22, 2021)

The Tower Co. issued 10,000 secured, listed, redeemable non-convertible debentures (the “NCD 4”) on private placement basis having a face value of Rs. 1,000,000 per debenture aggregating to Rs. 10,000,000,000.

The NCD 4 are listed on the wholesale debt market segment of National Stock Exchange of India Limited. The NCD 4 are redeemable in full on the date falling 9 years from the date of allotment. The interest rate payable on the NCD 4 is a fixed interest rate of 7.62%.

Certain terms of the Rupee Bank Loans granted to the Tower Co. and the Debentures issued by the Tower Co. are set out below:

Security

The Tower Co. has created the following security in favor of the lenders of the Secured Borrowings:

- (a) a first charge by way of hypothecation over all its movable fixed assets (present and future);
- (b) a first charge by way of hypothecation over all its current assets (present and future);
- (c) assign by way of hypothecation all of its rights under (i) the Master Services Agreement; (ii) the O&M Agreement; and (iii) the Project Execution Agreement;
- (d) a first charge by way of assignment over all its rights in relation to its receivables in respect of the setting up, operation and management of the passive tower infrastructure under the material documents; and provision of services under the Master Services Agreement; and
- (e) only for the Rupee Bank Loans availed from State Bank of India, HDFC Bank Limited, Housing Development Finance Corporation Limited and the NCD 1, a first charge on the Company’s designated accounts maintained with HDFC Bank and State Bank of India.

Covenants

The TowerCo. shall, among other things:

- (a) comply with all covenants and conditions under the finance documents including and the material documents, as specified under the relevant financing agreements;
- (b) seek prior written consent of the lenders for borrowings and creation of security (whether pari passu or otherwise) other than for borrowing up to a limit of Rs. 30,008 Crores as specified in the financing agreements;
- (c) obtain prior approval from the lender for winding up or liquidating its affairs;
- (d) obtain consent of the lenders prior to effecting any change in its capital structure where the shareholding of the Trust: (i) gets diluted below current level; or (ii) leads to dilution in controlling stake of the Trust for any reason
- (e) intimate or seek prior written consent of the lenders prior to change or alteration of its constitutional documents, in a manner detrimental to the lenders or contrary to the provisions of the finance documents, in case of occurrence and continuance of an event of default; and
- (f) obtain consent of the lenders prior to selling, assigning, mortgaging or otherwise disposing of any of the fixed secured assets, subject to certain exemptions.

The Secured Borrowings also impose certain financial covenants, including those that require the TowerCo. to maintain:

- a minimum asset cover ratio;
- a minimum debt service cover ratio; and/or
- a minimum total outstanding liabilities to tangible net worth ratio.

Events of Default

The occurrence of the following events, amongst others, constitutes an event of default, if such events are not remedied or waived by the lender within the cure periods provided to the Tower Co.:

- (a) failure to make payment when its due;
- (b) cessation or rendering ineffective or becoming infructuous of the Master Services Agreement and/or the failure of the parties to the Master Services Agreement to deliver on their obligation under the Master Services Agreement for any reason in terms of the relevant financing agreement;
- (c) any breach of or omission to observe any of the covenants, material obligations or undertakings;
- (d) cessation of business;
- (e) admission of any petition or application in relation to insolvency or bankruptcy resolution of the Tower Co. by any court, tribunal or authority of competent jurisdiction;
- (f) change in control of the Tower Co.; and
- (g) the occurrence of a cross default.

The financing agreements for the Secured Borrowings also provide that upon the occurrence of an event of default, the lenders by giving written notice to us can: (i) cancel the undrawn commitments; (ii) declare the loans and all secured obligations (including interest) immediately due and payable if an event of default occurs and is not cured within the agreed curing period; and (iii) exercise any and all rights specified as mentioned in the document and as permitted or available under law.

E. External commercial borrowings:

On August 13, 2021, the Tower Co. has raised USD 500 million through allotment of senior secured notes, i.e., USD 500 million 2.875% 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.

The key terms of the Notes are as follows:

Notes Offered	U.S.\$500,000,000 2.875% senior secured notes due 2031
Issue Price	98.459%
Use of Proceeds	The net proceeds would be used for capital expenditure, repayment of existing indebtedness and/or any other purpose in compliance with end-use guidelines set forth in the ECB guidelines.
Maturity Date/ Final Redemption	Unless previously redeemed, or purchased and cancelled, the Notes will be redeemed at their principal amount together with accrued but unpaid interest (if any) on August 12, 2031.
Interest	The Notes bear interest on their outstanding principal amount from and including the closing date at the rate of 2.875% per annum, payable semi-annually in arrear on February 12 and August 12 in each year.
Status of the Notes	The Notes constitute unsubordinated obligations of the Tower Co. and will rank at all times <i>pari passu</i> without any preference among themselves and (subject to certain conditions in relation to the release of security) at least equally with all other present and future senior secured obligations of the Tower Co. and senior in respect of all other present and future unsecured or subordinated obligations of the Tower Co., but, in the event of insolvency, only to the extent permitted by applicable laws relating to creditors’ rights.
Collateral	The Tower Co.’s payment obligations under the Notes and the performance of its other obligations under the Notes and the trust deed are required to be secured by a first ranking <i>pari passu</i> charge on (a) all moveable fixed assets (present and future) of the Tower Co.; (b) all current assets (present and future) of the Tower Co. including the receivables and rights appurtenant thereto; (c) all rights of the Tower Co. under the material documents; and (d) all rights of the Tower Co. in the receivables, in each case pursuant to the security documents (as specified in the offering memorandum for the Notes). The liens on the collateral may be released if the ratio of secured indebtedness to total indebtedness is less than 33%.
Events of Default	If any of the following events occurs and is continuing, the trustee at its discretion may, and if so requested in writing by holders of at least 25% in aggregate principal amount of the Notes then outstanding or if so directed by an extraordinary resolution shall (provided in any such case that the Trustee will have been indemnified and/or secured and/or pre-funded to its satisfaction), give notice to the Tower Co. and the security trustee that the Notes are, and they will immediately become, due and payable at their principal amount together (if applicable) with accrued interest:

	• Non-payment the principal of, or premium (if any) or interest on, any of the Notes; • Breach of other obligations by the Tower Co. under the Notes, the Trust Deed or the Security Documents which default has a Material Adverse Effect; • Cross-acceleration; • a distress, attachment or execution is levied, enforced or sued out on or against the Tower Co. and is not discharged or stayed within 60 days; • any Lien, present or future, created or assumed by the Tower Co. becomes enforceable and any step is taken to enforce it and such step is not stayed within 60 days; • Insolvency, winding up or bankruptcy in terms of the offering memorandum of the Notes; • the seizure, compulsory acquisition, expropriation or nationalization of all or a material part of the assets of the Tower Co..
Redemption for Tax Reasons	The Notes may be redeemed at the option of the Tower Co. in whole, or in part, at any time, on giving not less than 10 nor more than 60 days' notice, at their principal amount (together with accrued and unpaid interest, if any, to (but excluding) the redemption date, in connection with certain changes in tax law.
Redemption for a Change of Control Triggering Event	Upon the occurrence of a Change of Control Triggering Event (as defined in the offering memorandum of the Notes), each holder of the Notes shall have the right to require that the Tower Co. redeem such holder's Notes at 101% of their principal amount (together with accrued and unpaid interest, if any, to (but excluding) the redemption date).
Redemption at the option of the Tower Co.	At any time prior to August 12, 2030, the Tower Co. may on any one or more occasions redeem up to 40% of the aggregate principal amount of the Notes issued on the closing date, upon not less than 10 nor more than 60 days' notice, at a redemption price equal to 102.875% of the principal amount of the Notes redeemed, plus accrued and unpaid interest, if any, to the redemption date, in an amount not to exceed the net proceeds from an equity offering (as defined in the offering memorandum of the Notes) by the Tower Co. or contributions to the Tower Co.'s common equity capital made with the net cash proceeds of a concurrent equity offering by the Trust. At any time, the Tower Co. may on any one or more occasions redeem all or a part of the Notes, upon not less than 10 nor more than 60 days' notice, at a redemption price equal to 100% of the principal amount of the Notes redeemed, plus the applicable premium as of, and accrued and unpaid interest, if any, to the redemption date, provided that no applicable premium will be payable if the Notes are redeemed on or after August 12, 2030 (being the date that is 12 months prior to the maturity date).
Covenants	• The Tower Co. will not incur, assume or permit to exist any lien on the collateral (other than certain permitted liens); <i>provided</i> that the Tower Co. may incur, assume or permit to exist liens on the collateral to secure permitted indebted; • The Tower Co. will not incur any indebtedness, except the following ("Permitted Indebtedness"): (i) Indebtedness (other than hedging obligations) in an aggregate amount not exceeding Rs. 300,080 million outstanding at any time; <i>provided</i> that the Tower Co. owns up to 174,451 towers that are subject to the provisions of the Master Services Agreement, and indebtedness incurred to renew, refund, refinance, replace, defease or discharge any such indebtedness; (ii) Indebtedness (other than hedging obligations) incurred to finance all or any part of the purchase price or cost of the design, construction, installation or improvement of towers that are in addition to 174,451 towers that are subject to the provisions of any master services agreement entered into by the Tower Co. from time to time, and indebtedness incurred to renew, refund, refinance, replace, defease or discharge any such indebtedness; and (iii) Hedging obligations entered into for the purpose of protecting the Tower Co. from fluctuations in interest rates, currencies or commodity prices in the ordinary course of business and not for speculation; • The Tower Co. will not: (1) consolidate or merge with or into another person or (2) sell, assign, transfer, convey or otherwise dispose of all or substantially all of the properties and assets of the Tower Co. and its subsidiaries taken as a whole, in one or more related transactions, to another person, unless as provided under the terms and conditions of the Notes; • The Tower Co. will not engage in any business other than permitted businesses in terms of the offering memorandum of the Notes. • The Tower Co. will (i) not amend, vary, repudiate, assign or transfer any material document, except to the extent that such amendment, variation, repudiation, assignment or transfer would not reasonably be expected to have a material adverse effect; (ii) use reasonable endeavors to ensure that the material documents remain valid and enforceable and that it is not unlawful for the Tower Co. to perform its obligations thereunder; and (iii) comply with and not take or fail to take any action under any material document, except to the extent that such non-compliance, act or failure to act would not reasonably be expected to have a material adverse effect.

The details provided above are indicative and there may be additional terms, conditions and requirements under the specific various borrowing arrangements entered into by the Tower Co.

Status of lender consents

No lender consents in relation to this Issue are required. As of the date of this Draft Letter of Offer, there are no lender consents required in relation to the Portfolio Assets.

DISTRIBUTION

Statements contained in this section entitled “Distribution” that are not historical facts are forward-looking statements. Such statements are subject to certain risks and uncertainties that could cause actual results to differ materially from those that may be projected. Under no circumstances should the inclusion of such information herein be regarded as a representation, warranty, undertaking or prediction with respect to the accuracy of the underlying assumptions by the Trust, the Trustee, the Sponsors, the Investment Manager, the Lead Manager or any other person. Bidders are cautioned not to place undue reliance on these forward-looking statements that are stated only as at the date of this Draft Letter of Offer. For details in relation to forward-looking statements, please see the section entitled “Forward-Looking Statements” on page 13.

The net distributable cash flows of the Trust (the “**Distributable Income**”) are based on the cash flows generated from the underlying operations undertaken by the InvIT Assets. Presently, cash flows receivable by the Trust may be in the form of dividend, interest income or principal repayment received from the InvIT Assets in relation to any debt sanctioned by the Trust, or a combination of both.

In terms of the InvIT Regulations, not less than 90% of the net distributable cash flows of the InvIT Assets, shall be distributed to the Trust, subject to applicable provisions in the Companies Act, 2013 and not less than 90% of the net distributable cash flows of the Trust shall be distributed to the Unitholders.

The Trust shall declare and distribute at least 90% of the Distributable Income to the Unitholders. Such distribution shall be declared and made such that the time period between any two declarations of distribution shall not exceed one year. However, if any infrastructure asset is sold by the Trust or the Tower Co., or if the equity shares or interest in the Tower Co. are sold by the Trust and if the Trust proposes to re-invest the sale proceeds into another infrastructure asset within one year, it shall not be required to distribute any sales proceeds to the Trust or to the Unitholders. Further, if the Trust proposes not to invest the sale proceeds into any other infrastructure asset within one year, it shall be required to distribute the same in the manner specified above. In accordance with the InvIT Regulations, distributions by the Trust shall be made no later than 15 days from the date of such declarations. The distribution, when made, shall be made in Indian Rupees.

Distribution Policy

Method of calculation of Distributable Income

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

I. Calculation of net distributable cash flows at the SPV level:

Description
Profit after tax as per profit and loss account (standalone) (A)
Add: Depreciation and amortisation as per profit and loss account. In case of impairment reversal, same needs to be deducted from profit and loss.
Add: Interest on loan to the SPV from the Trust as per the profit and loss account
Add / less: Loss / gain on sale of infrastructure assets
Add: Net proceeds (after applicable taxes) from sale of infrastructure assets adjusted for the following: - related debts settled or due to be settled from sale proceeds; - directly attributable transaction costs; - proceeds reinvested or planned to be reinvested as per Regulation 18(7)(a) of the InvIT Regulations
Add: Net proceeds (after applicable taxes) from sale of infrastructure assets not distributed pursuant to an earlier plan to re-invest, if such proceeds are not intended to be invested subsequently, net of any profit / (loss) recognised in profit and loss account
Less: Capital expenditure, if any
Less: Investments made in accordance with the investment objective, if any
Add / less: Any other item of non-cash expense / non-cash income charged / credited to profit and loss account, including but not limited to - any decrease/increase in carrying amount of an asset or a liability recognized in profit and loss account on measurement of the asset or the liability at fair value; - provisions; - deferred taxes; - any other non-cash item, lease rents recognized on a straight-line basis, etc.
Add / less: Working capital changes
Add / less: Provisions made in earlier period and expensed in the current period
Less: Any cash paid to the lease owners not accounted for in the working capital changes or the profit and loss account
Add: Additional borrowings (including debentures / other securities) (external as well as borrowings from Trust)
Less: Repayment of external debt (principal) / redeemable preference shares / debentures, etc. (Excluding refinancing) / net cash set aside to comply with reserve requirements (including but not limited to DSRA) under loan agreements

Description
Less: Cash reserved to make due payments to secured lenders in subsequent periods
Add / less: Proceeds from any fresh issuance of preference shares / redemption of any preference shares
Add: Proceeds from any fresh issuance of equity shares
Add/ less: Amounts added or retained to make the distributable cash flows in accordance with the Transaction Documents or the loan agreements
Total Adjustments (B)
Net Distributable Cash Flows (C) = (A+B)

II. Calculation of net distributable cash flows at the consolidated Trust level:

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

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

Distributions by the Trust

The table below provides the distributions made by the Trust, in accordance with the distribution policy from the date of listing of the Trust.

Sr. No.	Record Date	Number of Units	Distribution per Unit (in ₹)	Amount of Distribution paid on Units including tax on distribution (in ₹ million)
1.	October 19, 2020	2,521,500,000	0.5932	1,495.75
2.	November 17, 2020	2,521,500,000	0.5932	1,495.75
3.	December 17, 2020	2,521,500,000	0.8029	2,024.51
4.	January 18, 2021	2,521,500,000	0.5949	1,500.04
5.	February 16, 2021	2,521,500,000	0.5949	1,500.04
6.	March 17, 2021	2,521,500,000	0.9080	2,289.52
7.	May 26, 2021	2,521,500,000	1.3881	3,500.09
8.	August 17, 2021	2,521,500,000	1.7847	4,500.12
9.	November 9, 2021	2,521,500,000	2.5870	6,523.12

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

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

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

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

The Trust's financial year ends on March 31 of each year. Accordingly, references to a particular financial year or a "Fiscal" are to the twelve-month period ended March 31 of that year. The Audited Consolidated Financial Statements included in this Draft Letter of Offer present the Trust's financial condition as of March 31, 2019, March 31, 2020 and March 31, 2021. The Limited Review Consolidated Financials included in this Draft Letter of Offer present the Trust's unaudited financial condition for the six months ended September 30, 2021. The Limited Review Consolidated Financials for six-month period ended September 30 2021, are not indicative of the full year results of the Trust and are not comparable with the annual financial statements of the Trust.

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

Factors Affecting Results of Operations

Our business, prospects, results of operations and financial condition are affected by a number of factors, including the key factors described in the section entitled "Management's Discussion and Analysis of Financial Condition and Results of Operation" on page 165 of the Placement Memorandum available at https://www.sebi.gov.in/filings/invit-private-issues/aug-2020/tower-infrastructure-trust_47577.html.

Critical Accounting Policies

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

Description of Principal Income Statement Line Items and Results of Operations

	Year ended March 31, 2021 (₹ in million)	Year ended March 31, 2020 (₹ in million)
INCOME		
Revenue from Operations	82,442	74,767
Other Income	153	125
Total Income	82,595	74,892
EXPENSES		
Investment Manager Fee	26	24
Trustee Fee	2	2
Project Manager Fee	24	24
Audit Fees	30	23
Listing Fees	1	-
Network Operating Expenses	51,360	45,878
Employee Benefits Expense	164	1
Finance Costs	20,772	32,039
Depreciation and Amortisation Expense	19,560	17,784
Legal and Professional Fees	151	42
Other Expenses	335	209
Total Expenses	92,425	96,026
Loss before Tax	(9,830)	(21,134)
Tax Expenses	-	-
Loss for the year	(9,830)	(21,134)
Other Comprehensive Loss	-	-
Total Comprehensive Loss for the year	(9,830)	(21,134)
Attributable to Owners of the Trust	(5,681)	(10,885)

	Year ended March 31, 2021 (₹ in million)	Year ended March 31, 2020 (₹ in million)
Attributable to Non Controlling Interest	(4,149)	(10,249)

Notes:

- (1) "0" represents the amount below the denomination threshold.
- (2) During the year ended on March 31 2021, the Group revised the presentation of income from reimbursements of Power & Fuel and Site Rent, to present these as part of Revenue from Operations, as these more appropriately reflect the substance of the transactions wherein the Group provides these services as a principal. Previously, these were presented net as a recovery under Network Operating Expenses. The change in presentation has been applied retrospectively to March 2020 presented and accordingly, an amount of ₹ 41,363 million has been re-presented and included under Revenue from Operations for the year ended year ended March 31, 2020. The above change in presentation does not affect Total Loss, Total Comprehensive Loss and the Loss per share for the periods presented.

Financial Year 2021 compared to Financial Year 2020

Revenue from Operations

Revenue from operations increased by 10.27%, from ₹ 74,767 million for the financial year 2020 to ₹ 82,442 million for the financial year 2021.

For the financial year 2021, our revenue from operations was entirely derived from infrastructure provisioning fees we collect from RJIL, our anchor sharer. The fees we received from RJIL increased by 10.27%, from ₹ 74,767 million for the financial year 2020 to ₹ 82,442 million, primarily due to 4,671 new towers that were added to our portfolio during the financial year 2021. Revenue from operations represented 99.83% and 99.81% of our total income for the financial years 2020 and 2021, respectively.

Other Income

Other income increased by 22.40%, from ₹ 125 million for the financial year 2020 to ₹ 153 million for the financial year 2021 primarily due to interest income earned. Other income represented 0.17% and 0.19% of our total income for the financial years 2020 and 2021, respectively.

Expenses

Our total expenses decreased by 3.75%, from ₹ 96,026 million for the financial year 2020 to ₹ 92,425 million for the financial year 2021 primarily due to decrease in finance costs. Our total expenses, expressed as a percentage of our total income, were 128.22% and 111.9% for the financial years 2020 and 2021, respectively.

Network Operating Expenses

Network operating expenses increased by 11.95%, from ₹ 45,878 million for the financial year 2020 to ₹ 51,360 million for the financial year 2021 primarily due to an increase in expenses related to power and fuel caused by the addition of 4,671 new towers to our portfolio during the financial year 2021. Network operating expenses, as a percentage of our total income, were 61.26% and 62.18% for the financial years 2020 and 2021, respectively.

Employee Benefits Expenses

Employee benefits expense increased by ₹ 163 million from ₹ 1 million for the financial year 2020 to ₹ 164 million for the financial year 2021, primarily due to an increase in salaries and wages from ₹ 1 million for the financial year 2020 to ₹ 158 million for the financial year 2021. Employee benefits expense, expressed as a percentage of our total income, were less than 0.01% for the financial year 2020 and 0.2% for the financial year 2021.

Finance Costs

Finance costs decreased by 35.17%, from ₹ 32,039 million for the financial year 2020 to ₹ 20,772 million for the financial year 2021. Interest expenses decreased from ₹ 30,805 million in financial year 2020 to ₹ 20,013 million in financial year 2021, whereas exchange loss (attributable to finance costs) decreased from ₹ 1,073 million in financial year 2020 to ₹ 409 million in financial year 2021. Finance costs, expressed as a percentage of our total income, were 42.78% and 25.15% for the financial years 2020 and 2021, respectively.

Depreciation and Amortization Expense

Depreciation and amortisation expense increased by 9.99%, from ₹ 17,784 million for the financial year 2020 to ₹ 19,560 million for the financial year 2021 primarily due to an increase in depreciation on property, plant and equipment from ₹ 17,778

million for the financial year 2020 to ₹ 19,543 for the financial year 2021. Depreciation and amortisation expense, expressed as a percentage of our total income, were 23.75% and 23.68% for the financial years 2020 and 2021, respectively.

Legal and Professional Fees

Legal and professional fees increased by ₹ 109 million from ₹ 42 million for the financial year 2020 to ₹ 151 million for the financial year 2021, primarily due to cost incurred for transition services provided by RPPMSL under the Transition Services Agreement. Legal and professional fees, expressed as a percentage of our total income, were less than 0.06% for the financial year 2020 and 0.18% for the financial year 2021.

Other Expenses

Other expenses increased by ₹ 126 million from ₹ 209 million for the financial year 2020 to ₹ 335 million for the financial year 2021, primarily due to fair value of call option of ₹ 195 million for financial year 2021 (nil for financial year 2020) which was partially offset by decrease in general expenses from ₹ 203 million for the financial year 2020 to ₹ 119 million for the financial year 2021. Other expenses, expressed as a percentage of our total income, were less than 0.28% for the financial year 2020 and 0.41% for the financial year 2021.

Loss before Tax

As a result of the foregoing, loss before tax decreased by 53.49%, from ₹ 21,134 million for the financial year 2020 to ₹ 9,830 million for the financial year 2021.

Tax Expenses

We had no tax expenses for the financial years 2020 and 2021.

Loss for the Year

As a result of the foregoing, loss for the year decreased by 53.49%, from ₹ 21,134 million for the financial year 2020 to ₹ 9,830 million for the financial year 2021.

Other Comprehensive Loss

We had no other comprehensive loss for the financial years 2020 and 2021.

Total Comprehensive Loss for the year

As a result of the foregoing, total comprehensive loss for the year decreased by 53.49%, from ₹ 21,134 million for the financial year 2020 to ₹ 9,830 million for the financial year 2021.

Our Financial Condition

The following table presents our financial position on a consolidated basis as of March 31, 2021 and March 31, 2020:

	March 31, 2021 (₹ in million)	March 31, 2020 (₹ in million)
ASSETS		
NON-CURRENT ASSETS		
Property, Plant And Equipment	380,105	387,266
Right of Use Assets	206	117
Capital Work In Progress	18	-
Financial Assets		
Other Financial Assets	4,571	3,072
Other Non-Current Assets	3,236	3,236
Total Non-Current Assets	388,136	393,691
CURRENT ASSETS		
Financial Assets		
Trade Receivables	153	153
Cash and Cash Equivalents	10,047	461
Other Bank Balances	3	3
Other Financial Assets	4,531	24,099
Other Current Assets	11,589	22,553
Total Current Assets	26,323	47,269
Total Assets	414,459	440,960

	March 31, 2021 (₹ in million)	March 31, 2020 (₹ in million)
EQUITY AND LIABILITIES		
EQUITY		
Unit Capital	252,150	-
Contribution	240	124
Other Equity	(51,462)	(10,402)
Total Equity	200,928	(10,278)
Non-controlling interest	-	(9,212)
LIABILITIES		
Non - Current Liabilities		
Financial Liabilities		
Borrowings	181,851	228,194
Right of use liabilities	88	-
Other financial liabilities	2,215	-
Provisions	11,235	10,854
Total Non-Current Liabilities	195,389	239,048
Current Liabilities		
Financial Liabilities		
Borrowings	-	30,050
Trade Payables due to		
- total outstanding dues of micro enterprises and small enterprises	0	-
- total outstanding dues of creditors other than micro enterprises and small enterprises	1,958	3,097
Right of use liabilities	18	-
Other Financial Liabilities	11,213	72,242
Creditors for Capital Expenditure	-	114,610
Other Current Liabilities	4,949	1,403
Provisions	4	-
Total Current Liabilities	18,142	221,402
Total Liabilities	213,531	460,450
Total Equity and Liabilities	414,459	440,960

“0” represents the amount below the denomination threshold.

LIQUIDITY AND CAPITAL RESOURCES

The Tower Co. operates in a capital intensive industry and its principal liquidity requirements are related to financing, acquisition of or construction at new Tower Sites and for servicing debt required to fund such acquisition and/or construction. For details of our outstanding borrowings, see “*Financial Indebtedness*” on page 128.

The following table sets forth our cash flows as of March 31, 2020 and March 31, 2021:

	Year ended March 31, 2021 (₹ in millions)	Year ended March 31, 2020 (₹ in millions)
Net Cash (Utilised in)/Generated from Operations	2,713	30,064
Net Cash flow used in Investing Activities	(111,611)	(84,382)
Net Cash flow generated from financing activities	118,484	54,773
Net Increase in Cash and Cash Equivalents	9,586	455
Opening Balance of Cash and Cash Equivalents	461	6
Closing Balance of Cash and Cash Equivalents	10,047	461

Cash flow from operating activities

Fiscal 2021

In Fiscal 2021, net cash (utilised in)/generated from operations was ₹ 2,713 million. Net Loss before tax as per profit and loss statement was ₹ (9,830) million in Fiscal 2021. Adjustments primarily consisted of depreciation and amortisation expense of ₹ 19,560 million and finance costs of ₹ 20,772 million. Cash flows were also affected by working capital adjustments for trade and other receivables of ₹ 12,505 million and trade and other payables of ₹ (40,824) million.

In Fiscal 2021, operating profit before working capital changes was ₹ 30,544 million. In Fiscal 2021, cash (utilised in)/generated from operations amounted to ₹ 2,225 million. In Fiscal 2021, income taxes refund/(paid) amounted to ₹ 488 million.

Fiscal 2020

In Fiscal 2020, net cash (utilised in)/generated from operations was ₹ 30,064 million. Net Loss before tax as per profit and loss statement was ₹ (21,134) million in Fiscal 2020. Adjustments primarily consisted of depreciation and amortisation expense of ₹ 17,784 million and finance costs of ₹ 32,039 million. Cash flows were also affected by working capital adjustments for trade and other receivables of ₹ (11,182) million and trade and other payables of Rs. 13,377 million.

In Fiscal 2020, operating profit before working capital changes was ₹ 28,564 million. In Fiscal 2020, cash (utilised in)/generated from operations amounted to ₹ 30,759 million. In Fiscal 2020, income taxes refund/(paid) amounted to ₹ (695) million.

Cash flow from investing activities

Fiscal 2021

Net Cash flow used in Investing Activities was ₹ (111,611) million in Fiscal 2021, primarily attributable to purchase of property, plant and equipment of ₹ (110,631) million, sale of investments ₹ 45,078 million, purchase of investments of ₹ (45,029) million and acquisition of subsidiary of ₹ (1,054) million .

Fiscal 2020

Net Cash flow used in Investing Activities was ₹ (84,382) million in Fiscal 2020, primarily attributable to sale of investments ₹ 167,194 million, purchase of investments of ₹ (166,930) million and purchase of property, plant and equipment of ₹ (84,639) million.

Cash flow from financing activities

Fiscal 2021

Net cash flow generated from financing activities was ₹ 118,484 million in Fiscal 2021, primarily attributable to repayment of long term borrowings of ₹ (357,820) million, proceeds from long term borrowings of ₹ 301,835 million, proceeds from units issued of ₹ 252,150 million, finance costs paid of ₹ (33,589) million, repayment of short term borrowings of ₹ (30,050) million and distribution to unitholders of ₹ (10,306) million.

Fiscal 2020

Net cash flow generated from financing activities was ₹ 54,773 million in Fiscal 2020, primarily attributable to proceeds from long term borrowings of ₹ 50,000 million and proceeds from short term borrowings of ₹ 38,312, repayment of short term borrowings of ₹ (37,912) million and deposit received of ₹ 35,940 million, finance costs paid of ₹ (21,691) million and repayment of long term borrowings of ₹ (10,000) million.

FINANCIAL INDEBTEDNESS

For a description of our financial indebtedness, please see “*Financial Indebtedness*” on page 128.

TRANSACTIONS WITH RELATED PARTIES

We have in the past engaged, and in the future may engage, in related party transactions. For information on our related party transactions under the InvIT Regulations, please refer to the section titled “*Related Party Transactions*” on page 144.

CONTRACTUAL OBLIGATIONS

The following table sets forth certain information relating to future payments due under contractual commitments as of March 31, 2021, aggregated by type of contractual obligation:

Maturity Profile as at March 31, 2021					
	0-1 Years	1-3 Years	3-5 Years	Above 5 years	Total
Trade Payable	1,958	-	-	-	1,958
Creditors for Capital Expenditure	-	-	-	-	-
Other Current Financial Liabilities	11,213	-	-	-	11,213
Other Non-Current Financial Liabilities	-	-	-	2215	2,215

Maturity Profile as at March 31, 2021					
	0-1 Years	1-3 Years	3-5 Years	Above 5 years	Total
Borrowings*	-	27,025	36,325	118,501	181,851
Total	13,171	27,025	36,325	120,716	197,237

*Includes ₹ 1,750 million as Prepaid Finance Charges

CAPITAL EXPENDITURES

For the financial year ended March 31, 2021, we incurred ₹ 12,382 million capital expenditure-related costs which represented additions to Property, Plant and Equipment. Substantially all of such costs were in the form of payments to RPPMSL pursuant to the Project Execution Agreement. Under the terms of the Project Execution Agreement, RPPMSL is responsible for the tower development process, ranging from site acquisition, procurement and warehousing, construction contracting, site construction and engagement of suppliers, as well as constructing and maintaining passive infrastructure. Under the Project Execution Agreement, the purchase price payable to RPPMSL for each type of tower is fixed.

CONTINGENT LIABILITIES AND COMMITMENTS

Contingent Liabilities

As of March 31, 2021, there were no contingent liabilities that had or were reasonably likely to have a current or future effect on our financial condition, revenue or expenses, results of operations, liquidity, capital expenditures, or capital resources that we believe are material to investors.

Commitment

Particulars	Year ended March 31, 2021 (₹ in Million)
Estimated amount of contracts remaining to be executed on Capital account not provided for	74,809
Other Commitments related to bank guarantee	36

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

OFF-BALANCE SHEET ITEMS

As of March 31, 2021, we had no off-balance sheet items.

SIGNIFICANT DEVELOPMENTS SINCE MARCH 31, 2021

The Limited Review Consolidated Financials and Limited Review Standalone Financials of the Trust are available. The same are included on page 191 of this Draft Letter of Offer.

We have added new customer on a few of our towers and collected in full their payments and also executed term sheet with the customer.

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

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

Months ended	₹ million
October 2021	8,693
November 2021	8,647

QUANTITATIVE AND QUALITATIVE DISCLOSURE ABOUT MARKET RISK

Credit Risk

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

We derive most of our revenue from a 30-year contract with RJIL. We have adopted a policy of implanting a prudent and conservative process for managing our credit risk arising in the course of our business activities. Credit risk is actively managed through advance payments.

Liquidity Risk

Liquidity risk arises from the our inability to meet its cash flow commitments on the due date. We access global and local financial markets to meet our liquidity requirements. We use a range of products and a mix of currencies to ensure efficient funding from across well-diversified markets and investor pools. Treasury monitors rolling forecasts of our cash flow position and ensures that we are able to meet our financial obligation at all times including contingencies.

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

Interest rate risk

As the infrastructure development and construction business is capital intensive, we are exposed to interest rate risk. Interest rates for borrowings have been volatile in India in recent periods. Our exposure to risk of changes in market interest rate relates to floating rate debt obligations and derivative products taken to mitigate interest rate risk. Therefore, any increases in interest expense could have an adverse effect on their results of operations and financial condition. Although from time to time we may engage in interest rate hedging transactions and enter into new financing arrangements, there can be no assurance that we will be able to do so on commercially reasonable terms, that our counterparties will perform their obligations, or that these agreements, if entered into, will protect us adequately against interest rate risks.

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. We use derivative financial instruments such as forward contracts to minimise any adverse effect on its financial performance. All such activities are undertaken within an approved risk management policy framework.

Inflation

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

Seasonality of Business

Our business and results of operations are not significantly impacted by the effects of seasonality.

RELATED PARTY TRANSACTIONS

In terms of Regulation 2(1)(zv) of the InvIT Regulations, related party shall be as defined as under the Companies Act, 2013 or under the applicable accounting standards and shall also include: (i) Parties to the Trust; and (ii) promoters, directors, and partners of the Parties to the Trust. Further, related parties also include such persons and entities as defined in terms of the applicable accounting standards, being IndAS 24 on “*Related Party Disclosures*” (the “**Related Parties**”). The Parties to the Trust, may, from time to time, enter into related party transactions, in accordance with applicable law.

Disclosure of Related Party Transactions

For details of the related party transactions, for the six months period ended September 30, 2021, the fiscals ended March 31, 2021 and March 31, 2020, and the period ended March 31, 2019 as reported in the financial statements of the Trust, see section entitled “*Financial Statements*” on page 191.

Except as otherwise stated herein below and for details in relation to the related party transactions in relation to the Trust, please refer to the section entitled “*Related Party Transactions*” on page 178 of the Placement Memorandum available at https://www.sebi.gov.in/filings/invit-private-issues/aug-2020/tower-infrastructure-trust_47577.html.

1. Share Purchase Agreement - II

The Trust (acting through its Trustee) entered into the share purchase agreement dated December 16, 2019 with the previous investment manager, RIL, Reliance Sponsor, the Tower Co. and the Brookfield Sponsor together with the extension agreements dated December 31, 2019, January 31, 2020 and August 26, 2020 and the amendment agreement dated August 26, 2020 for acquisition of the remaining 49% of the outstanding equity share capital in Tower Co. by the Trust.

On August 31, 2020, the Trust, acting through the Trustee, acquired the remaining 49% of the issued and paid-up equity share capital of Tower Co., pursuant to the Share Purchase Agreement - II.

2. Investment Management Agreement

Pursuant to the prior approval of Unitholders of the Trust at its extra-ordinary general meeting held on September 23, 2020 and approval of SEBI vide its letter dated October 9, 2020, obtained by the Trustee for change in the investment manager of the Trust in terms of the provisions of Regulation 9(15) and other applicable provisions of the InvIT Regulations, and pursuant to the investment management agreement dated September 25, 2020, executed between Brookfield India Infrastructure Manager Private Limited (*formerly* known as WIP (India) Private Limited) (“**BIIMPL**”) and the Trustee, BIIMPL was appointed as the new investment manager of the Trust with effect from October 13, 2020. For brief summary of the Investment Management Agreement, see section entitled “*Parties to the Trust*” on page 76.

3. Distribution to Brookfield Sponsor

For details of distribution by the Trust, see sections entitled “*Distribution*” and “*Financial Statements*” on pages 135 and 191, respectively. The distribution made by the Trust includes distributions to the Brookfield Sponsor.

Procedure for dealing with Related Party Transactions

For details in relation to the procedure for dealing with related party transactions in relation to the Trust, please refer to the section entitled “*Related Party Transactions*” on page 178 of the Placement Memorandum available at https://www.sebi.gov.in/filings/invit-private-issues/aug-2020/tower-infrastructure-trust_47577.html.

REGULATIONS AND POLICIES

Except as stated otherwise herein below, for an overview of the regulations and policies applicable to us, please see the section entitled “*Regulations and Policies*” on page 187 of the Placement Memorandum available at https://www.sebi.gov.in/filings/invit-private-issues/aug-2020/tower-infrastructure-trust_47577.html.

Foreign Investment Regulations

In terms of the Press Note 4 (2021 Series) dated October 6, 2021 issued by the Department for Promotion of Industry and Internal Trade, Ministry of Commerce & Industry and the Foreign Exchange Management (Non-debt Instruments) (Fourth Amendment) Rules, 2021, 100% foreign investment under automatic route is permitted in all telecom services including telecom Infrastructure Providers Category-I.

REGULATORY APPROVALS

Provided below are the material consents, permissions, registrations and approvals from the Government, various governmental agencies and other statutory or regulatory authorities required to be obtained by the Trust, the Tower Co. or the Target Asset for carrying out their present businesses. Further, provided below are the approvals in relation to the Issue and in relation to the Trust.

I. Approvals in relation to the Issue

1. In-principle approval from the BSE dated [●].

II. Approvals in relation to the Trust

1. Certificate of registration dated on March 19, 2019 bearing registration number IN/InvIT/18-19/0009 issued by SEBI to the Trust under Regulation 3 of the InvIT Regulations, for registration of the Trust as an infrastructure investment trust.
2. Letter dated December 17, 2019 from SEBI taking on record the request made by the Reliance Sponsor and Brookfield Sponsor for the addition of the Brookfield Sponsor as one of sponsors of the Trust.
3. Approval of SEBI vide its letter dated October 9, 2020, obtained by the Trustee for change in the investment manager of the Trust in terms of the provisions of Regulation 9(15) of the InvIT Regulations.
4. Certificate of registration dated on October 8, 2021 bearing registration number IN/InvIT/18-19/0009 issued by SEBI to the Trust under the InvIT Regulations, for change in name and principal place of business.

III. Material Business Approvals in relation to the Tower Co.

1. The Tower Co. is registered with the Government of India, Ministry of Communications, Department of Telecommunications as an Infrastructure Provider Category I (IP-I) to establish and maintain the assets such as dark fibres, right of way, duct space and tower for the purpose to grant to lease, rent or sale basis to the licensees to telecom services licensed under Section 4 of the Indian Telegraph Act, 1885 on mutually agreed terms and conditions.
2. Certain other key permissions and approvals required to be obtained by the Tower Co. for its present business are set out below:
 - i. Approvals from local authorities, as applicable, such as municipal authorities and gram panchayats for setting up of towers;
 - ii. Consents or intimations from pollution control boards, as applicable, for operation of DG sets; and
 - iii. Permissions from state electricity boards or power distribution companies, as applicable, for electrical connections.

The Tower Co. submits application(s) to the appropriate authorities for renewal of these approvals, as required. The Tower Co. also obtains, directly or through our contractors, all approvals, licenses, registrations and permissions required to operate our business.

Pursuant to the Scheme of Arrangement, the Tower Infrastructure Business was transferred and vested in Tower Co. as of, and with effect from the close of business of March 31, 2019. Accordingly, certain approvals and permissions in relation to the business of the Tower Co. are in the name of RJIL and are in the process of being transferred and vested in the name of the Tower Co. For further details, please see the section entitled, “Risk Factors” on page 64.

IV. Material Business Approval in relation to the Target Asset

The Target Asset is registered with the Government of India, Ministry of Communications, Department of Telecommunications as an Infrastructure Provider Category I (IP-I) under the Indian Telegraph Act, 1885.

Certain approvals such as (a) approval from local authorities for setting up towers; (b) consents or intimations from pollution control boards, as applicable, for operation of DG sets; and (c) permissions from state electricity boards or power distribution companies, as applicable, for electrical connections may have expired in their normal course, and the Target Asset has either made an application to the appropriate authorities for renewal of such approvals or is in the process of making such applications.

Certain approvals and permissions in relation to the business of the Target Asset are not in the name of the Target Asset and are in the process of changing name to the Target Asset.

LITIGATION

Except as stated in this section, there are no material litigation or actions by regulatory authorities, in each case against the Trust, the Reliance Sponsor, the Brookfield Sponsor, the Investment Manager, the Project Manager, or any of their Associates and the Trustee, that are currently pending.

For the purpose of this section, details of all regulatory actions that are currently pending against the Trust, the Reliance Sponsor, the Brookfield Sponsor, the Investment Manager, the Project Manager and their respective Associates, the Tower Co. and the Trustee have been disclosed. Further, any matter that is currently pending involving an amount equivalent to, or more than, the amount as disclosed below, in respect of the Trust, the Reliance Sponsor, the Brookfield Sponsor, the Investment Manager, the Project Manager each of their respective Associates, the Trustee, the Tower Co. and Target Asset has been disclosed.

In respect of the Reliance Sponsor, all outstanding cases which involve an amount equivalent to or exceeding ₹ 1,202.51 million (being 5% of the total income of the Reliance Sponsor for Fiscal 2021) have been considered material. All cases where the amount is not ascertainable, but considered material, have also been disclosed.

The disclosures with respect to material litigations relating to the Brookfield Sponsor and its Associates have been made on the basis of the public disclosures made by BAM and BIP, the entities under which all other entities, which control, directly or indirectly, the Brookfield Sponsor, get consolidated for financial and regulatory reporting purposes. BAM and BIP are currently listed on the New York Stock Exchange (“NYSE”) and the Toronto Stock Exchange (“TSE”). In accordance with applicable securities law and stock exchange rules, BAM and BIP are required to disclose material litigations through applicable securities filings. The threshold for identifying material litigations in such disclosures is based on periodically reviewed thresholds applied by the independent auditors of BAM and BIP in expressing their opinion on the financial statements and is generally linked to various financial metrics of BAM and BIP, including total equity. Further, all pending regulatory proceedings where all entities, which control, directly or indirectly, the Brookfield Sponsor, are named defendants have been considered for disclosures in this Draft Letter of Offer. Further, there is no outstanding litigation and regulatory action against any of the entities controlled, directly or indirectly, by the Brookfield Sponsor, as on the date of this Draft Letter of Offer.

In respect of the Investment Manager, all outstanding cases which involve an amount equivalent to or exceeding ₹ 1.8 million (being 5.0% of the total income (on consolidated basis) of the Investment Manager for Fiscal 2021) have been considered material. All cases where the amount is not ascertainable, but considered material, have also been disclosed.

In respect of the Associates of the Investment Manager, disclosures which form part of the Brookfield Group, have been made on the basis of public disclosures made by BAM, under which all entities, (i) which control, directly or indirectly, shareholders of the Investment Manager, and (ii) the shareholders of the Investment Manager (who form part of the Brookfield Group), get consolidated for financial and regulatory reporting purposes. BAM is currently listed on the NYSE and the TSE. All pending regulatory proceedings where all entities who are the shareholders of the Investment Manager, or which control, directly or indirectly, the shareholders of the Investment Manager, in case forming part of the Brookfield Group, are named defendants have been disclosed.

In respect of the Project Manager, all outstanding cases which involve an amount equivalent to or exceeding ₹ 20 million (being 5% of the total income of the Project Manager for Fiscal 2021) have been considered material. All cases where the amount is not ascertainable, but considered material, have also been disclosed.

In respect of the Associates of the Reliance Sponsor and Project Manager, all outstanding cases which involve an amount equivalent to or exceeding ₹ 25,133 crore (being 5% of the consolidated total income of Reliance Industries Limited for Fiscal 2021) have been considered material. All cases where the amount is not ascertainable, but considered material, have also been disclosed.

In relation to the Trustee, all outstanding civil litigation involving an amount equivalent to or exceeding ₹ 10.057 million (being 5.0% of the profit after tax for Fiscal 2021 based on the audited standalone financial statements of the Trustee for Fiscal 2021) have been considered material. All cases where the amount is not ascertainable, but considered material, have also been disclosed.

In relation to the Tower Co., the outstanding cases involving an amount equivalent to or exceeding ₹ 413 million (being 0.50% of the total income of the Tower Co. basis the audited total income of the Tower Co. for Fiscal 2021) have been disclosed. All outstanding cases where the amount is not ascertainable, but considered material, have also been disclosed. Further, except as stated in this section, there is no material litigation involving the Tower Co.

In relation to the Target Asset, the outstanding cases involving an amount equivalent to or exceeding ₹ 67.63 million (being 5.0% of the total revenue of the Target Asset basis the audited financial statements of the Target Asset for Fiscal 2021) have been disclosed. All outstanding cases where the amount is not ascertainable, but considered material, have also been

disclosed. Further, except as stated in this section, there is no material litigation involving the Target Asset.

(i) Litigation involving the Trust

There are no material litigations and regulatory actions pending against the Trust as on the date of this Draft Letter of Offer.

(ii) Litigation involving the Tower Co.

- (a). The CENVAT credit on the telecommunication tower was disputed by the service tax authorities. The Bombay High Court in a different matter had held that telecom tower is immovable in nature and accordingly CENVAT credit on tower is not permitted to be claimed. The decision of the Bombay High Court has been challenged in the Supreme Court. In view of the ongoing litigation and also due to the fact that under GST law also the telecom towers have been expressly been excluded from the definition of plant and machinery, the CENVAT credit claimed on telecom towers was reversed under protest and simultaneously a refund claim was filed by Reliance Jio Infocomm Limited (“RJIL”). The amount paid under protest has been transferred to SDIPL under the scheme of demerger. Vide order dated August 30, 2019, the Commissioner of Central Tax, Central Excise and Service Tax (Appeals), Raigad has rejected the refund claim and an appeal has been filed by RJIL in Mumbai CESTAT against the rejection. In view of the above, the amount of ₹ 2,944 million (includes ₹ 408 million credit reversed under protest for GST input tax credit claimed on goods and services used for erection, commissioning and installation of immovable property (i.e. towers and foundation)) is presently shown under non-current asset.

On October 8, 2021, SDIPL has reversed GST input tax credit on tower and foundation for fiscal 2019-20 in all the remaining states amounting to Rs. 5,640 million (Reversal of GST for Madhya Pradesh and Maharashtra was done prior to September 2021). This was done in compliance with the letter issued by DGGI-Maharashtra office (letter no. DGGI/MZU/I&IS ‘D’/12(1)27/2021/4908 dated September 16, 2021). On November 30, 2021, Tower Co. has reversed GST input tax credit on tower and foundation for fiscal 2021 in Madhya Pradesh amounting to Rs. 35 million. This was done in compliance with the letter issued by DGGI Bhopal – MP (letter no. 1489 dated November 25, 2021).

- (b). While these cases are not material, please note that various cases have been filed in different courts and forums against the Tower Co. (including the cases filed against RJIL, which are transferred to the Tower Co., pursuant to the Scheme of Arrangement), which *inter alia* pertain to issues of radiation emitted, causing health hazards to the people in the vicinity of the tower site, title or property issues with respect to premises where the towers have been erected, violations of local body town planning legislations and sanctions and approvals for constructing the tower not taken by the Tower Co.

(iii) Litigation involving the Target Asset

There are no material litigations and regulatory actions pending against the Target Asset as on the date of this Draft Letter of Offer.

(iv) Litigation involving the Reliance Sponsor

There are no material litigations and regulatory actions pending against the Reliance Sponsor as on the date of this Draft Letter of Offer.

(v) Litigation involving the Brookfield Sponsor

There are no material litigations and regulatory actions pending against the Brookfield Sponsor as on the date of this Draft Letter of Offer.

(vi) Litigation involving the Investment Manager

There are no material litigations and regulatory actions pending against the Investment Manager as on the date of this Draft Letter of Offer.

(vii) Litigation involving the Project Manager

There are no material litigations and regulatory actions pending against the Project Manager as on the date of this Draft Letter of Offer.

(viii) Litigation involving the Associates of the Reliance Sponsor, the Brookfield Sponsor, the Investment Manager

and the Project Manager

Other than as disclosed below, there are no material litigations and regulatory actions pending against the Associates of the Reliance Sponsor, the Brookfield Sponsor, the Investment Manager and the Project Manager as on the date of this Draft Letter of Offer.

Material litigation and regulatory actions pending against the associates of the Reliance Sponsor

Reliance Industries Limited (an Associate of the Reliance Sponsor)

- (a) The Government of India (GOI) sent a notice to the KG D6 Contractor (consisting of RIL, bp p.l.c. and Niko (NECO) Ltd) on November 3, 2016 asking the contractor to deposit approximately US\$ 1.55 billion on account of alleged gas migration from ONGC's blocks. RIL, as Operator, for and on behalf of all constituents of the contractor, initiated arbitration proceedings against the GOI. The Arbitral Tribunal vide its Final Award dated 24th July, 2018 upheld contractor's claims. GOI filed an Appeal on 15th November, 2018 before the Hon'ble Delhi High Court, under Section 34 of the Arbitration Act, against the Final Award of the Arbitral Tribunal and the Appeal is currently pending adjudication before the Hon'ble Delhi High Court. The matter listed on 21 Dec'21, before the Delhi High Court is adjourned to February 14, 2022.
- (b) An arbitration was initiated by BG Exploration and Production India Limited and RIL (together, the Claimants) against the Government of India (GOI) on 16th December, 2010 under the PSCs for Panna – Mukta and Tapti blocks due to difference in interpretation of certain PSC provisions between Claimants and GOI. The Arbitral Tribunal by majority issued a final partial award ("2016 FPA"), and separately, two dissenting opinions in the matter on 12th October, 2016. Claimants challenged certain parts of the 2016 FPA before the English Courts, which delivered its judgement on 16th April, 2018 and remitted one of the challenged issues back to the Arbitral Tribunal for reconsideration. The Arbitral Tribunal in its final partial award dated 1st October, 2018 ("2018 FPA") decided in favour of the Claimants in large part by holding that the Claimants were entitled to cost recovery of certain development costs as claimed by them. GOI and Claimants filed an appeal before the English Commercial Court against this 2018 FPA. The English Commercial Court rejected challenges to 2018 Final Partial Award and upheld Claimants' challenge that Arbitration Tribunal had jurisdiction over the limited issue which was in appeal and remitted the issue back to the Arbitration Tribunal. Tribunal gave favorable award on 29th January, 2021 ("EPOD Agreements Case Award"). Both the parties filed Clarification Applications before the Tribunal. On 9th April 2021, Tribunal issued its decision on the Clarification Applications of both the parties. It granted the minor correction requested by the Claimants and has rejected all of the GOI's clarification requests. GOI has challenged the EPOD Agreements Case Award before the English High Court. Claimants have filed an application before the Arbitral Tribunal seeking increase in the PSC Cost Recovery Limit (CRL) and the same is pending. The Cost Recovery Limit arbitration hearings are scheduled during various hearing tranches in 2021 to 2022. The Arbitration Tribunal is yet to schedule recomputation of accounts and the quantification phase of the arbitration, which will take place after determination of the Claimants' request for an increase in the cost recovery limit under the PSCs.

GOI has also filed an execution petition before the Hon'ble Delhi High Court under Sections 47 and 49 of the Arbitration and Conciliation Act, 1996 and Section 151 of the Civil Procedure Code, 1908 seeking enforcement and execution of the 2016 FPA. The Claimants contend that the GOI's Execution Petition is not maintainable. Claimants have also filed Application for Recall/ Modification, challenging the Orders of Delhi High Court wherein Directors were directed to file Affidavits of Assets. The matter is currently pending consideration by a court of competent jurisdiction.
- (c) The Central Government sent notices to the RIL, bp p.l.c. and Niko (NECO) Ltd (together the "KG D6 Contractor") under the relevant PSCs disallowing cost recovery for alleged under-utilization of capacity due to failure to comply with the approved development plan and demanded additional share of profit petroleum. RIL maintains that the KG D6 Contractor is entitled to recover all costs under the term of the PSC and there are no provisions under the PSC which entitles the Central Government to disallow cost recovery. The matter is currently under arbitration.
- (d) NTPC had filed a suit for specific performance of a contract for supply of natural gas by RIL before the Hon'ble Bombay High Court. The main issue in dispute is whether a valid, concluded and binding contract exists between the parties for supply of Natural Gas of 132 Trillion BTU annually for a period of 17 years. The matter is presently sub judice and RIL is of the view that NTPC's claim lacks merit and no binding contract for supply of gas was executed between NTPC and RIL.
- (e) On December 16, 2010, SEBI issued a show cause notice (SCN) inter alia to RIL in connection with the trades by RIL in the stock exchanges in 2007 in the shares of Reliance Petroleum Limited, then a subsidiary of RIL.

Hearings were held before the Whole Time Member (WTM) of SEBI in respect of the SCN. By an order dated March 24, 2017, the WTM passed the directions: (i) prohibiting inter alia RIL from dealing in equity derivatives in the 'Futures & Options' segment of stock exchanges, directly or indirectly, for a period of one year from the date of the order; and (ii) to RIL to disgorge an amount of Rs. 447.27 crore along with interest at the rate of 12% per annum from November 29, 2007 till the date of payment. In May 2017, RIL and the other notices filed an appeal before the Securities Appellate Tribunal (SAT) against this order. SAT, by a majority order (2:1), dismissed the appeal on November 5, 2020 and directed RIL to pay the disgorged amount within sixty days from the date of the order. The appeal of RIL and other noticees has been admitted by the Hon'ble Supreme Court.

- (f) In the very same matter at (e) above, on November 21, 2017, SEBI issued show cause notice, inter alia, to RIL, asking RIL to show cause as to why inquiry should not be held in terms of SEBI (Procedure for Holding Inquiry and Imposing Penalties by Adjudicating Officer) Rules, 1995 and penalty not be imposed under the provisions of the Securities and Exchange Board of India Act, 1992. The Adjudicating Officer of SEBI passed an order on January 1, 2021 imposing a penalty of Rs. 25 crore on RIL. RIL has paid the penalty under protest and has filed an appeal before the SAT against this order.
- (g) RIL had issued debentures with convertible warrants in the year 1994 and allotted equity shares against the warrants in the year 2000. In this matter, SEBI had filed a complaint on July 16, 2020, inter alia against RIL before the Special Court, Mumbai, for taking cognizance of alleged offences under Regulations 3, 5 and 6 of SEBI (Prohibition of Fraudulent and Unfair Trade Practices relating to Securities Market) Regulations, 1995 and section 77(2) and section 77A of Companies Act, 1956. The Special Court, Mumbai, vide order dated September 30, 2020, dismissed SEBI's complaint as barred by limitation. Against the said order of the Special Court, SEBI has filed a revision application before the Hon'ble High Court, Bombay and the same is pending.

(ix) Litigation involving the Trustee

There are no material litigations and regulatory actions pending against the Trustee as on the date of this Draft Letter of Offer.

(x) Other select litigation matters

Litigation matters involving Chetan Rameshchandra Desai, an independent director of the Investment Manager

- (i) Chetan Rameshchandra Desai, Narendra Aneja and Sridhar Rengan were directors of Penbrook Capital Advisors Private Limited, which is the investment manager ('IM') for Peninsula Brookfield Real Estate Fund ('AIF'). The IM, the trustee of the AIF, and their respective past and present directors were named as noticees in a show cause notice issued by SEBI on March 19, 2021 in respect of certain alleged contraventions by the AIF of the SEBI AIF Regulations. Pursuant to the above, the noticees had initiated settlement proceedings (without admission of any wrongdoing) and the settlement terms proposed were in-principle accepted by SEBI in November 2021. Payment of the settlement amount was completed within the stipulated timeframe. A copy of the SEBI order recording such settlement is currently awaited.
- (ii) Chetan Rameshchandra Desai was earlier (till March 2018) a partner of a chartered accountancy Firm (the "Firm") which was an auditor for a company in the medical diagnostic space (the "Client") up to financial year 2011 and Chetan Rameshchandra Desai was the signing partner of the Firm for this assignment. The Client's growth model was that of acquisition of running diagnostic labs in several cities. During this period, in FY 2008, the Client had purchased a diagnostic lab in Chennai from a third party (the "Seller") and as per their uniform business model, the payment of a part of the purchase consideration was contingent on the diagnostic lab making a certain level of profit in FY 2009. As the diagnostic lab failed to achieve the desired level of profit in the FY 2009, the balance amount was not payable and the same was written back with appropriate disclosures in the financial statements of the Client. The Seller filed a complaint in April 2013 with the Institute of Chartered Accountants of India alleging that requisite profit had been achieved by the diagnostic lab and the liability to pay the balance consideration was not disclosed in the audited accounts of the Client. Subsequently, disciplinary proceedings were initiated against Chetan Rameshchandra Desai by the ICAI. Based on the submissions of Chetan Rameshchandra Desai, the Director (Discipline) of the ICAI provided a detailed written opinion in October 2015 stating that the auditor had not defaulted, however, the Disciplinary Board of ICAI took a different view and the Disciplinary Committee of the ICAI ("DC") sought certain clarifications and documents from Chetan Rameshchandra Desai regarding the disclosure of the said transaction in the audited financial statements of the Client.

The actual profit made by the lab in FY 2009 has not been challenged by the shareholders, tax authorities or any other regulator. Allegedly the complaint was filed by the seller to get relief in another court matter initiated by the Client against him and he was also allegedly under a wrong belief that through auditors, he

shall be able to obtain some relief from the Client. During the hearings before the DC the Seller has also not substantiated how the actual profit of the lab was incorrect.

Hearings before the DC have been concluded in December 2018. In the DC hearing on May 27, 2017 in a document submitted by the Seller, he has allegedly admitted that the lab had indeed not achieved the required level of profit but that he believes that the Client should pay the balance consideration to him, just as the Client has earned good amount of money from the said lab.

Hence allegedly there was no substance in the complaint. This was reaffirmed in the last – concluding hearing of the DC held on December 19, 2018. For technical reasons, one more hearing of the DC was held on September 15, 2021, where the Seller did not remain present. The above stated fact was emphasised by Mr. Desai. The order of the DC is yet to be received.

Litigation matters involving Narendra Aneja, an independent director of the Investment Manager

- (i) For details of matter involving settlement proceedings with SEBI, see “- *Other select litigation matters - Litigation matters involving Chetan Rameshchandra Desai, an independent director of the Investment Manager*” above.

Litigation matters involving Sridhar Rengan, an independent director of the Investment Manager

- (i) For details of matter involving settlement proceedings with SEBI, see “- *Other select litigation matters - Litigation matters involving Chetan Rameshchandra Desai, an independent director of the Investment Manager*” above.

SECURITIES MARKET OF INDIA

The information in this section has been extracted from documents available on the website of SEBI and the Stock Exchange and has not been prepared or independently verified by the Parties to the Trust or the Lead Manager or any of their respective affiliates or advisors.

The Indian Securities Market

India has a long history of organized securities trading. In 1875, the first stock exchange was established in Mumbai. The BSE and the NSE, together, hold a dominant position among the stock exchanges in terms of the number of listed companies, market capitalisation and trading activity.

Stock Exchange Regulation

Indian stock exchanges are regulated primarily by SEBI, as well as by the Government acting through the Ministry of Finance, Capital Markets Division, under the SCRA and the SCRR. SEBI, in exercise of its powers under the SCRA and the SEBI Act, notified the Securities Contracts (Regulation) (Stock Exchanges and Clearing Corporations) Regulations, 2018 on October 3, 2018 (the “**SCR (SECC) Regulations**”), which regulate *inter alia* the recognition, ownership and governance of stock exchanges and clearing corporations in India together with providing for minimum net worth requirements for stock exchanges. The SCRA, the SCRR and the SCR (SECC) Regulations along with various rules, bye-laws and regulations of the respective stock exchanges, regulate the recognition of stock exchanges, the qualifications for membership thereof and the manner, in which contracts are entered into, settled and enforced between members of the stock exchanges.

The SEBI Act empowers SEBI to regulate the Indian securities markets, including stock exchanges and intermediaries in the capital markets, promote and monitor self-regulatory organisations and prohibit fraudulent and unfair trade practices. Regulations concerning minimum disclosure requirements by public companies, rules and regulations concerning investor protection, insider trading, substantial acquisitions of shares and takeover of companies, buy-backs of securities, employee stock option schemes, stockbrokers, merchant bankers, underwriters, mutual funds, foreign institutional investors, credit rating agencies and other capital market participants have been notified by the relevant regulatory authority.

Listing and Delisting of Units

The InvIT Regulations provide for listing and delisting of units of infrastructure investment trusts on the Stock Exchange.

BSE

Established in 1875, it is the oldest stock exchange in India. The BSE became the first stock exchange in India to obtain permanent recognition from the Government under the SCRA. It has evolved over the years into its present status as one of the premier stock exchanges of India.

NSE

NSE was established by financial institutions and banks to provide nationwide online, satellite-linked, screen-based trading facilities with market-makers and electronic clearing and settlement for securities including government securities, debentures, public sector bonds and units. It has evolved over the years into its present status as one of the premier stock exchanges of India. NSE was recognised as a stock exchange under the SCRA in April 1993 and commenced operations in the wholesale debt market segment in June 1994. The capital market (equities) segment commenced operations in November 1994 and operations in the derivatives segment commenced in June 2000.

Internet-based Securities Trading and Services

Internet trading takes place through order routing systems, which route client orders to exchange trading systems for execution. Stockbrokers interested in providing this service are required to apply for permission to the relevant stock exchange and also have to comply with certain minimum conditions stipulated by SEBI. The NSE became the first exchange to grant approval to its members for providing internet-based trading services. Internet trading is possible on both the “equities” as well as the “derivatives” segments of the NSE.

Trading Hours

Trading on both the NSE and the BSE occurs from Monday to Friday, between 9:15 a.m. and 3:30 p.m. 1ST (excluding the 15 minutes pre-open session from 9:00 a.m. to 9:15 a.m.). The BSE and the NSE are closed on public holidays. The recognised stock exchanges have been permitted to set their own trading hours (in the cash and derivatives segments) subject to the condition that (i) the trading hours are between 9.00 a.m. and 5.00 p.m.; and (ii) the stock exchange has in place a risk management system and infrastructure commensurate to the trading hours.

Trading Procedure

In order to facilitate smooth transactions, the BSE replaced its open outcry system with BSE On-line Trading facility in 1995. This totally automated screen based trading in securities was put into practice nationwide. This has enhanced transparency in dealings and has assisted considerably in smoothening settlement cycles and improving efficiency in back-office work.

NSE has introduced a fully automated trading system called National Exchange for Automated Trading (“**NEAT**”), which operates on strict time/price priority besides enabling efficient trade. NEAT has provided depth in the market by enabling large number of members all over India to trade simultaneously, narrowing the spreads.

Depositories

The Depositories Act provides a legal framework for the establishment of depositories to record ownership details and effect transfer in book-entry form. Further, SEBI framed regulations in relation to the registration of such depositories, the registration of participants as well as the rights and obligations of the depositories, participants, companies and beneficial owners. The depository system has significantly improved the operation of the Indian securities markets.

RIGHTS OF UNITHOLDERS

The rights and interests of Unitholders are included in this Draft Letter of Offer and the InvIT Regulations. Under the Indenture of Trust and the Investment Management Agreement, these rights and interests are safeguarded by the Trustee and the Investment Manager, respectively. Any rights and interests of Unitholders as specified in this Draft Letter of Offer would be deemed to be amended to the extent of any amendment to the InvIT Regulations.

Beneficial Interest

Each Unit represents an undivided beneficial interest in the Trust. A Unitholder has no equitable or proprietary interest in the Portfolio Assets of the Trust and is not entitled to any share in the transfer of the Portfolio Assets (or any part thereof) or any interest in the Portfolio Assets (or any part thereof) of the Trust. A Unitholder's right is limited to the right to require due administration of the Trust in accordance with the provisions of the Indenture of Trust and the Investment Management Agreement.

Ranking

No Unitholder of the Trust shall enjoy superior voting or any other rights over another Unitholder. Further, the Units shall not have multiple classes, except any subordinate Units that may be issued only to the Sponsors and their Associates, where such subordinate units carry only inferior voting or any other rights compared to other Units in the future in accordance with Regulation 4(2)(h) of the InvIT Regulations.

The Investment Manager on behalf of the Trust undertakes that at any given time, there shall be only one denomination for the Units of the Trust, to the extent required in terms of the InvIT Regulations.

Grievance Redressal Mechanism

The Trustee shall periodically review the status of Unitholders' complaints and their redressal undertaken by the Investment Manager. The Stakeholders' Relationship Committee of the Investment Manager shall monitor the status of complaints and their redressal. For details, please see the section entitled "*Corporate Governance*" on page 90.

Distribution

The Unitholders shall have the right to receive distribution in accordance with the InvIT Regulations and in the manner provided in this Draft Letter of Offer. For details, please see the section entitled "*Distribution*" on page 135.

Meeting of Unitholders

Meetings of Unitholders will be conducted in accordance with the InvIT Regulations.

Passing of resolutions

1. With respect to any matter requiring approval of the Unitholders:
 - (i) a resolution shall be considered as passed when the votes cast by Unitholders, so entitled and voting, in favour of the resolution exceed a certain percentage as specified in the InvIT Regulations, of votes cast against;
 - (ii) the voting may be done by postal ballot or electronic mode;
 - (iii) a notice of not less than 21 days shall be provided to the Unitholders;
 - (iv) voting by any Unitholder (including, the Sponsors in its capacity as Unitholders), who is a related party in such transaction, as well as associates of such Unitholder(s) shall not be considered on the specific issue;
 - (v) the Investment Manager shall be responsible for all the activities pertaining to conducting of meeting of the Unitholder, subject to overseeing by the Trustee.

However, for issues pertaining to the Investment Manager, including a change in Investment Manager, removal of Investment Manager or change in control of Investment Manager; the Trustee shall convene and handle all activities pertaining to conduct of the meetings. Additionally, for issues pertaining to the Trustee, including change in Trustee, the Trustee shall not be involved in any manner in the conduct of the meeting.

2. With respect to the Trust:
 - (i) an annual meeting of all Unitholders shall be held not less than once a year within 120 days from the end of each financial year and the time between two meetings shall not exceed 15 months;

- (ii) with respect to the annual meeting of Unitholders,
 - (a) any information that is required to be disclosed to the Unitholders and any issue that, in the ordinary course of business, may require approval of the Unitholders may be taken up in the meeting including:
 - latest annual accounts and performance of the Trust;
 - approval of auditor and fee of such auditor, as may be required;
 - latest valuation reports;
 - appointment of valuer, as may be required; and
 - any other issue;
 - (b) for any issue taken up in such meetings which require approval from the Unitholders other than as specified in Regulation 22(6) of the InvIT Regulations, votes cast in favour of the resolution shall be more than the votes cast against the resolution.
3. In case of the following, approval from the Unitholders shall be required where the votes cast in favour of the resolution shall be more than the votes cast against the resolution:
- (i) any approval from the Unitholders required in terms of Regulation 18 (*Investment conditions and dividend policy*), Regulation 19 (*Related party transactions*) and Regulation 21 (*Valuation of assets*) of the InvIT Regulations;
 - (ii) any transaction, other than any borrowing, the value of which is equal to or greater than 25% of the InvIT Assets of the Trust;
 - (iii) any borrowing in terms of the limit specified under clause (a) of Regulation 20(3) of the InvIT Regulations;
 - (iv) any issue of Units after initial public offer by the Trust, in whatever form, other than any issue of Units which may be considered by SEBI, under Regulation 22(5) of the InvIT Regulations;
 - (v) increasing period for compliance with investment conditions to one year in accordance with Regulation 18(5)(c) of the InvIT Regulations;
 - (vi) any issue, in the ordinary course of business, which in the opinion of the Sponsors or the Trustee or the Investment Manager, is material and requires approval of the Unitholders, if any;
 - (vii) de-classification of the status of the Sponsors;
 - (viii) any issue for which SEBI or the designated stock exchanges requires approval.
4. In case of the following, approval from the Unitholders shall be required where the votes cast in favour of the resolution shall not be less than one and a half times the votes cast against the resolution:
- (i) any change in the Investment Manager, including removal of the Investment Manager or change in control of the Investment Manager;
 - (ii) any material change in investment strategy or any change in the management fee of the Trust;
 - (iii) the Trustee and Investment Manager proposing to seek delisting of units of the Trust under Regulation 17(1)(e) of the InvIT Regulations;
 - (iv) any issue, not in the ordinary course of business, which in the opinion of the Sponsors or Investment Manager or Trustee requires approval of the Unitholders, provided that if such approval is not obtained, an exit option shall be provided to the Unitholders to the extend and in the manner specified by SEBI;
 - (v) any issue for which SEBI or the designated stock exchanges require approval;
 - (vi) any issue taken up on request of the Unitholders including:
 - (a) removal of the Investment Manager and appointment of another investment manager to the Trust;
 - (b) removal of the Auditor and appointment of another auditor to the Trust;

- (c) removal of the Valuer and appointment of another valuer to the Trust;
- (d) delisting of the Trust, if the Unitholders have sufficient reason to believe that such delisting would act in the interest of the Unitholders;
- (e) any issue which the Unitholders have sufficient reason to believe that is detrimental to the interest of the Unitholders;
- (f) change in the Trustee if the Unitholders have sufficient reason to believe that acts of such Trustee is detrimental to the interest of the Unitholders.

With respect to the rights of the Unitholders under clauses 4(vi) above:

- (i) not less than 25% of the Unitholders by value, other than any party related to the transactions and its associates, shall apply, in writing, to the Trustee for the purpose;
 - (ii) on receipt of such application, the Trustee shall require, with the Investment Manager to place the issue for voting in the manner as specified in the InvIT Regulations;
 - (iii) with respect to clause 4(vi)(f) above, not less than 60% of the Unitholders by value shall apply, in writing, to the Trustee for the purpose.
5. In case of any borrowing by the Trust in terms of the limit specified under Regulation 20(3)(b) of the InvIT Regulations, the approval from 75% of the Unitholders by value shall be obtained.
 6. For delisting of Units of the Trust in terms of Regulation 17(1)(ea), approval from not less than 90% of the Unitholders by value shall be required and exit shall be provided to the dissenting Unitholders. No person, other than the Sponsors, their related parties and their associates, shall acquire units of an infrastructure investment trust which taken together with the Units held by such person and by persons acting in concert with such person in such infrastructure investment trust, exceeds 25% of the value of the outstanding infrastructure investment trust Units unless approval from 75% of the Unitholders by value excluding the value of the Units held by parties to the transaction is obtained. In the event the Unitholders do not approve the acquisition, the person acquiring the Units shall provide an exit option to dissenting Unitholders to the extent and in the manner as may be specified by SEBI.
 7. In case of any change in sponsor or inducted sponsor or change in control of sponsor or inducted sponsor, prior approval of 75% of the Unitholders by value excluding the value of Units held by parties to the transaction is to be obtained. In the event the Unitholders do not provide their approval: (i) in case of change of sponsor or inducted sponsor, the proposed inducted sponsor shall provide an exit option to dissenting Unitholders to the extent and in the manner as may be specified by SEBI; and (ii) in case of change in control of sponsor or inducted sponsor, the said sponsor or inducted sponsor shall provide an exit option to dissenting Unitholders to the extent and in the manner as may be specified by SEBI.

Information rights

The Investment Manager, on behalf of the Trust, shall also submit such information to the Stock Exchange and Unitholders, on a periodical basis as may be required under the InvIT Regulations. The Investment Manager (on behalf of the Trust) shall disclose to the Stock Exchange, Unitholders and SEBI, all such information and in such manner as specified under the InvIT Regulations and such other requirements as may be specified by SEBI. The Investment Manager, on behalf of the Trust, shall also provide disclosures or reports specific to the sector or sub-sector in which the Trust has invested or proposes to invest, in the manner as may be specified by SEBI.

Buyback and Delisting of Units

Any buyback or delisting of Units, will be in accordance with the indenture of the Trust and the InvIT Regulations.

For additional details in relation to rights of Unitholders, please see the section entitled “*Parties to the Trust*” on page 76.

ISSUE INFORMATION

This section is for the information of the Bidders proposing to apply in this Issue. Investors should carefully read the provisions contained in the Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter and the Application Form, before submitting the Application Form. The Trustee, the Sponsors, the Investment Manager and the Lead Manager are not liable for any amendments or modifications or changes in applicable laws or regulations, which may occur after the date of this Draft Letter of Offer. Bidders are advised to make their independent investigation (for which the Investment Manager, the Sponsors, Data Infrastructure Trust and the Lead Manager take no responsibility or liability) and ensure that the Application Form is correctly filled up. Unless otherwise permitted under the InvIT Regulations read with SEBI Rights Issue Guidelines, Bidders proposing to apply in this Issue can apply only through ASBA.

OVERVIEW

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

Important:

1. Dispatch and availability of Issue materials:

The Investment Manager will dispatch the Abridged Letter of Offer, the Application Form, the Rights Entitlement Letter and other Issue material (i) only to e-mail addresses of resident Eligible Unitholders who have provided their e-mail addresses; (ii) only to the Indian addresses of the resident Eligible Unitholders, on a reasonable effort basis, whose e-mail addresses are not available with the Investment Manager or the Eligible Unitholders have not provided the valid e-mail address to the Investment Manager; (iii) only to the Indian addresses of the non-resident Eligible Unitholders, on a reasonable effort basis, who have provided an Indian address to the Investment Manager and located in jurisdictions where the offer and sale of the Units may be permitted under laws of such jurisdictions.

Further, the Letter of Offer will be sent/ dispatched (i) only to e-mail addresses of resident Eligible Unitholders who have provided their e-mail addresses; (ii) only to the Indian addresses of the resident Eligible Unitholders, on a reasonable effort basis, whose e-mail addresses are not available with the Investment Manager or the Eligible Unitholders have not provided the valid e-mail address to the Investment Manager; (iii) only to the Indian addresses of the non-resident Eligible Unitholders, on a reasonable effort basis, who have provided an Indian address to the Investment Manager and located in jurisdictions where the offer and sale of the Units may be permitted under laws of such jurisdictions, by the Lead Manager, in each case who make a request in this regard.

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

- (i) the Trust at www.towerinfratrust.com;
- (ii) the Registrar at www.kfintech.com;
- (iii) the Lead Manager, being Ambit Private Limited, at www.ambit.co;
- (iv) the Stock Exchange at www.bseindia.com.

Eligible Unitholders can obtain the details of their respective Rights Entitlements from the website of the Registrar (www.kfintech.com) by entering their DP ID, Client ID and PAN. The link for the same shall also be available on the website of Data Infrastructure Trust (www.towerinfratrust.com).

Further, the Investment Manager along with the Lead Manager will undertake all adequate steps to reach out to the Eligible Unitholders who have provided their Indian address through other means, as may be feasible. The Investment Manager, the Sponsors, the Lead Manager and the Registrar will not be liable for non-dispatch of physical copies of Issue materials, including the Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter and the Application Form, or delay in the receipt of the Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter or the Application Form attributable to non-availability of the e-mail addresses of Eligible Unitholders or electronic transmission delays or failures (including corruption of the

document being transmitted electronically), or if the Application Forms or the Rights Entitlement Letters are delayed or misplaced in transit.

2. Facilities for Application in this Issue:

In accordance with the InvIT Regulations read with the SEBI Rights Issue Guidelines, all Bidders desiring to make an Application in this Issue are mandatorily required to use the ASBA process. Investors should carefully read the provisions applicable to such Applications before making their Application through ASBA. For details, please see the section entitled “- Procedure for Application through the ASBA Process” on page 165.

- (a) **ASBA facility:** Bidders can submit either the Application Form in physical mode to the Designated Branches of the SCSBs or online/ electronic Application through the website of the SCSBs (if made available by such SCSB) authorizing the SCSB to block the Application Money in an ASBA Account maintained with the SCSB. Application through ASBA facility in electronic mode will only be available with such SCSBs who provide such facility.

Please note that subject to SCSBs complying with the requirements of SEBI Circular CIR/CFD/DIL/13/2012 dated September 25, 2012, within the periods stipulated therein, Applications may be submitted at the Designated Branches of the SCSBs.

Further, in terms of the SEBI Circular CIR/CFD/DIL/1/2013 dated January 2, 2013, it is clarified that for making Applications by SCSBs on their own account using ASBA facility, each such SCSB should have a separate account in its own name with any other SEBI registered SCSB(s). Such account shall be used solely for the purpose of making an Application in this Issue and clear demarcated funds should be available in such account for such an Application.

PLEASE NOTE THAT THE R-WAP FACILITY WILL NOT AVAILABLE FOR THIS ISSUE.

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

In accordance with the InvIT Regulations read with the SEBI Rights Issue Guidelines, the credit of Rights Entitlements and Allotment of Units shall be made in the dematerialized form only. Prior to the Issue Opening Date, the Investment Manager shall credit the Rights Entitlements to (i) the demat accounts of the Eligible Unitholders holding the Units in dematerialised form (other than fractional entitlement); and (ii) a demat suspense escrow account opened by the Investment Manager, for the Eligible Unitholders which would comprise Rights Entitlements relating to (a) the Units held in a demat suspense account pursuant to Regulation 39 of the SEBI LODR Regulations; or (b) the demat accounts of the Eligible Unitholder which are frozen or details of which are unavailable with the Investment Manager or with the Registrar on the Record Date; or (d) credit of the Rights Entitlements returned/reversed/failed; or (f) the ownership of the Units under dispute, including any court proceedings, as applicable.

4. Other important links and helpline:

The Investors can visit following links for the below-mentioned purposes:

- Frequently asked questions and online/ electronic dedicated investor helpdesk for guidance on the Application process and resolution of difficulties faced by Bidders: www.towerinfratrust.com
- Updation of Indian address/ email address/ mobile number in the records maintained by the Registrar or the Trust: www.towerinfratrust.com
- Submission of self-attested PAN, client master sheet and demat account details by non-resident Eligible Unitholders: www.towerinfratrust.com

Eligibility for the Issue

The Trust is registered as an irrevocable trust under the Indian Trusts Act, 1882 pursuant to the Indenture of Trust dated January 31, 2019 and as an infrastructure investment trust under the InvIT Regulations, on March 19, 2019, having registration number IN/InvIT/18-19/0009 at Mumbai. The existing Units of the Trust are listed on BSE. The Issue is being undertaken in accordance with the InvIT Regulations, the SEBI Rights Issue Guidelines and other applicable law.

Compliance with the SEBI Rights Issue Guidelines

The Issue is not being undertaken by way of a 'fast track issue' in accordance with Clause 11 of the SEBI circular entitled "*Guidelines for rights issue of units by a listed Infrastructure Investment Trust (InvIT)*" dated January 17, 2020 (Circular No. SEBI/HO/DDHS/DDHS/CIR/P/2020/10), as amended.

Renouncees

All rights and obligations of the Eligible Unitholders in relation to Applications and refunds pertaining to this Issue shall apply to the Renouncee(s) as well.

Basis for this Issue

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

Rights Entitlements

As your name appears as a unitholder in respect of the Units held in dematerialised form as on the Record Date, you may be entitled to subscribe to the number of Units as set out in the Rights Entitlement Letter.

Eligible Unitholders can also obtain the details of their respective Rights Entitlements from the website of the Registrar (www.kfintech.com) by entering their DP ID and Client ID. The link for the same shall also be available on the website of Data Infrastructure Trust (www.towerinfratrust.com).

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

Data Infrastructure Trust is undertaking this Issue on a rights basis to the Eligible Unitholders only and will send the Abridged Letter of Offer, the Rights Entitlement Letter and the Application Form only to e-mail addresses of Eligible Unitholders who have provided an Indian address to the Investment Manager. The Letter of Offer will be provided, only through email, by the Registrar on behalf of the Investment Manager or the Lead Manager to the Eligible Unitholders who have provided their Indian addresses to the Investment Manager. The Letter of Offer, the Abridged Letter of Offer and the Application Form may also be accessed on the websites of the Registrar, the Trust and the Lead Manager through a link contained in the aforementioned e-mail sent to e-mail addresses of Eligible Unitholders (provided that the Eligible Unitholder is eligible to subscribe for the Units under applicable securities laws) and on the Stock Exchange website. The distribution of this Draft Letter of Offer, the Letter of Offer, Abridged Letter of Offer, the Rights Entitlement Letter and the issue of Units on a rights basis to persons in certain jurisdictions outside India is restricted by legal requirements prevailing in those jurisdictions. No action has been, or will be, taken by Data Infrastructure Trust, the Sponsors, the Investment Manager or the Lead Manager to permit this Issue in any jurisdiction where action would be required for that purpose, except that the Letter of Offer will be filed with SEBI and the Stock Exchange. Accordingly, the Rights Entitlements and the Units may not be offered or sold, directly or indirectly, and this Draft Letter of Offer, the Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter, the Application Form or any Issue related materials or advertisements in connection with this Issue may not be distributed, in any jurisdiction, except in accordance with legal requirements applicable in such jurisdiction. Receipt of this Draft Letter of Offer, the Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter or the Application Form (including by way of electronic means) will not constitute an offer in those jurisdictions in which it would be illegal to make such an offer and, in those circumstances, this Draft Letter of Offer, the Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter or the Application Form must be treated as sent for information only and should not be acted upon for making an Application and should not be copied or re-distributed. Accordingly, persons receiving a copy of this Draft Letter of Offer, the Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter or the Application Form should not, in connection with the issue of the Units or the Rights Entitlements, distribute or send this Draft Letter of Offer, the Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter or the Application Form in or into any jurisdiction where to do so, would, or might, contravene local securities laws or regulations. If this Draft Letter of Offer, the Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter or the Application Form is received by any person in any such jurisdiction, or by their agent or nominee, they must not seek to make an Application or acquire the Rights Entitlements referred to in this Draft Letter of Offer, the Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter or the Application Form. Any person who acquires Rights Entitlements or makes an Application will be deemed to have declared, warranted and agreed, by accepting the delivery of this Draft Letter of Offer, the Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter and the Application Form, that it is entitled to subscribe for the Units under the laws of any jurisdiction which apply to such person.

NO OFFER IN THE UNITED STATES

THE UNITS AND RIGHTS ENTITLEMENTS HAVE NOT BEEN, AND WILL NOT BE, REGISTERED UNDER THE SECURITIES ACT OR ANY OTHER APPLICABLE STATE SECURITIES LAWS OF THE UNITED STATES AND, UNLESS SO REGISTERED, MAY NOT BE OFFERED OR SOLD WITHIN THE UNITED STATES EXCEPT PURSUANT TO AN EXEMPTION FROM, OR IN A TRANSACTION NOT SUBJECT TO, THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT AND APPLICABLE STATE SECURITIES LAWS. ACCORDINGLY, THE UNITS OR THE RIGHTS ENTITLEMENTS ARE BEING OFFERED AND SOLD ONLY OUTSIDE THE UNITED STATES IN OFFSHORE TRANSACTIONS IN RELIANCE ON REGULATION S, IN EACH CASE IN COMPLIANCE WITH THE APPLICABLE LAWS OF THE JURISDICTIONS WHERE THOSE OFFERS AND SALES ARE MADE.

THE OFFERING TO WHICH THIS DRAFT LETTER OF OFFER, THE LETTER OF OFFER RELATES IS NOT, AND UNDER NO CIRCUMSTANCES IS TO BE CONSTRUED AS, AN OFFERING OF ANY UNITS OR RIGHTS ENTITLEMENTS FOR SALE IN THE UNITED STATES OR AS A SOLICITATION THEREIN OF AN OFFER TO BUY ANY OF THE SAID SECURITIES.

Neither the Trust, nor any person acting on behalf of the Trust, will accept a subscription or renunciation or purchase of the Units and/ or Rights Entitlements from any person, or the agent of any person, who appears to be, or who the Trust, or any person acting on behalf of the Trust, has reason to believe is, in the United States when the buy order is made. No Application Form should be postmarked in the United States, electronically transmitted from the United States or otherwise dispatched from the United States or from any other jurisdiction where it would be illegal to make an offer of securities under this Draft Letter of Offer. The Trust is making this Issue on a rights basis to the Eligible Unitholders and will dispatch, only through email, the Abridged Letter of Offer, the Application Form and other applicable Issue materials primarily to the e-mail addresses of the Eligible Unitholders who have provided an Indian address to the Trust.

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

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

PRINCIPAL TERMS OF THIS ISSUE

Issue Price

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

Rights Entitlements Ratio

The Units are being offered on a rights basis to the Eligible Unitholders in the ratio of [●] Lots for every [●] Lots (each Lot comprising [●] Units) held by the Eligible Unitholders as on the Record Date.

Renunciation of Rights Entitlements

This Issue includes a right exercisable by Eligible Unitholders to renounce the Rights Entitlements credited to their respective demat account either in full or in part.

The renunciation from non-resident Eligible Unitholder(s) to resident Indian(s) and *vice versa* shall be subject to provisions of FEMA Rules and other circular, directions, or guidelines issued by RBI or the Ministry of Finance from time to time. However, the facility of renunciation shall not be available to or operate in favour of an Eligible Unitholders being an erstwhile OCB unless the same is in compliance with the FEMA Rules and other circular,

directions, or guidelines issued by RBI or the Ministry of Finance from time to time.

The renunciation of Rights Entitlements credited in your demat account can be made either by sale of such Rights Entitlements using the secondary market platform of the Stock Exchange or through an off-market transfer. For details, please see the section entitled “- *Procedure for Renunciation of Rights Entitlements*” on page 168.

In this regard, the Investment Manager will make necessary arrangements with NSDL and CDSL for the crediting of the Rights Entitlements to the demat accounts of the Eligible Unitholders in a dematerialized form. A separate ISIN for the Rights Entitlements will also be generated which is [●]. The said ISIN shall remain frozen (for debit) until the Issue Opening Date. The said ISIN shall be suspended for transfer by the Depositories post the Issue Closing Date.

Eligible Unitholders are requested to provide relevant details (such as copies of self-attested PAN and details confirming the legal and beneficial ownership of their respective Units) to the Investment Manager or the Registrar not later than two Working Days prior to the Issue Closing Date, being by [●], to enable the credit of their Rights Entitlements by way of transfer from the demat suspense escrow account to their demat account at least one day before the Issue Closing Date, to enable such Eligible Unitholders to make an application in this Issue, and this communication shall serve as an intimation to such Eligible Unitholders in this regard. Such Eligible Unitholders are also requested to ensure that their demat account, details of which have been provided to Investment Manager or the Registrar account is active to facilitate such transfer.

Additionally, Investment Manager will submit the details of the total Rights Entitlements credited to the demat accounts of the Eligible Unitholders and the demat suspense escrow account to the Stock Exchange after completing the corporate action. The details of the Rights Entitlements with respect to each Eligible Unitholders can be accessed by such respective Eligible Unitholders on the website of the Registrar after keying in their respective details along with other security control measures implemented thereat.

Trading of the Rights Entitlements

The Rights Entitlements credited shall be admitted for trading on the Stock Exchange under ISIN [●]. Prior to the Issue Opening Date, Investment Manager will obtain the approval from the Stock Exchange for trading of Rights Entitlements. Bidders shall be able to trade their Rights Entitlements either through On Market Renunciation or through Off Market Renunciation. The trades through On Market Renunciation and Off Market Renunciation will be settled by transferring the Rights Entitlements through the depository mechanism.

The On Market Renunciation shall take place electronically on the secondary market platform of the Stock Exchange on T+2 rolling settlement basis, where T refers to the date of trading. The transactions will be settled on trade-for-trade basis. The Rights Entitlements shall be tradable in dematerialized form only. The market lot for trading of Rights Entitlements is [●] Units.

The On Market Renunciation shall take place only during the Renunciation Period for On Market Renunciation, being, from [●] to [●] (both days inclusive). No assurance can be given regarding the active or sustained On Market Renunciation or the price at which the Rights Entitlements will trade. Eligible Unitholders are requested to ensure that renunciation through off - market transfer is completed in such a manner that the Rights Entitlements are credited to the demat account of the Renouncees on or prior to the Issue Closing Date. For details, please see the sections entitled “- *Procedure for Renunciation of Rights Entitlements – On Market Renunciation*” and “- *Procedure for Renunciation of Rights Entitlements – Off Market Renunciation*” on page 168. Once the Rights Entitlements are credited to the demat account of the Renouncees, application in the Issue could be made until the Issue Closing Date. For details, please see the section entitled “- *Procedure for Application*” on page 164.

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

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

Terms of Payment

Full amount of ₹ [●] per Unit shall be payable on Application.

Fractional Entitlements

As the lot size comprises of [●] Units in accordance with InvIT Regulations for Data Infrastructure Trust, the Rights

Entitlements will be credited to the unitholders in multiples of [●] Units and the participation by unitholders in the Rights Issue will also be in multiples of [●] Units. Entitlements that are not in the multiple of [●] Units will be treated as fractional entitlements. Such fractional entitlements will not be credited to the Unitholders' accounts and the option of trading of fractional entitlements will also not be allowed by the Stock Exchange. Accordingly, off-line transfers will not be permitted.

Illustration in relation to Fractional Entitlements

For ease of reference and understanding, we have assumed that the ratio of [●] Lots for every [●] Lots held by the Eligible Unitholders will be offered on a rights basis. The detailed description of the fractional entitlement and the basis of allotment are provided below:

The Units are being offered on a rights basis to existing Eligible Unitholders in the ratio of [●] Lots for every [●] Lots held as on the Record Date. Fractional entitlements of the Rights Entitlement will be credited to a suspense account. Accordingly, if the Unitholding of any of the Eligible Unitholders is less than [●] Units or is not in the multiple of [●] Units, the fractional entitlements of such Eligible Unitholders shall be ignored. However, the Eligible Unitholders whose fractional entitlements are being ignored, will be given preferential consideration for the Allotment of one additional lot if they apply for additional Units in the Issue over and above their Rights Entitlements, if any, subject to availability of lots in this Issue post allocation towards Rights Entitlements applied for.

For example, if an Eligible Unitholder holds [●] Lots, such Unitholder will be entitled to one Lot and will also be given a preferential consideration for the Allotment of one additional Lot if such Eligible Unitholder has applied for additional Lots in the Issue, over and above his/her Rights Entitlements, subject to availability of Lots in this Issue post allocation towards Rights Entitlements applied for.

Further, the Eligible Unitholders holding less than [●] Lots shall have 'zero' entitlement for the lots. Such Eligible Unitholders are entitled to apply for additional Lots in the Issue and will be given preference in the Allotment of [●] Lots, if such Eligible Unitholders apply for additional Lots in the Issue, subject to availability of Lots in this Issue post allocation. Allotment to those Eligible Unitholders holding fractional entitlement will be given preference basis their fractional holding, provided there is an undersubscribed portion. For example, fractional entitlement unitholder holding [●] Lots will get preference for allotment of one Lot over those holding [●], [●] or [●] Lot(s).

For off-market transfers, investors are advised to transfer units in multiple of [●] Units only.

Ranking

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

Listing and trading of the Units to be issued pursuant to this Issue

Subject to receipt of the listing and trading approvals, the Units proposed to be issued on a rights basis shall be listed and admitted for trading on the Stock Exchange. Unless otherwise permitted by the InvIT Regulations, the Units Allotted pursuant to this Issue will be listed as soon as practicable and all steps for completion of necessary formalities for listing and commencement of trading in the Units will be taken within such period prescribed under the InvIT Regulations. The Investment Manager has received in-principle approval from the BSE through letter bearing reference number [●] dated [●]. The Investment Manager will apply to the Stock Exchange for final approvals for the listing and trading of the Units subsequent to their Allotment. No assurance can be given regarding the active or sustained trading in the Units or the price at which the Units offered under this Issue will trade after the listing thereof.

The existing Units are listed and traded on BSE (Scrip Code: 543225) under the ISIN INE0BWS23018. The Units issued under this Issue shall be credited to a temporary ISIN which will be frozen until the receipt of the final listing and trading approvals from the Stock Exchange. Upon receipt of such listing and trading approvals from the Stock Exchange, the Units shall be debited from the temporary ISIN and credited to the existing ISIN for the Units issued pursuant to this Issue and shall be available for trading. Accordingly, the temporary ISIN shall be permanently deactivated in the depository system of CDSL and NSDL.

The listing and trading of the Units issued pursuant to this Issue shall be based on the current regulatory framework then applicable. Accordingly, any change in the regulatory regime would affect the listing and trading schedule.

In case the Investment Manager fails to obtain listing or trading permission from the Stock Exchange, we shall refund through verifiable means/unblock the respective ASBA Accounts, the entire monies received/blocked within seven days of receipt of intimation from the Stock Exchange, rejecting the application for listing of the Units.

Disclaimer Clause of the BSE

As required, a copy of this Draft Letter of Offer has been submitted to the BSE. The disclaimer clause as will be intimated by BSE to us, post scrutiny of the Draft Letter of Offer, shall be included in the Letter of Offer prior to filing with the Stock Exchange.

Subscription to this Issue by the Sponsors and their Associates

For details of the intent and extent of subscription by the Sponsors and their Associates, please see the section entitled “*The Issue – Intention and extent of participation by the Sponsors*” on page 16.

GENERAL TERMS OF THE ISSUE

Market Lot

The Units of Data Infrastructure Trust shall be tradable only in dematerialized form. Subject to the InvIT Regulations, the allotment and trading lot for Units in dematerialised mode is such number of Units, the value of which is, or exceeds, ₹ 20 million.

Arrangements for Disposal of Odd Lots

The Units issued pursuant to this Issue shall be traded in dematerialised form only and shall be issued in the applicable trading lot. Accordingly, no arrangement for disposal of odd lots are required for the Units issued pursuant to this Issue.

Notices

The Investment Manager, will send, only through e-mail, the Abridged Letter of Offer, the Rights Entitlement Letter, Application Form and other issue material to the email addresses of all the Eligible Unitholders who have provided their Indian addresses to the Investment Manager or who are foreign corporate or institutional Unitholders located in jurisdictions where the offer and sale of the Units may be permitted under laws of such jurisdictions. The Letter of Offer will be provided, only through e-mail, by the Registrar on behalf of the Investment Manager or the Lead Manager to the Eligible Unitholders who have provided their Indian addresses to the Investment Manager or who are foreign corporate or institutional Unitholders located in jurisdictions where the offer and sale of the Units may be permitted under laws of such jurisdictions and in each case who make a request in this regard.

All notices to the Eligible Unitholders required to be given by the Investment Manager shall be published in one English language national daily newspaper with wide circulation and one Hindi language national daily newspaper with wide circulation.

This Draft Letter of Offer shall be filed with the Stock Exchange, where the Units of Data Infrastructure Trust are listed, and shall be made available to the public through the website of the Stock Exchange, Data Infrastructure Trust and the Lead Manager for the purposes of seeking public comments for a period of seven working days from the date of filing the Draft Letter of Offer. The Investment Manager shall, after filing this Draft Letter of Offer make appropriate advertisements on the website of the Stock Exchange and in relevant newspapers, if required under the InvIT Regulations.

The Letter of Offer, the Abridged Letter of Offer and the Application Form shall also be submitted with the Stock Exchange for making the same available on their websites.

Offer to Non-Resident Eligible Unitholders/Investors

The Abridged Letter of Offer, the Rights Entitlement Letter and Application Form shall be sent to the email address of non - resident Eligible Unitholders who have provided an Indian address to Investment Manager or who are foreign corporate or institutional Unitholders located in jurisdictions where the offer and sale of the Units may be permitted under laws of such jurisdictions. Investors can access the Letter of Offer, the Abridged Letter of Offer and the Application Form (provided that the Eligible Unitholder is eligible to subscribe for the Units under applicable securities laws) from the websites of the Registrar, Data Infrastructure Trust, the Lead Manager and the Stock Exchange. The Investment Manager may, at its absolute discretion, agree to such terms and conditions as may be stipulated by RBI

while approving the Allotment. The Units purchased by non-residents shall be subject to the same conditions including restrictions in regard to the repatriation as are applicable to the original Units against which Units are issued on rights basis.

In case of change of status of holders, from resident to non-resident, a new demat account must be opened. Any Application from a demat account which does not reflect the accurate status of the Applicant is liable to be rejected at the sole discretion of Investment Manager and the Lead Manager.

The non-resident Eligible Unitholders can update their Indian address in the records maintained by the Registrar and the Investment Manager by submitting their respective copies of self-attested proof of address, passport, etc. at dit.invitrights@kfintech.com.

PROCEDURE FOR APPLICATION

How to Apply

In accordance with the InvIT Regulations and the SEBI Rights Issue Guidelines, all Bidders desiring to make an Application in this Issue are mandatorily required to use the ASBA process. Bidders should carefully read the provisions applicable to such Applications before making their Application through ASBA.

The Lead Manager, the Investment Manager, the Trustee, the Sponsors, their directors, employees, affiliates, associates and their respective directors and officers and the Registrar shall not take any responsibility for acts, mistakes, errors, omissions and commissions in relation to Applications accepted by SCSBs, Applications uploaded by SCSBs, Applications accepted but not uploaded by SCSBs or Applications accepted and uploaded without blocking funds in the ASBA Accounts.

Application Form

The Application Form for the Units offered as part of this Issue would be sent to email address of the Eligible Unitholders who have provided an Indian address to the Investment Manager or who are foreign corporate or institutional Unitholders located in jurisdictions where the offer and sale of the Units may be permitted under laws of such jurisdictions. The Application Form along with the Abridged Letter of Offer and the Rights Entitlement Letter shall be sent through email at least three days before the Issue Opening Date. In case of non-resident Eligible Unitholders, the Application Form along with the Abridged Letter of Offer and the Rights Entitlement Letter shall be sent through e-mail to e-mail address if they have provided an Indian address to the Investment Manager or who are foreign corporate or institutional Unitholders located in jurisdictions where the offer and sale of the Units may be permitted under laws of such jurisdictions.

Please note that none of the Sponsors, the Investment Manager, the Trustee, the Lead Manager or the Registrar shall be responsible for delay in the receipt of the Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter or the Application Form attributable to non-availability of the email addresses of Eligible Unitholders or electronic transmission delays or failures, or if the Application Forms or the Rights Entitlement Letters are delayed or misplaced in the transit.

To update the respective email addresses or mobile numbers in the records maintained by the Registrar or Investment Manager, Eligible Unitholders should visit www.kfintech.com or www.towerinfratrust.com. Bidders can access the Letter of Offer, the Abridged Letter of Offer and the Application Form (provided that the Eligible Unitholder is eligible to subscribe for the Units under applicable securities laws) from the websites of:

- (i) the Trust at www.towerinfratrust.com;
- (ii) the Registrar at www.kfintech.com;
- (iii) the Lead Manager, being Ambit Private Limited, at www.ambit.co;
- (iv) the Stock Exchange at www.bseindia.com.

The Eligible Unitholders can obtain the details of their respective Rights Entitlements from the website of the Registrar (www.kfintech.com) by entering their DP ID, Client ID and PAN. The link for the same shall also be available on the website of Data Infrastructure Trust (www.towerinfratrust.com).

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

Applications for all Rights Entitlements available in a particular demat account and applying in this Issue. In case of multiple demat accounts, the Bidders are required to submit a separate Application Form for each demat account.

Investors may accept this Issue and apply for the Units by submitting the Application Form to the Designated Branches of the SCSB or online/electronic Application through the website of the SCSBs (if made available by such SCSB) for authorising such SCSB to block Application Money payable on the Application in their respective ASBA Accounts. Please note that Applications made with payment using third party bank accounts are liable to be rejected.

Investors are also advised to ensure that the Application Form is correctly filled up stating therein, the ASBA Account (in case of Application through ASBA process) in which an amount equivalent to the amount payable on Application as stated in the Application Form will be blocked by the SCSB.

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

Applicants should note that they should very carefully fill-in their depository account details and PAN number in the Application Form or while submitting application through online/electronic Application through the website of the SCSBs (if made available by such SCSB). Incorrect depository account details or PAN number could lead to rejection of the Application. For details, please see the section entitled “- Grounds for Technical Rejection” on page 172. The Sponsors, the Investment Manager, the Trustee, the Lead Manager, the Registrar and the SCSBs shall not be liable for any incorrect demat details provided by the Applicants.

Options available to the Eligible Unitholders

The Rights Entitlement Letter will clearly indicate the number of Units that the Eligible Unitholder is entitled to. If the Eligible Unitholder applies in this Issue, then such Eligible Unitholder can:

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

Procedure for Application through the ASBA process

An Investor, wishing to participate in this Issue through the ASBA facility, is required to have an ASBA enabled bank account with an SCSB, prior to making the Application. Investors desiring to make an Application in this Issue through ASBA process, may submit the Application Form to the Designated Branches of the SCSB or online/electronic Application through the website of the SCSBs (if made available by such SCSB) for authorising such SCSB to block Application Money payable on the Application in their respective ASBA Accounts.

Investors should ensure that they have correctly submitted the Application Form, or have otherwise provided an authorisation to the SCSB, *via* the electronic mode, for blocking funds in the ASBA Account equivalent to the Application Money mentioned in the Application Form, as the case may be, at the time of submission of the Application.

Self-Certified Syndicate Banks

For the list of banks which have been notified by SEBI to act as SCSBs for the ASBA process, please refer to <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=34>. For details on Designated Branches of SCSBs collecting the Application Form, please refer the above-mentioned link.

Please note that subject to SCSBs complying with the requirements of SEBI Circular No. CIR/CFD/DIL/13/2012 dated September 25, 2012 within the periods stipulated therein, ASBA Applications may be submitted at the Designated Branches of the SCSBs, in case of Applications made through ASBA facility.

The Trust, the Investment Manager, the Sponsors, the Trustee, their directors, employees, affiliates, associates and their respective directors and officers, Lead Manager and the Registrar shall not take any responsibility for acts, mistakes, errors, omissions and commissions in relation to Applications accepted by SCSBs, Applications uploaded

by SCSBs, Applications accepted but not uploaded by SCSBs or Applications accepted and uploaded without blocking funds in the ASBA Accounts.

Acceptance of this Issue

Investors may accept this Issue and apply for the Units by submitting the Application Form to the Designated Branches of the SCSB or online/electronic Application through the website of the SCSBs (if made available by such SCSB) for authorising such SCSB to block Application Money payable on the Application in their respective ASBA Accounts.

Please note that on the Issue Closing Date, the Applications through ASBA process will be uploaded until 5.00 p.m. (Indian Standard Time) or such extended time as permitted by the Stock Exchange.

Applications submitted to anyone other than the Designated Branches of the SCSB are liable to be rejected.

Additional Units

Investors are eligible to apply for additional Units in the Issue, over and above their Rights Entitlements, provided that they are eligible to apply for Units under applicable law and they have applied for all the Units forming part of their Rights Entitlements without renouncing them in whole or in part. Where the number of additional Units applied for exceeds the number available for Allotment, the Allotment would be made as per the Basis of Allotment finalised in consultation with the Designated Stock Exchange. Applications for additional Units in the Issue, shall be considered and Allotment shall be made in accordance with the InvIT Regulations and in the manner prescribed under the section “- *Basis of Allotment*” on page 175.

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

Application on Plain Paper under ASBA process

An Eligible Unitholder who is eligible to apply under the ASBA process may make an Application to subscribe to this Issue on plain paper in case of non-receipt of Application Form. In such cases of non-receipt of the Application Form through e- mail or physical delivery (where applicable) and the Eligible Unitholder not being in a position to obtain it from any other source may make an Application to subscribe to this Issue on plain paper with the same details as per the Application Form that is available on the website of the Registrar, Stock Exchange or the Lead Manager. An Eligible Unitholder shall submit the plain paper Application to the Designated Branches of the SCSB for authorising such SCSB to block Application Money in the said bank account maintained with the same SCSB. Applications on plain paper will not be accepted from any address outside India.

Please note that the Eligible Unitholders who are making the Application on plain paper shall not be entitled to renounce their Rights Entitlements and should not utilize the Application Form for any purpose including renunciation even if it is received subsequently.

The application on plain paper, duly signed by the Eligible Unitholder including joint holders, in the same order and as per specimen recorded with his bank, must reach the office of the Designated Branches of the SCSB before the Issue Closing Date and should contain the following particulars:

1. Name of the Trust, being Data Infrastructure Trust;
2. Name and address of the Eligible Unitholder including joint holders (in the same order and as per specimen recorded with the Investment Manager or the Depository);
3. Registered Folio Number/DP and Client ID No.;
4. Number of Units held as on Record Date;
5. Allotment option – only dematerialised form;
6. Number of Lots entitled to;
7. Number of Lots applied for within the Rights Entitlements;
8. Number of additional Units applied for, if any;
9. Total number of Units applied for;

10. Total amount paid at the rate of ₹ [●] per Unit;
11. Details of the ASBA Account such as the account number, name, address and branch of the relevant SCSB;
12. In case of NR Eligible Unitholders making an application with an Indian address, details of the NRE/FCNR/NRO Account such as the account number, name, address and branch of the SCSB with which the account is maintained;
13. Except for Applications on behalf of the Central or State Government, the residents of Sikkim and the officials appointed by the courts, PAN of the Eligible Unitholders and for each Eligible Unitholder in case of joint names, irrespective of the total value of the Units applied for pursuant to this Issue;
14. Authorisation to the Designated Branches of the SCSB to block an amount equivalent to the Application Money in the ASBA Account;
15. Signature of the Eligible Unitholder (in case of joint holders, to appear in the same sequence and order as they appear in the records of the SCSB);
16. In addition, all such Eligible Unitholders are deemed to have accepted the following:

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

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

I/We hereby make the representations, warranties, acknowledgments and agreements set forth in the section of the Letter of Offer titled "Selling and Transfer Restrictions" on page 179.

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

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

In cases where multiple Application Forms are submitted for Applications pertaining to Rights Entitlements credited to the same demat account or in demat suspense escrow account, including cases where an Investor submits Application Forms along with a plain paper Application, such Applications shall be liable to be rejected.

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

the Investor. The plain paper Application format will be available on the website of the Registrar at <https://rights.kfintech.com>.

The Investment Manager, the Sponsors, the Lead Manager and the Registrar shall not be responsible if the Applications are not uploaded by SCSB or funds are not blocked in the Investors' ASBA Accounts on or before the Issue Closing Date.

Procedure for Renunciation of Rights Entitlements

The Investors may renounce the Rights Entitlements, credited to their respective demat accounts, either in full or in part (a) by using the secondary market platform of the Stock Exchange; or (b) through an off-market transfer, during the Renunciation Period. The Investors should have the demat Rights Entitlements credited/lying in their own demat account prior to the renunciation.

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

(a) On Market Renunciation

The Investors may renounce the Rights Entitlements, credited to their respective demat accounts by trading/selling them on the secondary market platform of the Stock Exchange through a registered stock broker in the same manner as the existing Units of Data Infrastructure Trust.

In this regard, the Rights Entitlements credited to the respective demat accounts of the Eligible Unitholders shall be admitted for trading on the Stock Exchange under ISIN [●] subject to requisite approvals. The details for trading in Rights Entitlements will be as specified by the Stock Exchange from time to time.

The Rights Entitlements are tradable in dematerialized form only. The market lot for trading of Rights Entitlements is [●] Units.

The On Market Renunciation shall take place only during the Renunciation Period for On Market Renunciation, i.e., from [●] to [●] (both days inclusive).

The Investors holding the Rights Entitlements who desire to sell their Rights Entitlements will have to do so through their registered stock brokers by quoting the ISIN [●] and indicating the details of the Rights Entitlements they intend to sell. The Investors can place order for sale of Rights Entitlements only to the extent of Rights Entitlements available in their demat account.

The On Market Renunciation shall take place electronically on secondary market platform of BSE under automatic order matching mechanism and on 'T+2 rolling settlement basis', where 'T' refers to the date of trading. The transactions will be settled on trade-for-trade basis. Upon execution of the order, the stock broker will issue a contract note in accordance with the requirements of the Stock Exchange and SEBI.

(b) Off Market Renunciation

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

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

The Investors holding the Rights Entitlements who desire to transfer their Rights Entitlements will have to do so through their depository participant by issuing a delivery instruction slip quoting the ISIN [●], the details of the buyer and the details of the Rights Entitlements they intend to transfer. The buyer of the Rights Entitlements (unless already having given a standing receipt instruction) has to issue a receipt instruction slip to their depository participant. The Investors can transfer Rights Entitlements only to the extent of Rights Entitlements available in their demat account.

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

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

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

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

Data Infrastructure Trust, the Sponsors, the Lead Manager, the Trustee and the Registrar shall not be responsible if the Applications are not uploaded by SCSB or funds are not blocked in the Investors' ASBA Accounts on or before the Issue Closing Date.

Allotment of the Units in Dematerialized Form

PLEASE NOTE THAT THE UNITS APPLIED FOR IN THIS ISSUE CAN BE ALLOTTED ONLY IN DEMATERIALIZED FORM AND TO THE SAME DEPOSITORY ACCOUNT IN WHICH OUR UNITS ARE HELD BY SUCH INVESTOR ON THE RECORD DATE. FOR DETAILS, PLEASE SEE THE SECTION ENTITLED “ALLOTMENT ADVICE OR REFUND/ UNBLOCKING OF ASBA ACCOUNTS” ON PAGE 176.

General instructions for Investors

- (a) Please read the Letter of Offer carefully to understand the Application process and applicable settlement process.
- (b) Please read the instructions on the Application Form sent to you.
- (c) The Application Form can be used by both the Eligible Unitholders and the Renouncees.
- (d) Application should be made only through the ASBA facility.
- (e) Application should be complete in all respects. The Application Form found incomplete with regard to any of the particulars required to be given therein, and/or which are not completed in conformity with the terms of the Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter and the Application Form are liable to be rejected. The Application Form must be filled in English.
- (f) In accordance with the InvIT Regulations, SEBI Rights Issue Guidelines, all Investors desiring to make an Application in this Issue are mandatorily required to use the ASBA process. Investors should carefully read the provisions applicable to such Applications before making their Application through ASBA.
- (g) An Investor, wishing to participate in this Issue through the ASBA facility, is required to have an ASBA enabled bank account with an SCSB, prior to making the Application.
- (h) Applications should be submitted to the Designated Branches of the SCSB or made online/electronic through the website of the SCSBs (if made available by such SCSB) for authorising such SCSB to block Application Money payable on the Application in their respective ASBA Accounts. Please note that on the Issue Closing Date, (i) Applications through ASBA process will be uploaded until 5.00 p.m. (Indian Standard Time) or such extended time as permitted by the Stock Exchange.
- (i) Applications should not be submitted to the Bankers to the Issue, the Investment Manager or the Registrar or the Lead Manager.
- (j) In case of Application through ASBA facility, Investors are required to provide necessary details, including details of the ASBA Account, authorization to the SCSB to block an amount equal to the Application Money in the ASBA Account mentioned in the Application Form.
- (k) All Applicants should mention their PAN allotted under the Income-tax Act, irrespective of the amount of the Application. Except for Applications on behalf of the Central or the State Government, the residents of Sikkim and the officials appointed by the courts, **Applications without PAN will be considered incomplete**

and are liable to be rejected. With effect from August 16, 2010, the demat accounts for Investors for which PAN details have not been verified shall be “suspended for credit” and no Allotment and credit of Units pursuant to this Issue shall be made into the accounts of such Investors.

- (l) In case of Application through ASBA facility, all payments will be made only by blocking the amount in the ASBA Account. Cash payment or payment by cheque or demand draft or pay order or NEFT or RTGS or through any other mode is not acceptable for application through ASBA process. In case payment is made in contravention of this, the Application will be deemed invalid and the Application Money will be refunded and no interest will be paid thereon.
- (m) For physical Applications through ASBA at Designated Branches of SCSB, signatures should be either in English or Hindi or in any other language specified in the Eighth Schedule to the Constitution of India. Signatures other than in any such language or thumb impression must be attested by a Notary Public or a Special Executive Magistrate under his/her official seal. The Investors must sign the Application as per the specimen signature recorded with the SCSB.
- (n) In case of joint holders and physical Applications through ASBA process, all joint holders must sign the relevant part of the Application Form in the same order and as per the specimen signature(s) recorded with the SCSB. In case of joint Applicants, reference, if any, will be made in the first Applicant's name and all communication will be addressed to the first Applicant.
- (o) All communication in connection with Application for the Units, including any change in address of the Eligible Unitholders should be addressed to the Registrar prior to the date of Allotment in this Issue quoting the name of the first/sole Applicant, folio numbers/DP ID and Client ID and Application Form number, as applicable. In case of any change in address of the Eligible Unitholders, the Eligible Unitholders should also send the intimation for such change to the respective depository participant, or to the Investment Manager or the Registrar in case of Eligible Unitholders holding Units in physical form.
- (p) Only persons outside the United States located in jurisdictions where the offer and sale of the Units is permitted under laws of such jurisdictions may apply in this Issue.
- (q) Please note that subject to SCSBs complying with the requirements of SEBI Circular No. CIR/CFD/DIL/13/2012 dated September 25, 2012 within the periods stipulated therein, Applications made through ASBA facility may be submitted at the Designated Branches of the SCSBs. Application through ASBA facility in electronic mode will only be available with such SCSBs who provide such facility.
- (r) In terms of the SEBI circular CIR/CFD/DIL/1/2013 dated January 2, 2013, it is clarified that for making applications by banks on their own account using ASBA facility, SCSBs should have a separate account in own name with any other SEBI registered SCSB(s). Such account shall be used solely for the purpose of making application in public/ rights issues and clear demarcated funds should be available in such account for ASBA applications.
- (s) Investors are required to ensure that the number of Units applied for by them do not exceed the prescribed limits under the applicable law.
- (t) In addition, all such Eligible Unitholders are deemed to have accepted the following:

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

their jurisdiction.

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

I/we hereby make the representations, warranties, acknowledgments and agreements set forth in the section of the Letter of Offer titled "Selling and Transfer Restrictions" on page 179.

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

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

Do's:

- (a) Ensure that the Application Form and necessary details are filled in.
- (b) Except for Application submitted on behalf of the Central or the State Government, residents of Sikkim and the officials appointed by the courts, each Applicant should mention their PAN allotted under the Income-tax Act.
- (c) Ensure that the demographic details such as address, PAN, DP ID, Client ID, bank account details and occupation ("**Demographic Details**") are updated, true and correct, in all respects.
- (d) Investors should provide correct DP ID and client ID while submitting the Application. Such DP ID and Client ID number should match the demat account details in the records available with the Investment Manager or the Registrar, failing which such Application is liable to be rejected. Investor will be solely responsible for any error or inaccurate detail provided in the Application. Data Infrastructure Trust, the Investment Manager, the Sponsors, the Trustee, the Lead Manager, SCSBs or the Registrar will not be liable for any such rejections.

Don'ts:

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

Do's for Investors applying through ASBA:

- (a) Ensure that the details about your Depository Participant and beneficiary account are correct and the beneficiary account is activated as the Units will be Allotted in the dematerialized form only.
- (b) Ensure that the Applications are submitted with the Designated Branches of the SCSBs and details of the correct bank account have been provided in the Application.
- (c) Ensure that there are sufficient funds (equal to {number of Units (including additional Units) applied for} X Application Money of Units}) available in ASBA Account mentioned in the Application Form before submitting the Application to the respective Designated Branches of the SCSB.

Note: The minimum Application and allotment to any investor shall not be less than ₹ 20 million.

- (d) Ensure that you have authorised the SCSB for blocking funds equivalent to the total amount payable on application mentioned in the Application Form, in the ASBA Account, of which details are provided in the Application and have signed the same.
- (e) Ensure that you have a bank account with an SCSB providing ASBA facility in your location and the Application is made through that SCSB providing ASBA facility in such location.
- (f) Ensure that the name(s) given in the Application Form is exactly the same as the name(s) in which the beneficiary account is held with the Depository Participant.

Don'ts for Investors applying through ASBA:

- (a) Do not send your physical Application to the Lead Manager, the Registrar, the Bankers to the Issue (assuming that such Bankers to the Issue is not an SCSB), a branch of the SCSB which is not a Designated Branch of the SCSB, Data Infrastructure Trust or the Investment Manager; instead submit the same to a Designated Branch of the SCSB only.
- (b) Do not instruct the SCSBs to unblock the funds blocked under the ASBA process.

Grounds for Technical Rejection

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

- (a) DP ID and Client ID mentioned in Application not matching with the DP ID and Client ID records available with the Registrar.
- (b) Sending an Application to the Lead Manager, Registrar, Bankers to the Issue (assuming that such Bankers to the Issue is not a SCSB), to a branch of a SCSB which is not a Designated Branch of the SCSB or the Investment Manager.
- (c) Insufficient funds are available in the ASBA Account with the SCSB for blocking the Application Money.
- (d) Funds in the ASBA Account whose details are mentioned in the Application Form having been frozen pursuant to regulatory orders.
- (e) Account holder not signing the Application or declaration mentioned therein.
- (f) Submission of more than one application Form for Rights Entitlements available in a particular demat account.
- (g) Submitting the GIR number instead of the PAN (except for Applications on behalf of the Central or State Government, the residents of Sikkim and the officials appointed by the courts).
- (h) Applications by persons not competent to contract under the Indian Contract Act, 1872, except Applications by minors having valid demat accounts as per the demographic details provided by the Depositories.
- (i) Applications by SCSB on own account, other than through an ASBA Account in its own name with any other SCSB.
- (j) Application Forms which are not submitted by the Investors within the time periods prescribed in the Application Form and the Letter of Offer.
- (k) Physical Application Forms not duly signed by the sole or joint Investors.
- (l) Application Forms accompanied by stock invest, outstation cheques, post-dated cheques, money order, postal order or outstation demand drafts.
- (m) If an Investor is (a) debarred by SEBI; or (b) if SEBI has revoked the order or has provided any interim relief then failure to attach a copy of such SEBI order allowing the Investor to subscribe to their Rights Entitlements.
- (n) Applications which: (i) appears to the Trust or its agents to have been executed in, electronically transmitted from or dispatched from the United States or other jurisdictions where the offer and sale of the Units is not permitted under laws of such jurisdictions; (ii) does not include the relevant certifications set out in the Application Form, including to the effect that the person submitting and/or renouncing the Application Form is not in the United States and eligible to subscribe for the Units under applicable securities laws or; or (iii) where either a registered Indian address is not provided or where the Trust believes acceptance of such Application Form may infringe applicable legal or

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

- (o) Eligible Unitholders who renounce their Rights Entitlements applying for additional Units in the Issue. Application for additional Units will be rejected.
- (p) Multiple Application Forms, including cases where a Bidder submits Application Forms along with plain paper Application.

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

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

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

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

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

The Allotment advice and the email intimating unblocking of ASBA Account or refund (if any) would be emailed to the address of the Investor as per the email address provided to the Investment Manager or the Registrar or Demographic Details received from the Depositories. The Registrar will give instructions to the SCSBs for unblocking funds in the ASBA Account to the extent Units are not Allotted to such Investor. Please note that any such delay shall be at the sole risk of the Investors and none of the Investment Manager, the Sponsors, the SCSBs, Registrar or the Lead Manager shall be liable to compensate the Investor for any losses caused due to any such delay or be liable to pay any interest for such delay.

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

Modes of Payment

In case of Application through ASBA facility, the Investor agrees to block the entire amount payable on Application with the submission of the Application Form, by authorizing the SCSB to block an amount, equivalent to the amount payable on Application, in the Investor's ASBA Account.

After verifying that sufficient funds are available in the ASBA Account details of which are provided in the Application Form, the SCSB shall block an amount equivalent to the Application Money mentioned in the Application Form until the Transfer Date. On the Transfer Date, upon receipt of intimation from the Registrar, of the receipt of minimum subscription and pursuant to the finalization of the Basis of Allotment as approved by the Designated Stock Exchange, the SCSBs shall transfer such amount as per the Registrar's instruction from the ASBA Account into the Allotment Account which shall be a separate bank account maintained by the Investment Manager. The balance amount remaining after the finalisation of the Basis of Allotment on the Transfer Date shall be unblocked by the SCSBs on the basis of the instructions issued in this regard by the Registrar to the respective SCSB.

The Investors would be required to give instructions to the respective SCSBs to block the entire amount payable on their Application at the time of the submission of the Application Form.

The SCSB may reject the application at the time of acceptance of Application Form if the ASBA Account, details of which have been provided by the Investor in the Application Form does not have sufficient funds equivalent to the

amount payable on Application mentioned in the Application Form. Subsequent to the acceptance of the Application by the SCSB, the Investment Manager would have a right to reject the Application on technical grounds as set forth hereinafter.

All payments against the Application Forms shall be made only through ASBA facility. The Registrar will not accept any payments against the Application Forms, if such payments are not made through ASBA facility.

Mode of payment for Resident Investors

All payments on the Application Forms shall be made only through ASBA facility. Applicants are requested to strictly adhere to these instructions.

Mode of payment for Non-Resident Investors

As regards the Application by non-resident Investors, the following conditions shall apply:

1. Individual non-resident Indian Applicants who are permitted to subscribe to Units by applicable local securities laws can obtain Application Forms on the websites of the Registrar, the Investment Manager and the Lead Manager.

Note: Applications from non-resident investors in any jurisdiction outside India will not be accepted unless such person is a corporate or institutional Unitholder. In case of non-resident Eligible Unitholders, the Abridged Letter of Offer, the Rights Entitlement Letter and the Application Form shall be sent to their email addresses if they have provided their Indian address to the Investment Manager or if they are foreign corporate or institutional Unitholders located in certain jurisdictions (other than the United States and India) where the offer and sale of the Units may be permitted under laws of such jurisdictions. The Letter of Offer will be provided, only through email, by the Registrar on behalf of Investment Manager or the Lead Manager to the Eligible Unitholders who have provided their Indian addresses to Investment Manager or who are foreign corporate or institutional Unitholders located in jurisdictions where the offer and sale of the Units may be permitted under laws of such jurisdictions and in each case who make a request in this regard.

2. Application Forms will not be accepted from non-resident Investors in any jurisdiction where the offer or sale of the Rights Entitlements and Units may be restricted by applicable securities laws.
3. Payment by non-residents must be made only through ASBA facility and using permissible accounts in accordance with FEMA, FEMA Rules and requirements prescribed by RBI.

Notes:

1. In case where repatriation benefit is available, interest, dividend, sales proceeds derived from the investment in Units can be remitted outside India, subject to tax, as applicable according to the Income-tax Act.
2. In case Units are Allotted on a non-repatriation basis, the dividend and sale proceeds of the Units cannot be remitted outside India.
3. In case of an Application Form received from non-residents, Allotment, refunds and other distribution, if any, will be made in accordance with the guidelines and rules prescribed by RBI as applicable at the time of making such Allotment, remittance and subject to necessary approvals.
4. Application Forms received from non-residents/ NRIs, or persons of Indian origin residing abroad for Allotment of Units shall, amongst other things, be subject to conditions, as may be imposed from time to time by RBI under FEMA, in respect of matters including Refund of Application Money and Allotment.
5. In the case of NRIs who remit their Application Money from funds held in FCNR/NRE Accounts, refunds and other disbursements, if any shall be credited to such account.
6. Non-resident Renouncees who are not Eligible Unitholders must submit regulatory approval for applying for additional Units in the Issue.

Multiple Applications

In case where multiple Applications are made using same demat account, such Applications shall be liable to be rejected. A separate Application can be made in respect of Rights Entitlements in each demat account of the Investors and such Applications shall not be treated as multiple applications. A separate Application can be made in respect of

each scheme of a mutual fund registered with SEBI and such Applications shall not be treated as multiple applications.

In cases where multiple Application Forms are submitted, including through ASBA, such Applications shall be treated as multiple applications and are liable to be rejected, other than multiple applications submitted by any of the Sponsors or their Associates to meet the minimum subscription requirements applicable to this Issue as described in the section entitled “*The Issue – Intention and extent of participation by the Sponsors*” on page 16.

Last date for Application

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

If the Application Form is not submitted with an SCSB, uploaded with the Stock Exchange and the Application Money is not blocked with the SCSB, on or before the Issue Closing Date or such date as may be extended by Investment Manager, the invitation to offer contained in the Letter of Offer shall be deemed to have been declined and the Investment Manager shall be at liberty to dispose of the Units hereby offered, as provided under the section, “- *Basis of Allotment*” on page 175.

Please note that on the Issue Closing Date, Applications through ASBA process will be uploaded until 5.00 p.m. (Indian Standard Time) or such extended time as permitted by the Stock Exchange or such extended time as permitted by the Stock Exchange.

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

Withdrawal of Application

An Investor who has applied in this Issue may withdraw their Application at any time during Issue Period by approaching the SCSB where application is submitted. However, no Bidder shall withdraw their Application post the Issue Closing Date.

Issue Schedule

Last Date for credit of Rights Entitlements	[●]
Issue Opening Date	[●]
Last Date for On Market Renunciation of Rights Entitlement*	[●]
Issue Closing Date[^]	[●]
Finalisation of Basis of Allotment (On or about)	[●]
Date of Allotment (On or about)	[●]
Date of Credit (On or about)	[●]
Date of Listing (On or about)	[●]

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

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

Basis of Allotment

Subject to the provisions contained in the Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter, the Application Form, the Indenture of Trust and the approval of the Designated Stock Exchange, the Board of Directors of the Investment Manager or a duly authorised committee thereof will proceed to Allot the Units in the following order of priority:

- (a) Full Allotment to those Eligible Unitholders who have applied for their Rights Entitlements of Units either in full or in part and also to the Renouncee(s) who has or have applied for Units renounced in their favour, in full or in part, as adjusted for fractional entitlement. **
- (b) Allotment to Eligible Unitholders who having applied for the Units in full to the extent of their Rights

Entitlement and have also applied for Additional Units shall be made as far as possible on an equitable basis, after giving preference to the Unitholders with fractional entitlement, having due regard to the number of Units held by them on the Record Date, provided there is an undersubscribed portion after making Allotment in (a) above.

- (c) Allotment to the Renouncees, who having applied for the Units renounced in their favour and also applied for Additional Units, provided there is an undersubscribed portion after making full Allotment specified in (a) and (b). The Allotment of such Additional Units may be made on a proportionate basis.
- (d) Allotment to the Sponsors and their Associates, who are Unitholders on the Record Date and who have disclosed their intent to subscribe to Additional Units in terms of the SEBI Rights Issue Guidelines, if there is an unsubscribed portion after making full Allotment as per clause (a), (b) and (c) above.
- (e) Allotment to the underwriter appointed for the Issue, if any, at the discretion of the Board of Directors of the Investment Manager, subject to disclosure in the Letter of Offer.

****** Allotment to those Eligible Unitholders whose fractional entitlement are being ignored and Eligible Unitholders with zero entitlement would be given preference in allotment of one additional Lot each if they apply for additional Lot(s), provided there is an undersubscribed portion after making Allotment in (a) above.

The Units allotted in the manner specified above shall be listed within six Working Days from the Issue Closing Date.

Upon approval of the Basis of Allotment by the Designated Stock Exchange, the Registrar shall send to the Controlling Branches, a list of the Investors who have been allocated Units in this Issue, along with:

1. The amount to be transferred from the ASBA Account to the separate bank account opened the Investment Manager for this Issue, for each successful Application;
2. The date by which the funds referred to above, shall be transferred to the aforesaid bank account; and
3. The details of rejected ASBA applications, if any, to enable the SCSBs to unblock the respective ASBA Accounts.

Allotment Advice or Refund/ Unblocking of ASBA Accounts

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

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

In the case of non-resident Investors who remit their Application Money from funds held in the NRE or the FCNR Accounts, refunds and/or payment of interest or dividend and other disbursements, if any, shall be credited to such accounts.

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

Payment of Refund

Mode of making refunds

The payment of refund, if any, including in the event of oversubscription or failure to list or otherwise would be done through any of the following modes.

- (a) Unblocking amounts blocked using ASBA facility.

- (b) NACH – National Automated Clearing House is a consolidated system of electronic clearing service. Payment of refund would be done through NACH for Applicants having an account at one of the centres specified by RBI, where such facility has been made available. This would be subject to availability of complete bank account details including MICR code wherever applicable from the depository. The payment of refund through NACH is mandatory for Applicants having a bank account at any of the centres where NACH facility has been made available by RBI (subject to availability of all information for crediting the refund through NACH including the MICR code as appearing on a cheque leaf, from the depositories), except where Applicant is otherwise disclosed as eligible to get refunds through NEFT or Direct Credit or RTGS.
- (c) National Electronic Fund Transfer (“NEFT”) – Payment of refund shall be undertaken through NEFT wherever the Investors’ bank has been assigned the Indian Financial System Code (“IFSC Code”), which can be linked to a MICR, allotted to that particular bank branch. IFSC Code will be obtained from the website of RBI as on a date immediately prior to the date of payment of refund, duly mapped with MICR numbers. Wherever the Investors have registered their nine digit MICR number and their bank account number with the Registrar to the Investment Manager or with the Depository Participant while opening and operating the demat account, the same will be duly mapped with the IFSC Code of that particular bank branch and the payment of refund will be made to the Investors through this method.
- (d) Direct Credit – Investors having bank accounts with the Bankers to the Issue shall be eligible to receive refunds through direct credit. Charges, if any, levied by the relevant bank(s) for the same would be borne by the Investment Manager.
- (e) RTGS – If the refund amount exceeds ₹ 2,00,000, the Investors have the option to receive refund through RTGS. Such eligible Investors who indicate their preference to receive refund through RTGS are required to provide the IFSC Code in the Application Form. In the event the same is not provided, refund shall be made through NACH or any other eligible mode. Charges, if any, levied by the refund bank(s) for the same would be borne by the Investment Manager. Charges, if any, levied by the Investor’s bank receiving the credit would be borne by the Investor.
- (f) For all other Investors, the refund orders will be dispatched through speed post or registered post subject to applicable laws. Such refunds will be made by cheques, pay orders or demand drafts drawn in favor of the sole/first Investor and payable at par.
- (g) Credit of refunds to Investors in any other electronic manner, permissible by SEBI from time to time.

Refund payment to non-residents

The Application Money will be unblocked in the ASBA Account of the non -resident Applicants, details of which were provided in the Application Form.

Allotment Advice or Demat Credit of Securities

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

Receipt of the Units in Dematerialized Form

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

Investors shall be Allotted the Units in dematerialized (electronic) form. In this context, the Investment Manager and the Registrar have executed an agreement dated December 27, 2019 with NSDL and an agreement dated December 27, 2019 with CDSL.

INVESTORS MAY PLEASE NOTE THAT THE UNITS CAN BE TRADED ON THE STOCK EXCHANGE ONLY IN DEMATERIALIZED FORM.

Disposal of Application and Application Money

No acknowledgment will be issued for the Application Money received by the Investment Manager. However, the Designated Branches of the SCSBs receiving the Application Form will acknowledge its receipt by stamping and returning the acknowledgment slip at the bottom of each Application Form.

The Investment Manager reserves its full, unqualified and absolute right to accept or reject any Application, in whole or in part, and in either case without assigning any reason thereto.

In case an Application is rejected in full, the whole of the Application Money will be unblocked in the respective ASBA Accounts, in case of Applications through ASBA. Wherever an Application is rejected in part, the balance of Application Money, if any, after adjusting any money due on Units Allotted, will be refunded / unblocked in the respective bank accounts from which Application Money was received / ASBA Accounts of the Investor within a period of 15 days from the Issue Closing Date. In case of failure to do so, the Investment Manager shall pay interest at such rate and within such time as specified under applicable law.

For further instructions, please read the Application Form carefully.

Minimum Subscription

Pursuant to the SEBI Rights Issue Guidelines, if Data Infrastructure Trust does not receive the minimum subscription of 90% of the Issue Size, the Investment Manager, on behalf of Data Infrastructure Trust, shall refund the entire subscription amount received within 15 days from the Issue Closing Date.

For details of the intent and extent of subscription by the Sponsors and their Associates, please see the section entitled “*The Issue*” on page 15.

Important

1. Please read the Letter of Offer carefully before taking any action. The instructions contained in the Application Form, Abridged Letter of Offer and the Rights Entitlement Letter are an integral part of the conditions of this Letter of Offer and must be carefully followed; otherwise the Application is liable to be rejected.
2. All enquiries in connection with the Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter or Application Form must be addressed (quoting the Registered Folio Number or the DP ID and Client ID number, the Application Form number and the name of the first Eligible Unitholder as mentioned on the Application Form and super scribed “**Data Infrastructure Trust – Rights Issue**” on the envelope and postmarked in India or in the e-mail) to the Registrar at the following address:

KFin Technologies Private Limited

Selenium, Tower B,

Plot No- 31 and 32, Financial District,

Nanakramguda, Serilingampally,

Hyderabad, Rangareddi 500 032

Telangana, India.

Telephone Number: +91 40 6716 2222

Toll free number: 1800 309 4001

Website: www.kfintech.com

Email: dit.invitrights@kfintech.com

Investor grievance e-mail: einward.ris@kfintech.com

Contact Person: M Murali Krishna

SEBI Registration No.: INR000000221

CIN: U72400TG2017PTC117649

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

Underwriting

This Issue is not underwritten.

SELLING AND TRANSFER RESTRICTIONS

The distribution of this Draft Letter of Offer and the Letter of Offer or any offering material and the offering, sale or delivery of the Units is restricted by law in certain jurisdictions. Therefore, persons who may come into possession of this Draft Letter of Offer and the Letter of Offer or any offering material are advised to consult with their own legal advisors as to what restrictions may be applicable to them and to observe such restrictions. This Draft Letter of Offer may not be used for the purpose of an offer or invitation in any circumstances in which such offer or invitation is not authorized and/or by any person who is not an Eligible Unitholder.

General

No action has been taken or will be taken that would permit a public offering of the Units to occur in any jurisdiction other than India, or the possession, circulation or distribution of this Draft Letter of Offer and the Letter of Offer or any other material relating to the Trust or the Units in any jurisdiction where action for such purpose is required. Accordingly, the Units may not be offered or sold, directly or indirectly, and neither this Draft Letter of Offer and the Letter of Offer nor any offering materials or advertisements in connection with the Units may be distributed or published in or from any country or jurisdiction except under circumstances that will result in compliance with any applicable rules and regulations of any such country or jurisdiction. The Issue will be made in compliance with the applicable SEBI regulations.

For an overview of the restrictions on offer, sale and/or delivery of the Rights Entitlements and the Units of the Trust, please see the section entitled “*Selling and Transfer Restrictions*” on page 199 of the Placement Memorandum available at https://www.sebi.gov.in/filings/invit-private-issues/aug-2020/tower-infrastructure-trust_47577.html. The restrictions set forth in the Placement Memorandum also apply to the offer and sale of the Rights Entitlements and Units offered pursuant to this Letter of Offer.

TAXATION

STATEMENT OF POSSIBLE TAX BENEFITS AVAILABLE TO THE TRUST AND ITS UNITHOLDERS

Axis Trustee Services Limited (as trustee of Tower Infrastructure Trust (the “Trust”)
Axis House, Bombay Dyeing Mills Compound, Pandhurang Budhkar Marg, Worli, Mumbai 400025

and

The Board of Directors
Brookfield India Infrastructure Manager Private Limited (the “Investment Manager”) in its capacity as an Investment Manager of the Trust
Unit 1, 4th Floor, Godrej BKC
Bandra Kurla Complex
Mumbai – 400051
Maharashtra, India

Dear Sirs,

Sub: Statement of possible tax benefits available to Data Infrastructure Trust (formerly known as Tower Infrastructure Trust) (the “Trust”) and its unitholders

The enclosed Annexure states the possible tax benefits available to Data Infrastructure Trust (formerly known as Tower Infrastructure Trust) (the “Trust”) and its unitholders under the Income-tax Act, 1961 (the “Act”) presently in force in India. We have stamped and initialed the said Statement for identification only. Several of these benefits are dependent on the Trust or its unitholders fulfilling the conditions prescribed under the relevant provisions of the Act. Hence, the ability of the Trust or its unitholders to derive the tax benefits is dependent upon fulfilling such conditions, which based on the business imperatives, the Trust or its unitholders may or may not choose to fulfil. The benefits discussed in the enclosed Annexure are not exhaustive and the preparation of the contents stated is the responsibility of the Brookfield India Infrastructure Manager Private Limited (the “Investment Manager”). We are informed that this statement is only intended to provide general information to the investors and hence is neither designed nor intended to be a substitute for professional tax advice. In view of the individual nature of the tax consequences and the changing tax laws, each investor is advised to consult his or her own tax consultant with respect to the specific tax implications arising out of their participation in the Issue.

Our confirmation is based on the information, explanations and representations obtained from the Investment Manager and on the basis of our understanding of the business activities and operations of the Trust.

We do not express an opinion or provide any assurance as to whether:

- The Trust or its unitholders will continue to obtain these benefits in future;
- The conditions prescribed for availing the benefits, where applicable have been/would be met with; and
- The revenue authorities/courts will concur with the views expressed herein.

This statement is intended solely for information and for inclusion in the draft letter of offer and/or letter of offer proposed to be filed with the Securities and Exchange Board of India and stock exchange (“Offer Documents”) in connection with the proposed rights issue of the Trust and should not be circulated, copied, used/referred to for any other purpose, without our prior written consent.

Please note that the tax rates provided in this statement are excluding applicable surcharge and education cess.

For **Deloitte Haskins & Sells LLP**
Chartered Accountants
(Registration No. 117366W/W100018)

Mohammed Bengali
Partner
Membership No. 105828
UDIN: 22105828AAAAAC3452

Mumbai,
January 5, 2022

**ANNEXURE TO STATEMENT OF POSSIBLE TAX BENEFITS AVAILABLE TO TOWER
INFRASTRUCTURE TRUST AND ITS UNITHOLDERS UNDER THE APPLICABLE LAWS IN INDIA**

- **UNDER THE INCOME-TAX ACT, 1961 (hereinafter referred to as ‘the Act’)**
 - o **TAX BENEFITS AVAILABLE TO TOWER INFRASTRUCTURE TRUST (‘BUSINESS TRUST’) UNDER THE ACT**

The following benefits are available to the business trust after fulfilling conditions as per the applicable provisions of the Act and the guidelines prescribed by the Securities and Exchange Board of India (‘SEBI’) (including the Securities and Exchange Board of India (Infrastructure Investment Trusts) Regulations, 2014, as amended) (‘SEBI Regulations’). Business trust is defined under section 2(13A) of the Act to include trust registered as an Infrastructure Investment Trust under the Securities and Exchange Board of India (Infrastructure Investment Trusts) Regulations, 2014.

- **Tax benefit in the hands of the business trust in respect of interest and dividend income received from the Special Purpose Vehicle(s) (‘SPVs’):**

Interest and dividend received or receivable by the business trust from the Project SPVs should be exempt from tax under section 10(23FC) of the Act. For the purposes of this section, SPV means an Indian company in which the business trust holds controlling interest and any specific percentage of shareholding or interest, as may be required by the regulations under which such trust is granted registration.

In view of the provisions of section 14A of the Act, any expenditure incurred in relation to earning the above exempt income shall not be tax deductible. In case the Tax Authorities are not satisfied by the disallowance considered by the business trust, the quantum of disallowance shall be computed in accordance with the provisions of section 14A read with Rule 8D of the Income-tax Rules, 1962 (‘the Rules’).

Finance Act, 2020 has abolished Dividend Distribution Tax (‘DDT’) and hence there shall be no DDT on profits distributed by SPVs to business trust on or after 1 April 2020.

Further, as per proviso to Section 194 and section 194A of the Act, SPV shall not be liable to withhold tax on the dividend and interest amount respectively, paid to the business trust.

- **Benefits in the hands of the business trust in respect of income other than the income distributed by the SPVs:**

- **Income by way of dividend:**

Finance Act, 2020 has discontinued the exemption available under section 10(34) and hence the business trust shall be liable to pay tax on dividends received on or after 1 April 2020 at maximum marginal rate.

As per section 57 of the Act, no deduction shall be allowable against the dividend income other than deduction on account of interest expense and such interest expense shall not exceed 20% of the dividend income included in the total income for that year, without deduction under section 57 of the Act.

Further, as per section 194 of the Act, the entity declaring dividend shall be liable to withheld tax at the rate of 10.00% on profits distributed to business trust in the form of dividends.

- **Section 10(35) of the Act - Income in respect of units specified therein:**

The Finance Act, 2020 has discontinued the exemption available under section 10(35) and hence the business trust shall be liable to pay tax on income in respect of units received on or after 1 April 2020 at maximum marginal rate.

As per section 57 of the Act, no deduction shall be allowable against the income in respect of specified units other than deduction on account of interest expense and such interest expense shall not exceed 20% of the income in respect of units included in the total income for that year, without deduction under section 57 of the Act.

Further, as per section 194K of the Act, the entity paying any income (other than income in the nature of capital gains) in respect of units shall be liable to withhold tax at the rate of 10.00% on such income distributed to Trust.

Further, as per the provisions of section 94(8) of the Act, if an investor purchases units within three months prior to the record date for entitlement of bonus units and is allotted bonus units without any payment on the basis of the original holding on the record date and such person sells / transfers the original units within nine months of the record date, then the loss arising from sale/ transfer of the original units will be ignored for the purpose of computing income chargeable to

tax and the amount of such loss ignored shall be regarded as the cost of acquisition of the bonus units held by the investor on the date of such sale / transfer.

- **Section 10(34A) of the Act - Income from buy back of shares**

The provisions of section 115QA mandate domestic companies to pay an additional tax at the rate of 20.00% (plus applicable surcharge and cess) of the distributed income on buy-back of shares. Distributed income means the consideration paid by the company on buy-back of shares as reduced by the amount which was received by the company for issue of such shares, determined as per Rule 40BB of the Income-tax Rules, 1962.

Further, income arising from buy-back of shares as referred to in Section 115QA shall not be taxable as per section 10(34A) of the Act in the hands of the business trust.

In view of the provisions of section 14A of the Act, any expenditure incurred in relation to earning such exempt income shall not be tax deductible. In case the Tax Authorities are not satisfied by the disallowance considered by the Trust, the quantum of disallowance shall be computed in accordance with the provisions of section 14A read with Rule 8D of the Rules.

- **Section 115UA(2) read with section 111A, section 112 and section 112A of the Act – Taxability of business income, capital gains and income from other sources in the hands of the business trust**

In terms of section 115UA(2) of the Act, the total income of the business trust shall be chargeable to tax at the maximum marginal rates in force except for the income chargeable to tax on transfer of Short Term Capital assets under section 111A and Long Terms Capital assets under section 112 of the Act. Section 112A is not explicitly mentioned in section 115UA(2) and hence an ambiguity exist on the tax rate to be applied on the gains earned by the business trust referred to in section 112A of the Act.

If the period of holding of a security (other than a unit) listed on a recognized stock exchange in India or a unit of the Unit Trust of India or a unit of an equity oriented fund or a zero coupon bond is more than 12 months, it will be considered a long term capital asset as per section 2(29AA) read with section 2(42A) of the Act. With respect to shares of a company not being listed on a recognized stock exchange in India or immovable property, being land, building, or both, the determinative period of holding shall be more than 24 months for it to be regarded as long term capital asset. With respect to other assets including a unit of a mutual fund other than equity oriented mutual fund or unit of a business trust, the determinative period of holding is more than 36 months for it to be regarded as long term capital asset.

As per the provisions of section 111A of the Act, any income arising from transfer of short term capital asset being an equity share in a company or a unit of an equity oriented fund or a unit of a business trust, transacted through a recognized stock exchange and subject to STT, will be taxable at a concessional rate of 15.00% (plus applicable surcharge and cess). However, the condition of STT is not required if the transaction is undertaken on a recognised stock exchange located in any International Financial Services Centre and where the consideration for such transaction is paid or payable in foreign currency.

As per the provisions of section 112(1)(d) of the Act, gains arising on the transfer of long term capital assets shall be chargeable to tax in the hands of the business trust at the rate of 20.00% (plus applicable surcharge and cess). However, as per the proviso to section 112 of the Act, the tax on long term capital gains on transfer of listed securities (other than units) or Zero Coupon Bonds shall be taxable at a rate lower of the following:

- 10.00% (plus applicable surcharge and cess) without indexation benefit; or
- 20.00% (plus applicable surcharge and cess) with indexation benefit

Further, as per section 112A, with effect from FY 2018-19, gains exceeding one lakh rupees arising on the transfer of long term capital asset, being an equity share in a company or a unit of an equity oriented fund or a unit of a business trust, transacted through a recognized stock exchange and subject to STT, shall be chargeable to tax in the hands of the Trust at the rate of 10.00% (plus applicable surcharge and cess) without indexation benefit.

Section 48 of the Act prescribes the mode of computation of Capital Gains and provides for deduction of cost of acquisition/ improvement and expenses incurred in connection with the transfer of a capital asset, from the sale consideration to arrive at the amount of Capital Gains. However, in respect of long term capital gains, section 48 provides for substitution of cost of acquisition/ improvement with indexed cost of acquisition/ improvement, which adjusts the cost of acquisition/ improvement by a cost inflation index as prescribed from time to time. Such indexation benefit would not be available on bonds, debentures, listed equity shares in a company or units of equity oriented funds or units of a business trust referred to in section 112A of the Act.

In accordance with, and subject to the conditions, including the limit of investment of ₹ 50 lakhs, capital gains arising on

transfer of a long term capital asset, being land or building or both, shall be exempt from capital gains under section 54EC if the gains are invested within 6 months from the date of transfer in purchase of specified bonds (redeemable after five years and issued on or after 1 April 2018) issued by National Highways Authority of India (NHAI) or Rural Electrification Corporation Ltd (RECL) or any other bond notified by the Central Government, if permitted to be invested by a business trust as per the extant governing regulations. In case the whole of the gains are not so invested, the exemption shall be allowed on a pro rata basis.

In accordance with, and subject to the conditions, including the limit of investment of ₹ 50 lakhs, capital gains arising on transfer of a long term capital asset shall be exempt from capital gains tax under section 54EE if the gains are invested within 6 months from the date of transfer in the purchase of long- term specified assets (i.e., units, issued before 1st April 2019, of such fund as may be notified by the Central Government in this behalf) if permitted to be invested by a business trust as per the extant governing regulations. In case the whole of the gains are not so invested, the exemption shall be allowed on a pro rata basis.

As per section 70 read with section 74 of the Act, short term capital loss arising during a year is allowed to be set-off against short term capital gains as well as long term capital gains. Balance loss, if any, shall be carried forward and set-off against any capital gains arising during subsequent eight assessment years. Also, as per section 70 of the Act, long term capital loss arising during a year is allowed to be set-off only against long term capital gains. Balance loss, if any, shall be carried forward and set-off against long term capital gains arising during subsequent eight assessment years.

TAX BENEFITS AVAILABLE TO UNIT-HOLDERS OF THE BUSINESS TRUST

Special Benefits available to the Unit-Holders of the business trust:

Following tax benefit is specifically available to the unitholders of the business trust subject to the fulfilment of the conditions specified in the Act and SEBI Regulations:

- **Section 10(23FD) of the Act - Tax exemption in respect of income distributed by the business trust (except interest and dividend received from SPV by the trust provided dividend is received from SPV exercising option under section 115BAA of the Act):**

As per the provisions of section 115UA(1) of the Act, the income distributed by the business trust shall be deemed to be of the same nature and in the same proportion in the hands of the Unit-holder as if such income was received by or accrued to the business trust.

As per the provisions of section 10(23FD), any income referred to in section 115UA(1) of the Act and distributed by the business trust shall not be included in the total income of the unit-holders except for the following income:

- a) Interest referred to in section 10(23FC);
- b) Specified dividend i.e. dividend income received in cases where SPV has exercised the option under section 115BAA of the Act.

In view of the provisions of section 14A of the Act, any expenditure incurred in relation to earning the above exempt income shall not be tax deductible. In case the Tax Authorities are not satisfied by the disallowance considered by the Trust, the quantum of disallowance shall be computed in accordance with the provisions of section 14A read with Rule 8D of the Rules.

Further, as per section 57 of the Act, no deduction shall be allowable against the taxable dividend income other than deduction on account of interest expense and such interest expense shall not exceed 20% of the dividend income included in the total income for that year, without deduction under section 57 of the Act.

General Benefits available to all Unit-Holders of the business trust:

For resident Unit-holder:

- Long Term Capital Gains (exceeding one lakh rupees) arising on transfer of units of the business trust through a recognized stock exchange, on which STT is paid, shall be chargeable to tax in the hands of the unit holders at a rate of 10.00% without indexation benefit (plus applicable surcharge and cess) under section 112A of the Act if the said units are long-term capital assets. The determinative period of holding for such units to qualify as long term capital asset is more than 36 months. Income arising on transfer of units of the business trust that are long term capital assets, which is not through a recognized stock exchange and not subject to STT, shall be chargeable to tax at 20.00%, with indexation benefit (plus applicable surcharge and cess) under section 112 of the Act.
- Short-term capital gains arising on transfer of the units of the business trust will be chargeable to tax at the rate of 15.00% (plus applicable surcharge and cess) as per the provisions of section 111A of the Act provided such transaction is

subject to STT and through a recognized stock exchange. In case of a Unit-holder being an individual or HUF, where the total taxable income as reduced by short-term capital gains is below the basic exemption limit, the short-term capital gains will be reduced to the extent of the shortfall and only the balance short-term capital gains will be subjected to such tax in accordance with the proviso to sub-section (1) of section 111A of the Act. Short term capital gains on transfer of units of the business trust, not transacted through a recognized stock exchange and not subject to STT shall be taxable at the applicable rate of tax for respective unit holders.

- In case of determining the period of holding for units allotted pursuant to exchange of shares of special purpose vehicle, as per clause (hc) of explanation 1 to section 2(42A), the period of holding for the units shall include the period for which the shares were held by the promoter in the SPV.
- As per clause (iie)/(fc) to explanation 1 to section 115JB, the following shall not be considered while computing book profits for levy of Minimum Alternate Tax:
 - notional gain/loss on transfer of shares of SPV in exchange of units allotted by the business trust referred to in clause (xvii) of section 47; or
 - notional gain/loss resulting from any change in carrying amount of said units; or
 - gain/loss on transfer of units allotted by the business trust referred to in clause (xvii) of section 47.
- As per clause (k)/(iif) of explanation 1 to section 115JB, any gain/loss on transfer of units referred to in clause (xvii) of section 47 shall be considered while computing the book profit for levy of Minimum Alternate Tax by taking into account the cost of the shares exchanged with units referred to in the said clause or the carrying amount of the shares at the time of exchange where such shares are carried at a value other than the cost through statement of profit and loss, as the case may be.
- Short Term Capital Loss computed for the given year is allowed to be set-off against Short Term/ Long Term Capital Gains computed for the said year under section 70 of the Act. Further, as per Section 71 of the Act, short term capital loss for the year cannot be set-off against income under any other heads for the same year. Balance loss, if any, shall be carried forward and set-off against any capital gains arising during subsequent eight assessment years. Also, as per section 70 of the Act, long term capital loss arising during a year is allowed to be set-off only against long term capital gains. Balance loss, if any, shall be carried forward and set-off against long term capital gains arising during subsequent eight assessment years.
- Where the gains arising on the transfer of the units of the business trust are included in the business income of an assessee assessable under the head “Profits and Gains from Business or Profession” and on which securities transaction tax has been charged, such securities transaction tax shall be a deductible expense from business income as per the provisions of section 36(1)(xv) of the Act. The characterization of gains/ losses, arising from sale / transfer of units, as capital gains or business income would depend on the nature of holding in the hands of the unit holder and various other factors.

For non-resident Unit-Holder

- Long Term Capital Gains (exceeding one lakh rupees) arising on transfer of units of the business trust, shall be chargeable to tax in the hands of the unit holders at a rate of 10.00% without indexation benefit (plus applicable surcharge and cess) under section 112A of the Act if the said units are long-term capital assets and transfer is through a recognized stock exchange and subject to STT. These assets turn long term if they are held for more than 36 months. Income arising on transfer of units of the business trust that are long term capital assets, which is not through a recognized stock exchange and not subject to STT, shall be chargeable to tax at 20.00%, with any applicable indexation benefit (plus applicable surcharge and cess), under section 112 of the Act.
- Short-term capital gains arising on transfer of the units of the business trust will be chargeable to tax at the rate of 15.00% (plus applicable surcharge and cess) as per the provisions of section 111A of the Act if such transaction is chargeable to STT. Short term capital gains on transfer of units of the business trust, not transacted through a recognized stock exchange and not subject to STT shall be taxable at the applicable rates for respective unit holders.
- Short Term Capital Loss computed for the given year is allowed to be set-off against Short Term/ Long Term Capital Gains computed for the said year under section 70 of the Act. Further, as per Section 71 of the Act, short term capital loss for the year cannot be set-off against income under any other heads for the same year. Balance loss, if any, shall be carried forward and set-off against any capital gains arising during subsequent eight assessment years. Also, as per section 70 of the Act, long term capital loss arising during a year is allowed to be set-off only against long term capital gains. Balance loss, if any, shall be carried forward and set-off against long term capital gains arising during subsequent eight assessment years.
- Where the gains arising on the transfer of units of the business trust are included in the business income of an assessee

assessable under the head “Profits and Gains from Business or Profession” and on which securities transaction tax has been charged, such securities transaction tax shall be a deductible expense from business income as per the provisions of section 36(1)(xv) of the Act.

- Under the provisions of section 90(2) of the Act, a non-resident will be governed by the provisions of the Double Tax Avoidance Agreement (DTAA) between India and the country of tax residence of the non-resident and the provisions of the Act apply to the extent they are more beneficial to the assessee.
- As per explanation 4 to section 115JB(2), the provisions of section 115JB shall not be applicable to a foreign company if the foreign company is a resident of a country having DTAA with India and such foreign company does not have a permanent establishment within the definition of the term in the relevant DTAA, or the foreign company is a resident of a country which does not have a DTAA with India and such foreign company is not required to seek registration under section 592 of the Companies Act 1956 or section 380 of the Companies Act 2013.

For unit-holders who are Foreign Portfolio Investors (‘FPIs’)/ Foreign Institutional Investors (‘FIIs’):

- Where the gains arising on the transfer of units of the business trust are included in the business income of an assessee assessable under the head “Profits and Gains from Business or Profession” and on which securities transaction tax has been charged, such securities transaction tax shall be a deductible expense from business income as per the provisions of section 36(1)(xv) of the Act.
- As per section 2(14) of the Act, any securities held by a Foreign Institutional Investor being invested in accordance with the regulations made under the Securities and Exchange Board of India Act, 1992 shall be regarded as Capital Asset.
- Long Term Capital Gains (exceeding one lakh rupees) arising on transfer of units of the business trust, shall be chargeable to tax in the hands of the unit holders at a rate of 10.00% without indexation benefit (plus applicable surcharge and cess) if the said units are long-term capital assets and transfer is through a recognized stock exchange and subject to STT. These assets turn long term if they are held for more than 36 months. Income arising on transfer of units of the Trust that are long term capital assets, which is not through a recognized stock exchange and not subject to STT, shall be chargeable to tax at 10.00%, without any indexation benefit (plus applicable surcharge and cess) under section 115AD of the Act.
- Short-term capital gains arising on transfer of the units of the business trust will be chargeable to tax at the rate of 15.00% (plus applicable surcharge and cess) as per the provisions of section 111A of the Act if such transaction is chargeable to STT. Short term capital gains on transfer of units of the Trust, not transacted through a recognized stock exchange and not subject to STT shall be taxable at 30.00% (plus applicable surcharge and cess).
- Short term capital loss computed for the given year is allowed to be set-off against short term/ long term capital gains computed for the said year under section 70 of the Act. Further, as per Section 71 of the Act, short term capital loss for the year cannot be set-off against income under any other heads for the same year. Balance loss, if any, shall be carried forward and set-off against any capital gains arising during subsequent eight assessment years. Also, as per section 70 of the Act, long term capital loss arising during a year is allowed to be set-off only against long term capital gains. Balance loss, if any, shall be carried forward and set-off against long term capital gains arising during subsequent eight assessment years.
- As per section 196D, no tax is to be deducted from any income, by way of capital gains to Foreign Institutional Investor arising from the transfer of units. In respect of non-residents, the tax rates and consequent taxation mentioned above will be further subject to any benefits available under the DTAA, if any, between India and the country in which the FII has Fiscal domicile. As per the provisions of section 90(2) of the Act, the provisions of the Act would prevail over the provisions of the DTAA to the extent they are more beneficial to the FII.
- Pursuant to Central Board of Direct Tax press release dated 24 September 2015, the Government has clarified the inapplicability of Minimum Alternate Tax provisions to FIIs/FPIs.

For unit-holders who are Mutual Funds:

- Under section 10(23D) of the Act, any income earned by a Mutual Fund registered under the Securities and Exchange Board of India Act, 1992, or a Mutual Fund set up by a public sector bank or a public financial institution, or a Mutual Fund authorized by the Reserve Bank of India would be exempt from income-tax, subject to such conditions as the Central Government may by notification in the Official Gazette specify in this behalf.
- As per section 196 of the Act, the business trust is not required to withhold tax on interest or dividend payment to

Mutual Fund set up under section 10(23D) of the Act.

For Venture Capital Companies/ Funds:

For VCF/VCC registered prior to 21 May 2012

- Under Section 10(23FB) of the Act, any income of Venture Capital Company to whom the certificate of registration is granted before 21/05/2012 under SEBI (Venture Capital Funds) Regulations, 1996 or as a subcategory I Alternative Investment Fund as is regulated under SEBI (Alternative Investment Funds Regulations) under the SEBI Act, 1992, would be exempt from income tax, subject to conditions specified therein.
- As per Section 115U of the Act, any income derived by a person from his investment in Venture Capital Company/ Venture Capital Fund would be taxable in the hands of the person making an investment in the same manner as if it were the income accruing or arising to or received by such person had the investments been made directly in the venture capital undertaking.

For VCF/VCC registered post 21 May 2012

- VCF/VCC registered post 21 May 2012 shall be classified as a Category 1 Alternate Investment Fund which shall be governed by the SEBI (AIF) Regulations 2012. For such funds benefit of section 10(23FB) and section 115U shall not be applicable and shall be governed section 115UB read with section 10(23FBA) and 10(23FBB) which states that business income earned by such fund shall be taxable in the hands of the Fund and exempt in the hands of the unit holders, and other income earned viz. capital gains, income from other sources shall be exempt in the hands of the fund and taxable in the hands of unit holder.

UNDER THE WEALTH TAX ACT, 1957

The Wealth Tax Act, 1957 has now been abolished from FY 2015-16 and is not applicable from AY 2016-17 onwards.

TAX DEDUCTION AT SOURCE

Section 194LBA – Certain income from units of the business trust:

Where any distributed income referred in section 115UA, is in the nature referred to in clause (23FC) of section 10 i.e. interest payable by the business trust to its unit holder being a resident or dividend payable by business trust to its unit holder being a resident where such dividend is received from SPV which has exercised the option under section 115BAA of the Act, shall at the time of credit of such payment to the account of the payee or at the time of payment, whichever is earlier, deduct tax at the rate of 10.00%.

In case payment referred to above is made to a non-resident unit holder, then the same shall be subjected to the tax deduction at the rate of 5.00% (plus applicable surcharge and cess) in case of interest referred to in clause (a) of sub clause (23FC) of section 10 and 10.00% (plus applicable surcharge and cess) in case of dividend payable by a business trust where such dividend is received from SPV which has exercised the option under section 115BAA of the Act. An ambiguity exists where interest or dividend is payable to Foreign Institutional Investor by the business trust shall be subjected to the tax deduction at the rate of 20.00% (plus applicable surcharge and cess) under section 196D read with section 115AD of the Act (on account of inclusion of units within definition of securities) or at the rate of 5.00% / 10.00% (plus applicable surcharge and cess) mentioned above. Additionally, in view of section 90(2) of the Act, a non-resident will be governed by the provisions of the Agreement for Avoidance of Double Taxation (AADT) between India and the country of tax residence of the non-resident and the provisions of the Act apply to the extent they are more beneficial to the assessee.

Applicability of other provisions

No income tax is deductible at source from income by way of capital gains arising to a resident shareholder under the present provisions of the Act. However, as per the provisions of Section 195 of the Act, any income by way of capital gains payable to non-residents may be subject to withholding of tax at the rate under the domestic tax laws or under the tax laws or under the Double Tax Avoidance Agreement (DTAA), whichever is beneficial to the assessee, unless a lower withholding tax certificate is obtained from the tax authorities. However, the non-resident investor will have to furnish a certificate of his being a tax resident in a country outside India and a suitable declaration for not having a fixed base/ permanent establishment in India, to get the benefit of the applicable DTAA and such other document as may be prescribed as per the provision of section 90(4) of Act.

Pursuant to amendment in section 206AA vide notification 53/2016 dated 24 June 2016 introducing Rule 37BC, requirement of quoting permanent account number (PAN) in case of certain specified income is eliminated by maintaining specified documents as mentioned in the said notification.

Notes:

- Business trust is compulsorily required to file Income-tax return as per section 139(4E) of the Act
- The income-tax rates specified in this note are as applicable for the financial year 2021-22, and are exclusive of surcharge and cess, if any. Rate of surcharge and cess are provided below:

Surcharge:**Domestic companies (not opting for Section 115BAA):**

If the net income does not exceed INR 10 million – Nil

If the net income exceeds INR 10 million but does not exceed INR 100 million - 7 per cent

If the net income exceeds INR 100 million - 12 per cent

Domestic companies (opting for Section 115BAA) – 10%**Foreign companies:**

If the net income does not exceed INR 10 million - Nil

If the net income exceeds INR 10 million but does not exceed INR 100 million - 2 per cent

If the net income exceeds INR 100 million - 5 per cent

For individuals

	Taxable Income	Surcharge (%)
1	If total income (including capital gains on specified securities and dividend income) is above Rs 50 Lakhs & upto Rs 1 Cr	10%
2	If total income (including capital gains on specified securities and dividend income) is above Rs 1 Cr. & upto Rs 2 Crs.	15%
3	If total income (excluding capital gains on specified securities and dividend income) is above Rs 2 Crs. & upto Rs 5 Crs.	25%
4	If total income (excluding capital gains on specified securities and dividend income) is above Rs 5 Crs.	37%
5	If total income is above 2 Crs. (including capital gains on specified securities and dividend income) but is not covered under 3 and 4 above. Provided surcharge not to exceed 15 per cent in case of capital gains on specified securities and dividend income included in such total income	15%

Specified security mean equity shares, units of equity oriented mutual funds, units of business Trust taxed under section 111A or section 112A of the Act

For FPIs (AOP and BOI)

	Taxable Income	Surcharge (%)
1	If total income (including capital gains on all securities or dividend income) is above Rs 50 Lakhs & upto Rs 1 Cr	10%
2	If total income (including capital gains on all securities or dividend income) is above Rs 1 Cr. & upto Rs 2 Crs.	15%

3	If total income (excluding capital gains on all securities or dividend income) is above Rs 2 Crs. & upto Rs 5 Crs.	25%
4	If total income (excluding capital gains on all securities or dividend income) is above Rs 5 Crs.	37%
5	If total income is above 2 Crs. (including capital gains on all securities or dividend income) but is not covered under 3 and 4 above. Provided surcharge not to exceed 15 per cent in case of capital gains or dividend income included in such total income	15%

Health and Education cess:

In all cases, Health and Education cess will be levied at the rate of 4 per cent of income-tax and surcharge.

Notes:

- The above statement of possible direct tax benefits sets out the provisions of law in a summary manner only and is not a complete analysis or listing of all potential tax consequences of the purchase, ownership and disposal of shares and units.
- The stated benefits will be available only to the sole/ first named holder in case the units are held by joint holders.
- In respect of non-residents, the tax rates and the consequent taxation mentioned above shall be further subject to any benefits available under the applicable DTAA, if any, between India and the country in which the non- resident has fiscal domicile.
- This statement is intended only to provide general information to the investors and is neither designed nor intended to be substituted for professional tax advice. In view of the individual nature of tax consequences, each investor is advised to consult his/her own tax advisor with respect to specific tax consequences of his/her participation in the scheme.
- No assurance is given that the revenue authorities/courts will concur with the views expressed herein. Our views are based on the existing provisions of law and its interpretation, which are subject to changes from time to time. We do not assume responsibility to update the views consequent to such changes. We shall not be liable to any claims, liabilities or expenses relating to this assignment except to the extent of fees relating to this assignment, as finally judicially determined to have resulted primarily from bad faith or intentional misconduct. We will not be liable to any other person in respect of this statement.
- This statement of possible direct tax benefits enumerated above is as per the Act as amended by the Finance Act, 2021. The above statement of possible Direct-tax Benefits sets out the possible tax benefits available to the Trust and its unit holders under the current tax laws presently in force in India. Several of these benefits available are dependent on the Company or its shareholders fulfilling the conditions prescribed under the relevant tax laws.
- The information provided above sets out the possible tax benefits available to the unit holders in a summary manner only and is not a complete analysis or listing of all potential tax consequences of the purchase, ownership and disposal of equity shares and units, under the current tax laws presently in force in India. It is not exhaustive or comprehensive and is not intended to be a substitute for professional advice. Investors are advised to consult their own tax consultant with respect to the tax implications of an investment in the equity shares and units particularly in view of the fact that certain recently enacted legislation may not have a direct legal precedent or may have a different interpretation impacting the benefits, which an investor can avail.

SUMMARY OF CERTAIN DIFFERENCES BETWEEN SFRS AND IFRS

The key differences between FRS and IFRS are as set out below, which do not have significant impact on Brookfield Sponsor.

No assurance can be given that the differences listed below cover all possible differences. Potential investors should consult their own advisers for an understanding of the principal differences between SFRS and IFRS.

Summary of differences between [SFRS(I) vs IFRS] and [FRS vs IFRS] as of 27 November 2020 [FRS vs IFRS]

The FRSs and INT FRSs issued by the Accounting Standards Council (ASC) are largely aligned with the IFRS standards and interpretations issued by the IASB and the IFRIC respectively. Differences in effective dates related to periods before 2018 are not included here. Below, we identify the key differences between FRS and IAS/IFRS as at 27 November 2020:

FRS	Content	IAS/ IFRS	Comments
FRS 16	Property, Plant and Equipment	IAS 16	FRS 16 exempts regular revaluation of assets for which any one-off revaluation was performed between 1 January 1984 and 31 December 1996 (both dates inclusive) or for assets that were revalued prior to 1 January 1984. IAS 16 does not give such an exemption.
FRS 27(2012), FRS 28 (2012) and FRS 110 (2012)	Consolidated Financial Statements and Accounting for Investments in Subsidiaries, Associates and Joint Ventures	IAS 27(2011), IAS 28(2011) and IFRS 10(2012)	FRS 27(2012) and FRS 110 (2012) exempt a parent from presenting consolidated financial statements if its holding company (immediate or ultimate) produces consolidated financial statements available for public use. Under IAS 27(2011) and IFRS 10 (2012), such an exemption applies only if the holding company produces consolidated financial statements available for public use that comply with IFRS. Similar differences apply to the exemption from equity accounting for associates and joint ventures in FRS 28(2012), compared to IAS 28(2011).
FRS 102	Share-based Payment	IFRS 2	The cut-off grant date for retrospective treatment of equity-settled share-based payment is 7 November 2002 under IFRS 2 and 22 November 2002 under FRS102.
ED INT FRS	Members' Shares in Co-operative Entities and Similar Instruments	IFRIC 2	IFRIC 2 is effective for annual periods beginning on or after 1 January 2005. This Interpretation has not been adopted in Singapore yet.

MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION

The following contracts and also the documents for inspection referred to hereunder, may be inspected by Eligible Unitholders who have received this Letter of Offer at the principal place of business of the Trust from 10:00 A.M. to 5:00 P.M., on all Working Days from the date of the Letter of Offer until the date of Allotment of the Units pursuant to this Issue. Any of the contracts or documents mentioned in this Draft Letter of Offer may be amended or modified at any time if so required in the interest of the Trust or if required by the other parties, without reference to the Unitholder, subject to compliance with applicable law and InvIT Documents.

- (a). Offer Agreement dated January 4, 2022 between the Trust (acting through the Investment Manager), the Trustee, the Investment Manager (acting in its capacity as the investment manager to the Trust), the Brookfield Sponsor and the Lead Manager.
- (b). Banker to the Issue Agreement dated [●] entered into between the Investment Manager (acting in its capacity as the Investment Manager to the Trust), the Trust (acting through the Trustee), the Banker to the Issue, the Registrar to the Issue and the Lead Manager.
- (c). Monitoring agency agreement dated [●] entered into between the Investment Manager (acting in its capacity as the Investment Manager to the Trust), the Trust (acting through the Trustee) and the Monitoring Agency.
- (d). Registrar agreement dated January 4, 2022 entered into between the Investment Manager (acting in its capacity as the Investment Manager to the Trust), the Trust (acting through the Trustee) and the Registrar to the Issue.
- (e). Resolution dated December 28, 2021 passed by the Data InvIT Committee of the board of directors of the Investment Manager approving this Issue.
- (f). The consents from the (i) legal counsel to the Issue as to Indian law; (ii) Lead Manager; (iii) Valuer of the Trust; (iv) valuer for valuation report in relation to Target Asset; (v) Registrar to the Issue; (vi) Technical Consultant in relation to Tower Co.; (vii) Technical Consultant in relation to Target Asset; (viii) Capitel Partners; (ix) Compliance Officer of the Trust; (x) Banker(s) to the Issue; (xi) Monitoring Agency; and (xii) the Auditors.
- (g). In-principle listing approval dated [●] issued by BSE.
- (h). Tri-partite agreement dated December 27, 2019, between NSDL, the Trust and the Registrar.
- (i). Tri-partite agreement dated December 27, 2019, between CDSL, the Trust and the Registrar.
- (j). Placement Memorandum of the Trust dated August 31, 2020.
- (k). Audited Consolidated Financial Statements, Audited Standalone Financial Statements, Limited Review Consolidated Financials and Limited Review Standalone Financials of the Trust.
- (l). Valuation report dated December 24, 2021 issued by Mr. Ankit Chhabra, which sets out opinion as to the fair value of the Target Asset as on July 31, 2021.
- (m). Technical report titled “Industry report on small cell and IBS market – Space TeleInfra” dated November 2021 issued by Analysys Mason India Private Limited in relation to the Target Asset.