# Altius Telecom Infrastructure Trust

December 29, 2025

| Instruments | Amount (₹ crore) | Rating[1] | Rating Action |
|---|---|---|---|
| Issuer rating | - | CARE AAA; Stable | Reaffirmed |
| Non-convertible debentures | 7,900 | CARE AAA; Stable | Reaffirmed |
| Non-convertible debentures | 2,000 | CARE AAA; Stable | Reaffirmed |
| Non-convertible debentures | 1,500 | CARE AAA; Stable | Reaffirmed |
| Non-convertible debentures | 1,550 | CARE AAA; Stable | Assigned |

Details of instruments/facilities in Annexure-1

## Rationale and key rating drivers

Issuer rating and rating assigned to instruments of Altius Telecom Infrastructure Trust (ATIT; an infrastructure investment trust [InvIT]) continues to draw comfort from its key special purpose vehicle (SPV), Summit Digitel Infrastructure Limited (SDIL; rated 'CARE AAA; Stable'), which has a strong credit profile due to a non-cancellable master service agreement (MSA) for a long period of 30 years with Reliance Jio Infocomm Limited (RJIL; rated 'CARE AAA; Stable/CARE A1+') as an anchor tenant, which provides stable annuity-like cash flows. Ratings are further underpinned by strong business linkages, strategic importance of SDIL's operations for RJIL, and expected growth in SDIL's tenancy ratio considering favourable long-term growth potential for telecom infrastructure business in India.

Ratings also factor in ATIT's strong market position in the Indian telecom tower market post-acquisition of Elevar Digitel Infrastructure Private Limited (EDIPL; rated 'CARE AA+; Stable'; erstwhile ATC Telecom Infrastructure Private Limited) from American Tower Corporation in September 2024, resulting in a portfolio of 250,409 towers across India.

ATIT's ratings continue to draw comfort from its comfortable consolidated net debt/enterprise value of 47% as on September 30, 2025, comfortable debt coverage indicators marked by debt service coverage ratio (DSCR) and strong liquidity.

Rating strengths largely offset risk associated with capital-intensive telecom tower business due to significant capital expenditure incurred for setting up tower network resulting in moderate leverage, and susceptibility to cash flow volatility due to increased exposure to relatively weak tenants, post-acquisition of EDIPL.

## Rating sensitivities: Factors likely to lead to rating actions

**Positive factors:**

Not applicable

**Negative factors:**

- Deterioration in credit risk profile of RJIL.
- Any change in strategic importance of SDIL to RJIL and/or any material changes in MSA with RJIL, adversely impacting SDIL's cash flows.
- Consolidated debt/PBILDT remaining above 7x on a sustained basis.
- Net consolidated debt/enterprise value of assets exceeding 60% on a sustained basis.
- Liquidity stretch due to deterioration in collection efficiency for tenants.

## Analytical approach: Consolidated

For arriving at credit rating of ATIT, CARE Ratings Limited (CareEdge Ratings) has considered a consolidated analytical view of ATIT and its underlying SPVs, SDIL, EDIPL, and Crest Digital Private Limited (CDPL). Strong operational linkages of SDIL with RJIL have been considered. Entities consolidated in ATIT are listed under Annexure-6.

## Outlook: Stable

CareEdge Ratings believes ATIT's strong market position in Indian telecom tower market shall result in strong cash flows, leading to a sustained strong credit profile.

[1]Complete definition of ratings assigned are available at www.careratings.com and other CARE Ratings Limited's publications.

## Detailed description of key rating drivers

## Key strengths

### Strong market position in Indian telecom tower business

SDIL has a diversified tower portfolio of 174,451 towers as on September 30, 2025, across all 22 telecommunication circles in India, making it second-largest tower platform in India. SDIL has a fairly young tower portfolio, which is strategically located with minimal coverage overlap with competitors and has sizable space to accommodate multiple tenancies where ~89% tower portfolio has a tenancy potential of 2-4 tenants.

With the acquisition of EDIPL's business, having 76,130 towers as on September 30, 2025, ATIT has become a strong market player in Indian telecom tower market with 250,409 geographically well-diversified towers. This large and widespread portfolio of quality towers provides ATIT a strong market position and competitive advantage.

### SDIL's long-term MSA with RJIL as an anchor tenant, assuring stable and annuity-like cash flows

SDIL signed a non-cancellable MSA with its anchor tenant, RJIL, for a long tenure of 30 years from September 01, 2020, for leasing of its telecom towers to RJIL, which protects it from lease renewal risk, and thus, provides strong revenue visibility. Per MSA, RJIL will have to pay tariff to SDIL for tower usage. Rent for tower sites and power expenses will be treated as pass-through, fully compensated by RJIL. Long-term agreement provides annuity-like cash flows to SDIL from RJIL, which has a strong credit risk profile. Until March 31, 2021, RJIL was sole tenant of SDIL. Later, SDIL executed 10 years MSAs with other telecom service providers (TSPs) in India, namely, Bharti Airtel Limited, Bharat Sanchar Nigam Limited, and Vodafone Idea Limited. As on June 30, 2025, SDIL has onboarded other TSPs for 11,259 towers.

### Strong business linkages and strategic importance of SDIL for RJIL

RJIL (a 66.43% subsidiary of Reliance Industries Limited [RIL] through Jio Platforms Limited), requires tower infrastructure for its operations and is anchor tenant for SDIL. RJIL is RIL's (rated 'CARE AAA; Stable/CARE A1+') telecom arm and is the largest player (in terms of subscriber base) in the Indian telecom industry.

SDIL has a strategically located telecom towers portfolio, with ~70% towers with a fiberised back-haul, leads to a significant competitive advantage for RJIL, resulting in strong business linkages and strategic importance of tower assets of SDIL to RJIL for its seamless operations.

Project execution risks related to setting up new towers are borne by RIL/RIL group company, and towers are transferred to SDIL post-completion at a fixed price. Operation and maintenance (O&M) of SDIL's towers is also handled by RIL, underlining high importance of SDIL's tower portfolio for RJIL's seamless operations.

### Comfortable financial risk profile

ATIT had unit capital of ₹32,781 crore and external debt of ₹44,380 crore as on September 30, 2025, primarily to fund 174,451 towers of SDIL, 75,958 towers of EDIPL, and ~6,416 sites of CDPL. ATIT's consolidated net debt/enterprise value of assets stood comfortable at 47% as on September 30, 2025.

SDIL has anchor tenancy of RJIL for all 174,451 towers and shared tenancy for 11,259 towers resulting in tenancy ratio of 1.06x as on June 30, 2025. Thus, SDIL's strong anchor tenancy, healthy tenancy of EDIPL's towers marked by tenancy ratio of 1.59x, and expected improvement in SDIL's shared tenancies, is expected to result in strong cash flows, which is expected to be adequate for servicing of ATIT's consolidated debt.

### Long-term growth potential for telecom tower business

India is the second-largest telecommunications market in the world, with consistent growth in subscriber base, which stood at 2,231 million as on October 31, 2025. In FY23, the government's auction of 5G spectrum led to rapid deployment of pan-India 5G services by the industry's leading players, where strong growth in 5G subscriber base is expected in the medium term. Expected growth in 5G penetration shall lead to higher demand and densification of fiberised towers, which support 5G technology. Going forward, with a sizeable and widespread portfolio of towers, ATIT is expected to garner more tenancies from telcos in the near-to-medium term. Overall, healthy growth prospects for domestic telecom industry and strong prospects for shared tenancies amid rapid 5G rollout augur well for ATIT's growth prospects. With rapid deployment of 5G technology, requirement of small cell sites is expected to increase to improve network coverage in institutional, commercial, and residential buildings, translating to healthy demand prospects for players such as CDPL.

**Liquidity:** Strong

ATIT, through SDIL, has stable annuity-like cash flows from RJIL due to long-term MSA for 30 years. SDIL and EDIPL's tenancies from other telecom service providers with a MSA of 10 years provides additional cash flow cushion. These cash flows are expected to be adequate for servicing ATIT's consolidated debt, where tariff payments from TSPs are received monthly and servicing its debt is on a monthly/quarterly/yearly basis. Healthy consolidated net debt/enterprise value and SDIL's 30-year MSA with RJIL, which is longer than external debt tenor imparts strong financial flexibility to ATIT and aid in refinancing of debt at favourable terms, if required. Parentage of a strong group, Brookfield, ensures financial flexibility to fund capex requirements as well.

## Key weaknesses

**Capital intensive business, leading to moderate leverage**

Telecom tower infrastructure business is capital-intensive, as companies need to incur a significant amount of capital expenditure for setting up tower network, which results in moderate leverage for ATIT marked by consolidated debt/PBILDT of 5.20x on September 30, 2025 (annualised). However, CareEdge Ratings expect ATIT's consolidated debt/PBILDT to gradually improve considering expected growth in tenancies.

**Susceptibility to cash flows volatility due to increased exposure to weak tenants**

Domestic telecom industry is highly regulated and competitive, which can affect cash accruals and leverage profile of telecom companies. Until FY21, RJIL, which has a strong credit profile, was primary the tenant of SDIL. However, as SDIL has started on-boarding other tenants, exposing SDIL to counterparty risks in terms of delay in payments by some of these other tenants. EDIPL has almost one-third of its tenancies from a TSP with moderate financial risk profile. ATIT's ability to maintain healthy collection efficiency from tenants, will be a key rating monitorable.

## Applicable criteria

Definition of Default
Rating Outlook and Rating Watch
Infrastructure Investment Trusts (InvITs)
Infrastructure Sector Ratings
Consolidation
Issuer Rating
Financial Ratios – Non-financial Sector
Liquidity Analysis of Non-financial Sector Entities

## About the company and industry

## Industry classification

| Macro-economic indicator | Sector | Industry | Basic industry |
|---|---|---|---|
| Telecommunication | Telecommunication | Telecom - services | Telecom - infrastructure |

ATIT, formerly known as Data Infrastructure Trust, was originally incorporated by Reliance Industrial Investments and Holdings Limited (RIIHL; a wholly owned subsidiary of RIL) on January 31, 2019, as a trust under provisions of Indian Trusts Act, 1882. Trust was registered as an InvIT with SEBI on March 19, 2019. In August 2020, on receipt of approval from Department of Telecommunications (DoT), Brookfield group became sponsor to InvIT by subscribing to 89.79% units of InvIT (58.88% holding as on September 30, 2025). Post this, InvIT acquired a 100% equity stake in SDIL. InvIT's units were listed on Bombay Stock Exchange (BSE) in September 2020. Axis Trustee Services Limited is trustee and Data Link Investment Manager Private Limited is investment manager of ATIT. ATIT's first investment, SDIL, is engaged in operating telecom tower assets, which have been transferred to it from RJIL. In March 2022, ATIT acquired CDPL, a leading indoor coverage solutions provider in India. Later, in September 2024, ATIT acquired EDIPL, which is also engaged in operating telecom tower assets.

| Brief Financials of ATIT (Consolidated) | FY24 (A) | FY25 (A) # | H1FY26 (UA) |
|---|---|---|---|
| Total operating income (TOI) | 12,878 | 19,454 | 12,110 |
| PBILDT | 4,886 | 7,987 | 4,947 |
| PAT | 1,119 | 840 | 507 |
| Overall gearing (times) | 2.35 | 3.36 | 3.88 |
| Interest coverage (times) | 1.95 | 2.20 | 2.30 |

A: Audited; UA: Unaudited; Classified per CareEdge Ratings' standards.

#ATIT's FY25 financials include EDIPL's performance from the date of acquisition from September 12, 2024 to March 31, 2025. Hence, ATIT's FY25 financials are not exactly comparable with FY24 financials.

**Status of non-cooperation with previous CRA:** Not applicable

**Any other information:** Not applicable

**Rating history for last three years:** Annexure-2

**Detailed explanation of covenants of rated instrument/facility:** Annexure-3

**Complexity level of instruments rated**: Annexure-4

**Lender details**: Annexure-5

**Annexure-1: Details of instruments/facilities**

| Name of the Instrument | ISIN | Date of Issuance (DD-MM-YYYY) | Coupon Rate (%) | Maturity Date (DD-MM-YYYY) | Size of the Issue (₹ crore) | Rating Assigned and Rating Outlook |
|---|---|---|---|---|---|---|
| Debentures-Non-convertible debentures | INE0BWS07011 | 30-Aug-2024 | 8 | 30-Aug-2034 | 1,850 | CARE AAA; Stable |
| Debentures-Non-convertible debentures | INE0BWS07037 | 09-Sep-2024 | 9.99 | 10-Sep-2029 | 1,660 | CARE AAA; Stable |
| Debentures-Non-convertible debentures | INE0BWS07029 | 09-Sep-2024 | 9.99 | 09-Sep-2029 | 6,240 | CARE AAA; Stable |
| Debentures-Non convertible debentures | INE0BWS07045 | 21-April-2025 | 7.45 | 20-April-2035 | 1,200 | CARE AAA; Stable |
| Debentures-Non convertible debentures | Proposed | NA | NA | NA | 2,000 | CARE AAA; Stable |
| Issuer Rating | - | - | - | - | - | CARE AAA; Stable |

## Annexure-2: Rating history for last three years

| Sr. No. | Name of the Instrument/ Bank Facilities | Current Ratings | | | Rating History | | | |
|---|---|---|---|---|---|---|---|---|
| | | Type | Amount Outstanding (₹ crore) | Rating | Date(s) and Rating(s) assigned in 2025-2026 | Date(s) and Rating(s) assigned in 2024-2025 | Date(s) and Rating(s) assigned in 2023-2024 | Date(s) and Rating(s) assigned in 2022-2023 |
| 1 | Issuer Rating-Issuer Ratings | LT | - | CARE AAA; Stable | 1)CARE AAA; Stable (08-Oct-25) | 1)CARE AAA; Stable (21-Feb-25)<br><br>2)CARE AAA; Stable (14-Aug-24) | 1)CARE AAA (RWD) (15-Jan-24)<br><br>2)CARE AAA; Stable (14-Dec-23) | 1)CARE AAA; Stable (26-Dec-22)<br><br>2)CARE AAA (Is); Stable (02-Dec-22) |
| 2 | Debentures-Non Convertible Debentures | LT | 7,900 | CARE AAA; Stable | 1)CARE AAA; Stable (08-Oct-25) | 1)CARE AAA; Stable (21-Feb-25)<br><br>2)CARE AAA; Stable (14-Aug-24) | - | - |
| 3 | Debentures-Non Convertible Debentures | LT | 2,000 | CARE AAA; Stable | 1)CARE AAA; Stable (08-Oct-25) | 1)CARE AAA; Stable (21-Feb-25)<br><br>2)CARE AAA; Stable (14-Aug-24) | - | - |
| 4 | Debentures-Non Convertible Debentures | LT | 1,500 | CARE AAA; Stable | 1)CARE AAA; Stable (08-Oct-25) | 1)CARE AAA; Stable (21-Feb-25) | - | - |
| 5 | Debentures-Non Convertible Debentures | LT | 1,550 | CARE AAA; Stable | - | - | - | - |

LT: Long term

**Annexure-3: Detailed explanation of covenants of rated instruments/facilities:** Not applicable

## Annexure-4: Complexity level of instruments rated

| Sr. No. | Name of Instrument | Complexity Level |
|---|---|---|
| 1 | Debentures-Non-convertible debentures | Simple |

**Annexure-5: Lender details:** Not applicable

## Annexure-6: List of entities consolidated in ATIT as on September 30, 2025

| Sr No | Name of the entity | Extent of consolidation | Rationale for consolidation |
|---|---|---|---|
| 1 | Summit Digitel Infrastructure Limited | Full | Subsidiary |
| 2 | Crest Digital Private Limited | Full | Subsidiary |
| 3 | Elevar Digitel Infrastructure Private Limited | Full | Subsidiary |
| 4 | Roam Digitel Infrastructure Private Limited (RDIPL)# | Full | Subsidiary |
| 5 | Crest Virtual Network Private Limited (CVNPL)# | Full | Subsidiary |

#RDIPL and CVNPL are currently non-operational.

**Note on complexity levels of rated instruments:** CareEdge Ratings has classified instruments rated by it based on complexity. Investors/market intermediaries/regulators or others are welcome to write to care@careedge.in for clarifications.

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**About us:**

Established in 1993, CareEdge Ratings is one of the leading credit rating agencies in India. Registered under the Securities and Exchange Board of India, it has been acknowledged as an External Credit Assessment Institution by the Reserve Bank of India. With an equitable position in the Indian capital market, CareEdge Ratings provides a wide array of credit rating services that help corporates raise capital and enable investors to make informed decisions. With an established track record of rating companies over almost three decades, CareEdge Ratings follows a robust and transparent rating process that leverages its domain and analytical expertise, backed by the methodologies congruent with the international best practices. CareEdge Ratings has played a pivotal role in developing bank debt and capital market instruments, including commercial papers, corporate bonds and debentures, and structured credit. For more information: www.careratings.com



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