

TOWER INFRASTRUCTURE TRUST

Transcript of the First Annual General Meeting

Day & Date of meeting	Thursday, July 29, 2021
Time	12.00 p.m.
Venue	Through Video Conferencing

Attendees:

Directors of Brookfield India Infrastructure Manager Private Limited (formerly known as WIP (India) Private Limited) [Investment Manager of the Trust] (“BIIMPL”)

- Mr. Sridhar Rengan - Non-executive Director - Chairperson appointed at the meeting
- Mr. Chetan R. Desai - Independent Director

Invitees:

- Ms. Puja Tandon- Company Secretary of BIIMPL
- Mr. Inder Mehta- Compliance Officer of the Tower Infrastructure Trust (“Tower InvIT/Trust”)
- Representative of Axis Trustee Services Limited (acting in its capacity as Trustee of the Trust
- Scrutinizer appointed by BIIMPL
- Representatives of Auditors of the Trust
- Representatives of Summit Digital Infrastructure Private Limited (“Summit/SDIPL”), Special Purpose Vehicle of the Trust
- Representatives of the 4 Unitholders representing 92.80% of the unit capital of the Trust

Ms. Puja Tandon: I, Puja Tandon, Company Secretary of BIIMPL, welcome all the unitholders, Directors of BIIMPL, Investment Manager of the Trust and Invitees to the First Annual General Meeting (“AGM”) of the Trust.

Request all the members to be on VC and I request all the attendees to keep themselves on mute during the proceedings of the meeting. The Unitholders will have the opportunity to speak once we open for Q&A.

Please be informed that the meeting is being conducted through video conferencing in compliance with the SEBI InvIT Regulations and circulars issued by SEBI thereunder and is being recorded.

The Notice of this meeting was served electronically to all the Unitholders within the prescribed timelines and is also available on Trust’s website i.e. www.towerinfratrust.com.

The documents referred to in the Notice are available for inspection by the Unitholders during the Meeting by writing an email to the Compliance Officer at secretarial@summitdigitel.com.

Investment Manager of the Trust has appointed Mr. Jatin Prabhakar Patil as the Scrutinizer to scrutinize the entire voting process i.e. remote e-voting and e-voting at the Meeting, in a fair and transparent manner. The Scrutinizer is present at the meeting and he will submit his report to BIIMPL within the prescribed time as mentioned in the AGM Notice.

On basis of Scrutinizer’s Report, the result of the voting will be announced by the Trust on or before Saturday, July 31, 2021 which will then be submitted to BSE Limited and will also be uploaded on the Trust’s website.

Representatives of Deloitte Haskins & Sells, Auditors of the Trust and Representative of Axis Trustee Services Limited, Trustee of the Trust are also attending the meeting.

The meeting is being attended by 4 Unitholders representing approximately 93% of the unit capital and the Trust has received the necessary authorizations from the Unitholders.

I now propose to the Unitholders to appoint Mr. Sridhar Rengan, Chairperson of BIIMPL, as the Chairperson for the meeting and request the Unitholders to convey their vote in the chat box by writing "Yes" or "No".

Can I request all the Unitholders to post their votes for Mr. Sridhar to be the Chairperson, in the chat box.

(Unitholders present at the meeting consented to appoint Mr. Rengan as the Chairperson of the meeting.)

With that, I would request Mr. Sridhar Rengan to chair the Meeting and commence the proceedings.

Mr. Sridhar Rengan: Thank you Puja.

Thank you and Good Afternoon to everyone. I welcome each one of you to the First AGM of the Unitholders of the Trust.

I also have with me Mr. Chetan Desai, Independent Director of the Investment Manager, joining me through VC in this meeting from his location.

I confirm that:

- the quorum is present and call the meeting to order.
- All reasonable efforts have been made by the Investment Manager, to enable Unitholders to participate and vote on the items being considered at the meeting.
- Facility for remote e-voting was open for Unitholders till Wednesday, July 28, 2021 till 5:00 p.m. and the facility for e-voting at the meeting is also available for Unitholders.
- Only those Unitholders who have not casted their votes through remote e-voting are eligible to cast their vote at the meeting.
- Voting process will be verified and scrutinized by Scrutinizer who will submit his report to the Chairperson within prescribed time as mentioned in the AGM Notice.
- With the permission of the Unitholders present at the meeting, I take the Notice of the First AGM as read.

I now request Mr. Dhananjay Joshi, Managing Director and CEO of SDIPL and Mr. Inder Mehta, Compliance Office of the Trust, to give a brief update on the operational performance of the Trust Asset i.e. Summit.

Mr. Dhananjay Joshi: Thank you Sridhar. Good afternoon. I will give a brief overview on the business update and progress of SDIPL.

In terms of sales and marketing update, we have signed off a term sheet with one of the largest Mobile Network Operators ("MNOs") and Internet Service Provider ("ISP") where we are trying to onboard them and start providing services to the ISP. Some of the priorities for the sales is to finalize the Master Service Agreement with the largest MNOs and ISPs, onboarding process for

the ISP post term sheet sign off, initiate discussion with other local ISPs, branding & marketing standardization within & outside the industry.

In terms of operation update, the network uptime for our 22 circles in Grade A is maintained at 99.95% and the network uptime for 6 circles in Grade B is maintained at 99.90%. The performance of SDIPL has been improving quarter on quarter basis and we have done exceptionally well. Today, we see 96% Non-Feasible Service Requests have been able to convert to feasible by providing required height to MNO. Total sites that are available for service are 1,41,933 and we have established a proper mechanism for operational data transfers from business partner. We have also implemented the Interim Order management system (BOOST) model, a customer facing tool. Environment, Social and Governance (“ESG”) is one of the important elements for us, we are working with our partner to deploy renewable energy solutions (Solar) deployment & about 27% of our sites are already diesel free.

Some of our priorities are on new site acquisition & compliances, implementation of ERP systems, order management & billing systems, focus on maximizing service order from sharer, regular engagement with sharer at circle for update on current deliveries and develop a safety culture through various initiatives.

In terms of HSSE/Risk/Legal update, we had two fatal incidents reported in the month of June 2021. There were 11 site fire incidents reported in June out of which two were classified as high-risk fires and the remaining as medium-risk fires. As most of these fires are due to poor quality workmanship, we are working with the partner by conducting training & site audits to ensure better quality of workmanship. We are slowly getting back to normal operations with improvement in Covid situation, we have a Covid Risk Rating (CRR) based on standard operating procedure which is issued on weekly basis. CRR is released weekly and state wise on the Covid situation helping employees to take call on Travel/Site Visit. As mentioned earlier, we have kicked off the Permit to Work process (PTW) to ensure safe work process on any site visit with proper approvals from the respective managers. Daily tracking, auditing and weekly review of the issues/shortfalls are witnessed to improve the process are in place. In order to sensitize on environment, circles across India do run environmental week, taking pledge, reduction in single-use plastic, plantation drives. These are some of the social activities where the teams are involved with us in the circles. We also conduct multiple site inspections as part of the HSSE. We have completed 6 physical site audits and 57 virtual site inspections.

Our priority is to complete the investigation on two fatal incidents that took place on June 29, 2021 and June 30, 2021, respectively, along with initiation of corrective and preventive measures that has to be taken. We have done virtual site inspection during the Covid times, which is safe and more efficient. Though we have 100% of virtual audits for sharer sites, we will try focusing on increasing the physical site audit which has been impacted due to Covid as it is equally important.

I would like Mr. Inder Mehta to give a brief update on Finance.

Mr. Inder Mehta: Sure Mr. Dhananjay Joshi. We have been able to make Distributions of approx. Rs. 1,000 crores during the period. We have issued and listed Non-Convertible Debentures (“NCDs”) of Rs. 1,500 crores for a tenor of 5 years which is in line with the strategy that we are planning to adopt at Summit. As a result of this issuance, we have redeemed a part of the existing NCDs in the month of June 2021. Just for Unitholders information, we have distributed the April and May earnings in the month of June, which is currently planned on a quarterly basis.

Our priorities are to implement new SAP S4/HANA system, maintain robust control environment and ensure timely filing and compliances for requirements relating to tax, regulatory and statutory for FY2021-22.

Mr. Dhananjay Joshi: Thank you Mr. Mehta. The last part of the update consists of the people and culture update. On talent acquisition, we have onboarded 142 employees and onboarded 44 positions. We have completed 92% of Circle critical position hiring as on date. Our priority is to close critical hiring for Q2 and focus on diversity.

On talent management & engagement update, we have conceptualized and launched emailer series and online interactive sessions, initiated CHRO Connect, Townhalls with regional employees to connect, engage and answer their queries with all four regions. POSH initiatives implemented for filing return for CY2020, finalization of members by passing a Board Resolution and conduct virtual orientation workshop for CXO's and Internal Complaints Committee members. Our priorities are to design and implement reward and recognition process, closure of goal setting process for FY2021-22, roll out employee communication on POSH grievances and finalize and roll out employee engagement activities for the quarter.

We have inducted 44 new joiners, ensured IT enablement for them to function smoothly and ensured 100% coverage in HSSE and Anti-Bribery & Anti-Corruption ("ABC") induction. We have successfully completed audit for FY2020-21 without any non-compliance. We have implemented HR tools and completed UAT on modules of Zing HR Employee Master, Attendance, Leave, probation confirmation and e-separation. Our priorities are to go live for the said modules and conducting employee awareness session on Insurances, GMC, GPA, GTL.

In terms of administration update, we have inaugurated the corporate office on June 16, 2021, facility management team has been put in place for corporate office and ensured Covid readiness for starting the office. Our priority is to finalize 4 regional offices with relevant stakeholders.

In terms of Covid situation, we are very focused on vaccination and we have been conducting vaccination drives under Brookfield group entity to ensure that our employees are safe. Today, out of 159 employees, 129 have been vaccinated with first dose and we are tracking each employee to ensure that both the doses are taken.

This was a brief on the business of SDIPL. Thank you. Anybody having any questions on it then happy to answer.

Mr. Sridhar Rengan: Thank you Mr. Dhananjay and Mr. Inder. That was a very exhaustive presentation. We are now opening up for the Q&A session.

The Unitholders who wish to speak or have any query or any comments on the business update laid out by Mr. Joshi earlier, may post their question in the chat box or click on the "Raise Hand" tab available on the screen.

We seem to have no question. Thank you I shall now get on to the next item i.e. taking up the agenda items as per the Notice. I now request Mr. Inder Mehta to provide a brief background on the agenda items:

- 1. Agenda Item No. 1** relates to consideration and adoption of the Audited Standalone and Consolidated Financial Information of the Trust for the financial year ended March 31, 2021 together with the Report of Investment Manager and Auditors thereon

Background: In terms of Standalone financials of the Trust, there has been an overall profit of Rs. 1,355 crores. In terms of Consolidated financials of the Trust, there has been a loss of Rs. 983 crores during the year, largely because of the depreciation in finance cost that is incurred by Summit. Unitholders are requested to consider and adopt of the Audited Standalone and Consolidated Financial Information of the Trust together with the Report of Investment Manager and Auditors thereon.

2. **Agenda Item No. 2** relates to the consideration and adoption of the Valuation Report of the assets of the Trust for the financial year ended March 31, 2021

Background: As on March 31, 2021, we have appointed registered valuer to carry out the valuation which is a SEBI requirement. The valuation has been completed and there has been no change in long term assumptions. There has been a marginal increase in the enterprise value of the Trust Asset. As on March 31, 2021, the enterprise value has arrived at Rs. 44,005 crores and we have filed the valuation report with the stock exchange in compliance with the SEBI InvIT Regulations.

3. **Agenda Item No. 3** relates to ratification of appointment of Auditors of the Trust for the period from the financial year 2018-19 till the financial year 2022-23

Background: M/s. Deloitte Haskins & Sells, Chartered Accountant were appointed as the Statutory Auditor of Tower InvIT for a period of 5 years commencing from FY2018-19 till FY2022-23 by the erstwhile Investment Manager of Tower InvIT. We have also received a confirmation from the Auditors on their eligibility to be appointed as Statutory Auditors. Considering this is the First AGM of the Tower InvIT, we are requesting the Unitholders to ratify the appointment of statutory auditor from FY2018-19 till FY2022-23.

4. **Agenda Item No. 4** relates to appointment of Valuer of the Trust for the financial year 2021-22 and authorizing the Investment Manager to fix their remuneration

Background: In compliance with the SEBI InvIT Regulations, the Investment Manager is required to appoint a valuer to ensure annual valuation of the InvIT assets. We propose to appoint M/s BDO Valuation Advisory LLP ("BDO Val") as the Valuer for FY2021-22, who will be carrying out the valuation for the year ended March 31, 2022. BDO Val have also confirmed their eligibility to be appointed as the Valuer of the Trust. We request the Unitholders to approve the appointment of the Valuer and authorize the Investment Manager to fix their remuneration.

Happy to answer any questions on the above-mentioned agenda items.

Mr. Sridhar Rengan: Thank you Inder. I now take the following agenda items as per the Notice:

- **Agenda Item No. 1** relates to consideration and adoption of the Audited Standalone and Consolidated Financial Information of the Trust for the financial year ended March 31, 2021 together with the Report of Investment Manager and Auditors thereon;
- **Agenda Item No. 2** relates to the consideration and adoption of the Valuation Report of the assets of the Trust for the financial year ended March 31, 2021, issued by Mr. Sunil Kumar Saini, Registered Valuer, appointed as the Valuer of the Trust;
- **Agenda Item No. 3** relates to ratification of appointment of Auditors of the Trust for the period from the financial year 2018-19 till the financial year 2022-23; and
- **Agenda Item No. 4** relates to appointment of Valuer of the Trust for the financial year 2021-22 and authorizing the Investment Manager to fix their remuneration.

We will now commence the e-voting process for voting at the meeting and I would request Ms. Tandon to brief the Unitholders on the voting process.

Ms. Puja Tandon: Thank you Mr. Sridhar Rengan.

- Link for e-voting will be shared in the chat box (please click on the message icon on your teams window to access the chat box). Detailed process for voting is mentioned in the Annexure I to the AGM Notice. The e-voting window will remain open for 15 minutes post conclusion of the EGM.
- E-voting shall be exercised by only those Unitholders who have not exercised their option of remote e-voting earlier.
- In case a Unitholder who has already exercised their vote through remote e-voting also votes at the meeting, his/her votes cast earlier through remote e-voting will be considered.
- You are requested to click on the link and login to your account and on the voting page, cast your vote by selecting "Assent/Dissent" on all the 4 resolutions and verify/modify the number of units for which you wish to cast your vote. (In case you require any assistance with the details, please use the chat box or call on the designated numbers mentioned in the Notice).
- You are requested to verify all the details before casting the vote and then Click on Submit.
- Multiple representatives attending on behalf of the Unitholder are requested to cast their vote only once.
- I request all the Unitholders to confirm if they are able to access the chat box. Please reach out to the designated numbers mentioned in the chat window, in case you require any assistance.

Mr. Sridhar Rengan: Thank you Ms. Tandon.

I request all the Unitholders who are present at the meeting and have not exercised their votes through the remote e-voting facility to cast their vote within 15 minutes from the conclusion of this meeting.

Please note that, on the basis of the Scrutinizer's Report, results of the voting will be announced by the Trust on or before Saturday, July 31, 2021 and will be submitted to BSE Limited and also uploaded on the website of the Trust.

I now conclude the meeting. Thank you everyone for your presence and co-operation during the conduct of the meeting.