

March 31, 2026

Summit Digital Infrastructure Limited: Ratings reaffirmed; [ICRA]AAA (Stable) assigned for fresh NCD of Rs. 1550.0 crore

Summary of rating action

Instrument*	Previous rated amount (Rs. crore)	Current rated amount (Rs. crore)	Rating action
Non-convertible debentures	4,000.00	4,000.00	[ICRA]AAA (Stable); reaffirmed
Non-convertible debentures	1,550.00	1,550.00	[ICRA]AAA (Stable); reaffirmed
Non-convertible debentures	500.00	500.00	[ICRA]AAA (Stable); reaffirmed
Non-convertible debentures	0.00	1550.00	[ICRA]AAA (Stable); assigned
Short term – Short-term loan - Fund based	500.00	500.00	[ICRA]A1+; reaffirmed
Total	6,550.00	8100.00	

*Instrument details are provided in Annexure I

Rationale

The ratings take into account the strong business linkages between Summit Digital Infrastructure Limited (SDIL) and Reliance Jio Infocomm Limited (RJIL), a step-down subsidiary of Reliance Industries Limited (RIL, rated [ICRA]AAA (Stable) / [ICRA]A1+). Visibility of the cash flows to be generated by SDIL, driven by the terms of a 30-year non-cancellable master service agreement (MSA) and the fixed-price nature of the operations and maintenance (O&M) as well as the project execution contracts, has also been considered while undertaking the rating action. The MSA assures revenue certainty for SDIL until 2051, with RJIL being the anchor tenant for the 1,74,451 towers set up by SDIL.

As on September 30, 2025, SDIL had 1,74,451 towers, wherein RJIL is the anchor tenant. A major share of SDIL's tower infrastructure is fibreised, enabling better capabilities to handle 4G/5G networks. This, along with the increasing data requirements, is expected to enable SDIL attract tenancies from other telecom operators as well, providing a further fillip to cash generation.

The ratings also factor in SDIL's ability to service external debt comfortably over the long run, while the improved tenancy ratio provides a boost to the financial risk profile, although incremental addition in non-Jio tenancies has remained low. Further, the strong parentage of Altius Telecom Infrastructure Trust (ATIT), which is backed by Brookfield Infrastructure Partners, ensures healthy refinancing capabilities for SDIL and is a rating comfort.

SDIL's external debt was around Rs. 29,571 crore as of September 30, 2025. The company has been refinancing its debt obligations to optimise its interest cost and achieve a favourable maturity profile. The company has reached an agreement with its bondholders and lenders to increase the debt cap in view of any future plans to add towers to its portfolio. However, new tower additions for SDIL are likely to remain minimal in the near term.

SDIL's parent, ATIT, is backed by Brookfield Infrastructure Partners. It has three assets under its fold, Elevar Digital Infrastructure Private Limited (erstwhile ATC Telecom Infrastructure Private Limited), SDIL and Crest Digital Private Limited. At present, the InvIT meets the regulatory requirement of leveraging, as mandated under the regulations. At Altius's level, the loan-to-value stood at ~48% as on September 30, 2025, which is expected to remain comfortable and within the regulatory requirements going forward. Hence, any material leveraging at the InvIT level will remain a key monitorable.

The Stable outlook reflects ICRA's expectation that SDIL's cash generation will remain stable, with robust agreements in place on both the revenue and cost sides.

Key rating drivers and their description

Credit strengths

Strong business profile; linkages, a 30-year MSA and fixed contracts with RJIL provide healthy revenue visibility and EBITDA generation – RJIL and SDIL have signed a non-cancellable master service agreement (MSA) for 30 years, starting August 31, 2020, even in the event of force majeure situations. As per the agreement, RJIL has agreed to be the anchor tenant for 1,74,451 towers for the next 30 years (till 2051). SDIL also has the right of first offer (ROFO) to RJIL in case the company intends to install passive tower infrastructure and services on new towers, apart from the existing 1,74,451 towers, during the MSA period. The MSA offers monthly rental receipts (inclusive of monthly site premium) from RJIL, along with a built-in escalation clause. The agreement provides revenue certainty even in scenarios where RJIL decommissions a tower or SDIL relocates one. While RJIL is the anchor tenant, SDIL can still offer its towers to other telecom operators as additional tenants. SDIL has also signed fixed-priced O&M and project execution contracts, which will ensure certainty in EBITDA and cash flows over the course of the agreement, offering revenue visibility till 2051.

Exceptional financial flexibility and strong parentage – SDIL benefits from its strong parent, ATIT, which is backed by Brookfield Infrastructure Partners as its sponsor, translating into exceptional financial flexibility.

Relatively younger tower portfolio; geographical diversification across 22 circles of the country – RJIL started expanding its portfolio very recently, and thus the average age of the portfolio is less than three years, indicating a very young tower portfolio. Moreover, a majority of these towers (more than 50%) are fibreised, making them 5G-ready. A large proportion of the towers are ground-based towers (GBT), which are shareable and can accommodate more than one tenancy. The balance is in the form of rooftop towers (RTT), of which some are shareable, while the remaining comprise ground-based masts (GBM) and cell on wheels (COW), which are not designed to have more than one tenancy. The company has been adding non-RJIL tenancies for some towers, which will aid its return metrics to some extent.

Subordinated loan from parent with features of quasi equity – ATIT acquired SDIL for Rs. 25,215 crore, including Rs. 215 crore as equity, while the remaining amount was infused as subordinated debt, which was utilised to repay a certain portion of long-term debt and other financial liabilities. The loan is subordinated to all external debt and does not have any fixed repayment schedule, as per the agreement between the parent and SDIL, and is repayable subject to the availability of surplus cash flows.

Credit challenges

Tenancy ratio of 1.06x limits return metrics and cash generation – As per the MSA terms, RJIL will be the anchor tenant for 174,451 towers, which along with the presence of some other non-RJIL tenants translates into a tenancy ratio of 1.06x which limits the cash generation and returns. The cash generation, however, is sufficient to service the external debt comfortably, with the external DSCR at more than 2x. With over 50% of the towers being fibreised and permitted to have more than one tenant, SDIL should attract tenancies from other telecom operators as well, which should further improve cash generation. However, the company's ability to attract non-RJIL tenancies has remained slow in the recent past and will remain a key monitorable.

Capital-intensive business - The telecom tower industry is capital-intensive, as players need to incur sizeable capex to set up towers. Multiple tenancies, however, are added at a later stage, and there is a gestation period involved in recovering the investments. While the anchor tenancy is already built into the MSA for SDIL, additional tenancies could take time to materialise.

Liquidity position: Strong

While the company is not expected to maintain sizeable cash balances, as the majority of the surplus will be upstreamed to the trust, the stability of cash flow generation and the long tenure of the MSA provide comfort from a liquidity perspective. The company had ~Rs. 644 crore of cash and equivalents as on September 30, 2025. This, along with exceptional financial flexibility and fairly long-tenured debt, adds to the comfort.

Rating sensitivities

Positive factors – NA

Negative factors – A deterioration in the credit profile of RJIL or ATIT, or a weakening of the linkages between SDIL and RJIL/ATIT, could result in ratings downgrade. Further, a substantial early principal repayment of the sponsor loan could lead to a rating revision.

Analytical approach

Analytical approach	Comments
Applicable rating methodologies	Corporate Credit Rating Methodology Telecom Towers
Parent/Group support	Parent company: Altius Telecom Infrastructure Trust SDIL has a strategic importance to the InvIT and derives financial flexibility from being part of the InvIT, which is backed by the Brookfield Group and its affiliate
Consolidation/Standalone	For arriving at the ratings, ICRA has considered the standalone financials of SDIL

About the company

Summit Digital Infrastructure Limited (SDIL; formerly known as Reliance Jio Infratel Private Limited) was incorporated in January 2013 and is engaged in the business of operating and managing tower assets transferred from Reliance Jio Infocomm Limited (RJIL). RIL held a 49% stake in SDIL, while the remaining 51% stake was held by Tower Infrastructure Trust.

In July 2019, Reliance Industrial Investments and Holdings Limited entered into an agreement with Brookfield Asset Management Inc. (Brookfield) for an investment of Rs. 25,215 crore in the units of the InvIT. In August 2020, the InvIT received approval from the Department of Telecommunications (DoT) for Brookfield's investment. Following the completion of the transaction with Brookfield, the InvIT acquired the remaining 49% stake in SDIL from RIL. Consequently, SDIL is now wholly owned by the InvIT, with Brookfield being the sponsor of the InvIT.

Key financial indicators (audited)

SDIL Standalone - Audited	FY2024	FY2025
Operating income*	7,966	8,603
PAT	-3,038	-2,995
OPBDIT/OI (%)	60.4%	61.0%
PAT/OI (%)	-38.1%	-34.8%
Total outside liabilities/Tangible net worth (times)	-4.2	-3.6
Total debt/OPBDIT (times)#	11.6	10.6
Interest coverage (times)\$	0.7	0.8

Source: Company, ICRA Research; All ratios as per ICRA's calculations; Amount in Rs. crore; PAT: Profit after tax; OPBDIT: Operating profit before depreciation, interest, taxes and amortisation;

* Does not include energy revenues, as these are largely pass-through

Total debt includes Rs. 25,880 crore of unsecured loan infused by InvIT in SDIL, which is subordinated to the external debt

\$ -Including interest on the unsecured subordinated debt

Status of non-cooperation with previous CRA: Not applicable

Any other information: None

Rating history for past three years

Instrument	FY2026					Chronology of rating history for the past 3 years					
	Type	Amount rated (Rs. crore)	March 31, 2026	Date	Rating	FY2025		FY2024		FY2023	
						Date	Rating	Date	Rating	Date	Rating
Fund Based - term loan	Short term	500.00	[ICRA]A1+	Jan 20, 2026	[ICRA]A1+	Apr 12, 2024	[ICRA]A1+	Feb 15, 2024	[ICRA]A1+	-	-
				July 23, 2025	[ICRA]A1+	Oct 23, 2024	[ICRA]A1+	-	-	-	-
NCD	Long term	1550.00	[ICRA]AAA (Stable)	-	-	-	-	-	-	-	-
NCD	Long term	500.00	[ICRA]AAA (Stable)	Jan 20, 2026	[ICRA]AAA (Stable)	-	-	-	-	-	-
NCD	Long term	1550.00	[ICRA]AAA (Stable)	Jan 20, 2026	[ICRA]AAA (Stable)	-	-	-	-	-	-
				July 23, 2025	[ICRA]AAA (Stable)						
NCD	Long term	4000.00	[ICRA]AAA (Stable)	Jan 20, 2026	[ICRA]AAA (Stable)	Apr 12, 2024	[ICRA]AAA (Stable)	Nov 01, 2023	[ICRA]AA A (Stable)	Nov 10, 2022	[ICRA]AAA (Stable)
				July 23, 2025	[ICRA]AAA (Stable)	Oct 23, 2024	[ICRA]AAA (Stable)	Feb 15, 2024	[ICRA]AA A (Stable)	-	-

Complexity level of the rated instruments

Instrument	Complexity indicator
Short-term loan - Fund based	Simple
Non-convertible debentures	Simple

The Complexity Indicator refers to the ease with which the returns associated with the rated instrument could be estimated. It does not indicate the risk related to the timely payments on the instrument, which is rather indicated by the instrument's credit rating. It also does not indicate the complexity associated with analysing an entity's financial, business, industry risks or complexity related to the structural, transactional or legal aspects. Details on the complexity levels of the instruments are available on ICRA's website: [Click here](#)

Annexure I: Instrument details

ISIN	Instrument name	Date of issuance/ Sanction	Coupon rate	Maturity date	Amount rated (Rs. crore)	Current rating and outlook
INE507T07088	NCD	22-Nov-2021	7.62%	22-Nov-2030	1000.00	[ICRA]AAA (Stable)
INE507T07153	NCD	30-Oct-2024	7.58%	30-Oct-2031	1000.00	[ICRA]AAA (Stable)
INE507T07146	NCD	05-Aug-2024	7.87%	15-Mar-2030	950.00	[ICRA]AAA (Stable)
INE507T07138	NCD	02-May-2024	7.89%	01-May-2029	600.00	[ICRA]AAA (Stable)
INE507T07179	NCD	05-Aug-2025	7.15%	05-Aug-32	900.00	[ICRA]AAA (Stable)
INE507T07187	NCD	06-Nov-2025	7.11%	06-Nov-30	450.00	[ICRA]AAA (Stable)
INE507T07195	NCD	30-Jan-2026	7.45%	30-Jan-2036	700.00	[ICRA]AAA (Stable)
Yet to be placed	NCD	-	-	-	2000.00	[ICRA]AAA (Stable)
NA	Short term – Fund-based term loan	-	-	-	500.0	[ICRA]A1+

Source: Company

[Please click here to view details of lender-wise facilities rated by ICRA](#)

Annexure II: List of entities considered for consolidated analysis – Not applicable

ANALYST CONTACTS

Girishkumar Kadam

+91 22 6114 3441

girishkumar@icraindia.com

Prashant Vasisht

+91 12 4454 5322

prashant.vasisht@icraindia.com

Anubha Rustagi

+91 22 6169 3345

anubha.rustagi2@icraindia.com

Saurabh Parikh

+91 22 6169 3300

saurabh.parikh@icraindia.com

RELATIONSHIP CONTACT

L. Shivakumar

+91 22 6114 3406

shivakumar@icraindia.com

MEDIA AND PUBLIC RELATIONS CONTACT

Ms. Naznin Prodhani

Tel: +91 124 4545 860

communications@icraindia.com

HELPLINE FOR BUSINESS QUERIES

+91-9354738909 (open Monday to Friday, from 9:30 am to 6 pm)

info@icraindia.com

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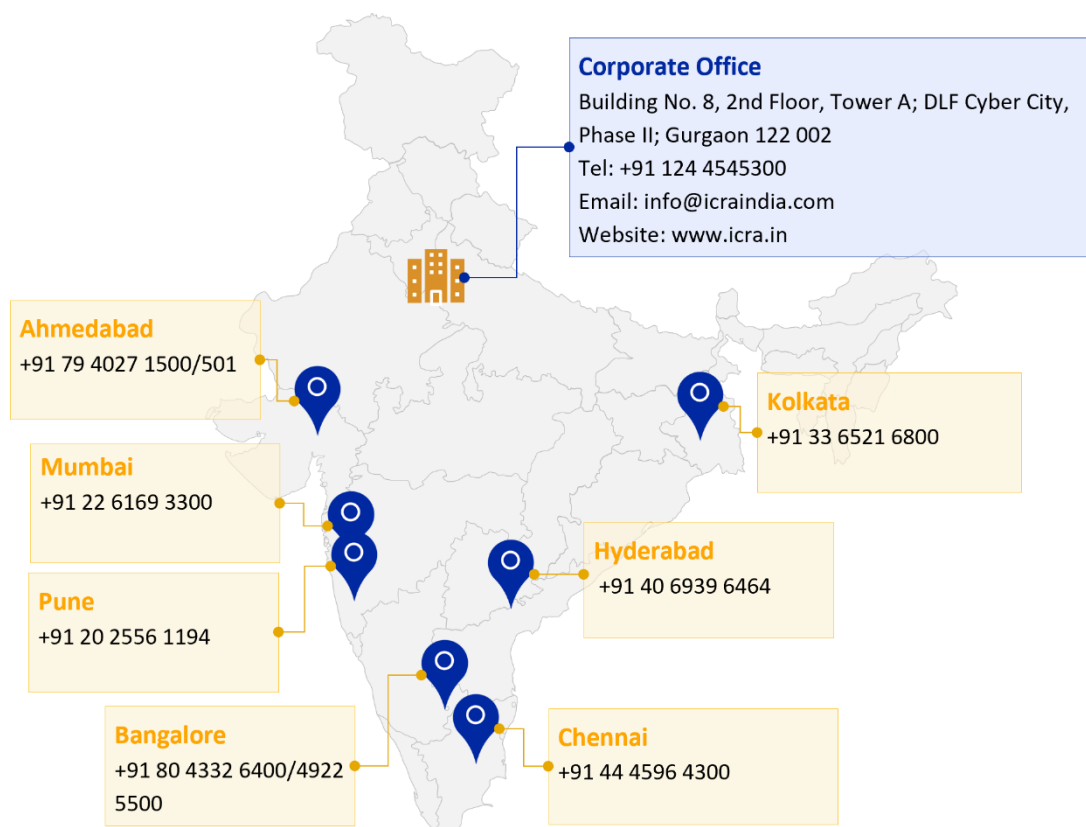
Registered Office

B-710, Statesman House, 148 Barakhamba Road, New Delhi-110001

Tel: +91 11 23357940-45



Branches



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