Digital Fibre Infrastructure Trust

April 02, 2026

Facilities/Instruments	Amount (₹ crore)	Rating[1]	Rating Action
Issuer rating	0.00	CARE AAA; Stable	Reaffirmed
Long-term facilities	32,726 (Reduced from 32,940)	CARE AAA; Stable	Reaffirmed

Details of instruments/facilities in Annexure-1.

Rationale and key rating drivers

Issuer rating and rating assigned to long-term facilities of Digital Fibre Infrastructure Trust (DFIT; an infrastructure investment trust [InvIT]) derives comfort from its sole special purpose vehicle (SPV), Jio Digital Fibre Private Limited (JDFPL; rated 'CARE AAA; Stable'), which has a strong credit profile due to a fibre use agreement (FUA) 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 cashflows adequate for servicing of its senior debt obligations. Ratings are underpinned by strong business linkages and strategic importance of JDFPL's operations for RJIL, strong competitive position of JDFPL on the back of large fibre footprint, high-quality asset base and favourable long-term growth potential fuelled by growing demand for fibre networks in India.

Ratings also draw comfort from DFIT's outstanding net debt/enterprise value (EV) on a consolidated basis, at 53% as on December 31, 2025, which can go up to a maximum of 70% per Securities and Exchange Board of India (SEBI) regulations.

These rating strengths largely offset risks associated with highly capital-intensive nature of fibre network business resulting in high leverage and susceptibility to volatile cashflows related to external (non-RJIL) tenancies.

Rating sensitivities: Factors likely to lead to rating actions

Positive factors: Not applicable

Negative factors

- Any material changes in the FUA with RJIL, adversely impacting JDFPL's cashflows.
- Deterioration in the credit risk profile of RJIL marked by its credit rating downgrade by one notch.
- Consolidated net debt of DFIT exceeding 60% of value of its assets, impacting its debt coverage indicators.

Analytical approach: Consolidated

For arriving at DFIT's rating, CARE Ratings Limited (CareEdge Ratings) has considered a consolidated analytical view of DFIT and its sole SPV, JDFPL. Strong operational linkages of JDFPL with RJIL have also been considered.

List of entities consolidated is mentioned in annexure 6.

Outlook: Stable

CareEdge Ratings believes that fibre assets of JDFPL will remain strategically important for RJIL's operations and its long-term FUA with RJIL will result in steady annuity-like cashflows, leading to a sustained strong credit profile.

Detailed description of key rating drivers:

Key strengths

JDFPL's FUA with RJIL as an anchor tenant, assuring stable and annuity-like cashflows

JDFPL executed an FUA with its anchor tenant, RJIL, for a tenure of 30 years, thus providing assured revenue visibility. Per terms of FUA, JDFPL will provide RJIL usage of contract fibre and ducts and basic maintenance services. Per FUA, RJIL paid upfront fibre fees, which will be amortised over the life of FUA. RJIL also pays fixed monthly fibre fees and monthly maintenance fees for using designated number of fibre pairs. Any increase in operating costs or right of way charges will also be borne by the anchor tenant, ensuring stable profitability for JDFPL. Long-term nature of FUA provides annuity-like cash flows to JDFPL from RJIL, which has a strong credit risk profile. Cash flows under FUA with RJIL are expected to be adequate for servicing of JDFPL's senior debt repayment obligations. JDFPL's envisaged additional tenancies (non-RJIL), going forward, are expected to provide further cash flow cushion to JDFPL. However, fibre off-take from additional tenancies is expected to improve gradually.

Strong business linkages and strategic importance for RJIL

RJIL (a 66.43% subsidiary of Reliance Industries Limited [RIL] through Jio Platforms Limited), which requires fibre infrastructure for its operations, is the anchor tenant for JDFPL. Fibre infrastructure development is highly capital-intensive and time-consuming. Hence, it is economically prudent for RJIL to use fibre assets of JDFPL, establishing strong business linkages between two entities.

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

Large fibre footprint in India and high-quality asset base

JDFPL has an extensive fibre footprint throughout the country (having a presence in all key geographies, covering all 22 telecom circles), across categories such as long-distance fibre, and intra-city fibre. JDFPL has high-quality infrastructure assets of 30.06 million fibre pair kilometre (FPKM) of national long distance (NLD), intra-city, enterprise access, and fibre to the home (FTTH) as on December 31, 2025; which are likely to have strong demand from user categories, such as telecom and internet service providers, multi-service operators, data centres, and large enterprise customers, among others. A significant proportion of these fibre assets are intra-city and underground, which results in greater usability, higher tariffs, and lower operations and maintenance (O&M) expenses.

Long-term growth potential for fibre infrastructure business, driven by robust demand

India is currently the second-largest market for telecommunication services globally. Demand for optical fibre network is primarily linked with telecom and broadband market and will be driven by fibre deployment for connecting homes and businesses and base transceiver station (BTS) fiberisation to support mobile traffic growth and rising demand for optical communication for different purposes. RJIL, the anchor tenant, has consolidated its domestic market leadership position with strong market share in telecom and broadband business. Consequently, healthy growth prospects for domestic telecom and broadband industry and RJIL's dominant market position augment well for prospects of JDFPL and DFIT.

Liquidity: Strong

Consolidated debt profile of DFIT comprises senior debt [bank term loans of ₹67,345 crore (including external commercial borrowings), non-convertible debentures (NCDs) of ₹1,719 crore in JDFPL], interest bearing business deposits from RJIL of ₹13,650 crore in JDFPL and unsecured loans primarily from RIL promoter group entities of ₹32,726 crore in DFIT as on December 31, 2025. JDFPL has stable annuity-like cashflows from RJIL due to long-term FUA for 30 years, which are envisaged to be adequate for servicing its senior debt, bank term loans and NCDs. JDFPL receives monthly fibre payments from RJIL, whereas servicing of its senior debt is on a quarterly basis. Servicing of business deposits in JDFPL and unsecured loans in DFIT, from excess cashflows post servicing of JDFPL's senior debt is also expected to be comfortable.

Tenure of FUA, which is more than duration of senior debt, and long life of assets are envisaged to aid in refinancing of debt, if required.

Key weaknesses

Capital-intensive business

Fibre infrastructure business is highly capital-intensive, as entities need to incur a significant amount of capital expenditure for laying fibre networks. This leads to high leverage in DFIT, marked by consolidated total debt/ PBILDT of 7.24x as on March 31, 2025, inherent to an infrastructure asset. RJIL is the anchor customer for, existing and new fibre lengths, assuring revenue to that extent. However, DFIT's consolidated total debt/PBILDT is envisaged to remain elevated in the medium term and expected to gradually improve with expected additional tenancies.

Susceptible to revenue volatility due to external tenants

Telecom industry has consolidated into 3-4 players, which could limit tenancies for JDFPL. Telecom industry is highly regulated and competitive, which could affect cash accruals and leverage profile of telcos. Consequently, JDFPL's envisaged additional tenancies could expose it to counterparty risk.

Applicable criteria

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

About the company and industry

Industry classification

Macroeconomic indicator	Sector	Industry	Basic industry
Telecommunication	Telecommunication	Telecom - services	Telecom - infrastructure

DFIT was established by Reliance Industrial Investments and Holdings Limited (RIIHL – sponsor) on January 31, 2019, as a contributory irrevocable trust pursuant to an Indenture of Trust executed between sponsor and Axis Trustee Services Limited. DFIT was registered as an InvIT on March 20, 2019, under SEBI Infrastructure Investment Trust Regulations, 2014.
In DFIT, 15% units are held by RIIHL; 51% units are together held by Public Investment Fund (PIF) and Abu Dhabi Investment Authority (ADIA), whereas ~34% units are held by RIL promoter group companies – Jamnagar Utilities and Power Private Limited (rated 'CARE AAA; Stable/CARE A1+') and Sikka Ports and Terminals Limited (rated 'CARE AAA: Stable/CARE A1+'). DFIT has listed its units on Bombay Stock Exchange (BSE) from March 31, 2023.
DFIT holds 51% equity stake in its sole SPV, Jio Digital Fibre Private Limited, whereas 48.5% equity stake is held by RIL. JDFPL was incorporated in December 2018 to undertake business of operating optical fibre cable assets, transferred to it from RJIL. JDFPL has executed a FUA with its anchor tenant, RJIL, for 30 years, providing assured revenue visibility.

Brief Financials of DFIT (Consolidated)	FY24 (A)	FY25 (A)	9MFY26 (UA)
Total operating income (TOI)	16,729	18,553	13,929
PBILDT	15,000	16,615	12,463
PAT/ (Net loss)	-808	-332	-275
Overall gearing (times)	2.25	2.50	NA
Interest coverage (times)*	2.30	2.43	2.46

A: Audited; UA: Unaudited; NA: Not available; Classified per CareEdge Ratings Limited's standards.
*Excluding interest on unsecured loans availed by DFIT
Note: these are latest available financial results

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	Date of Issuance (DD-MM-YYYY)	Coupon Rate (%)	Maturity Date (DD-MM-YYYY)	Size of the Issue (₹ crore)	Rating Assigned along with Rating Outlook
Debt	-	-	28-09-2050	32,726	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	Debt	LT	32,726	CARE AAA; Stable	1)CARE AAA; Stable (07-Apr-25)	1)CARE AAA; Stable (05-Apr-24)	-	1)CARE AAA; Stable (20-Mar-23)
2	Issuer Rating	LT	0.00	CARE AAA; Stable	1)CARE AAA; Stable (07-Apr-25)	1)CARE AAA; Stable (05-Apr-24)	1)CARE AAA; Stable (03-May-23)	-

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 the Instrument	Complexity Level
1	Debt	Simple

Annexure-5: Lender details: Not applicable

Annexure-6: List of entities consolidated

Sr No	Name of the entity	Extent of consolidation	Rationale for consolidation
1	Jio Digital Fibre Private Limited	Full	Sole SPV of DFIT

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.

Contact us

Media Contact	Analytical Contacts
Name: Mradul Mishra Director **CARE Ratings Limited** Phone: +91-22-6754 3596 E-mail: mradul.mishra@careedge.in	Name: Ranjan Sharma Senior Director **CARE Ratings Limited** Phone: +91 - 22 - 6754 3453 E-mail: ranjan.sharma@careedge.in
Relationship Contact Name: Saikat Roy Senior Director **CARE Ratings Limited** Phone: +91-22-6754 3404 E-mail: saikat.roy@careedge.in	Name: Hardik Shah Director **CARE Ratings Limited** Phone: +91-22-6754 3591 E-mail: hardik.shah@careedge.in Name: Arti Roy Associate Director **CARE Ratings Limited** Phone: +91-22-6754 3657 E-mail: arti.roy@careedge.in

About us:

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