

#### **INDIGRID INVESTMENT MANAGERS LIMITED**

Date: November 14, 2022

**B S E Limited** 

Phiroze Jeejeebhoy Towers Dalal Street, Mumbai — 400 001

Security Code- 540565

**National Stock Exchange of India Ltd** 

Exchange Plaza, C/1, Block G, Bandra-Kurla Complex, Bandra (East), Mumbai — 400 051

Symbol-INDIGRID

#### Subject: Half-yearly Report of India Grid Trust for the half year ended on September 30, 2022

Dear Sir/ Madam,

Pursuant to Regulation 23 of Securities and Exchange Board of India (Infrastructure Investment Trusts) Regulations, 2014 read with all the Schedules and Circulars, as amended from time to time, please find attached Half-yearly Report along with Annexures of India Grid Trust for the half year ended on September 30, 2022.

You are requested to take the same on record.

Thanking you,

#### For and on behalf of the IndiGrid Investment Managers Limited

Representing India Grid Trust as its Investment Manager

#### **Urmil Shah**

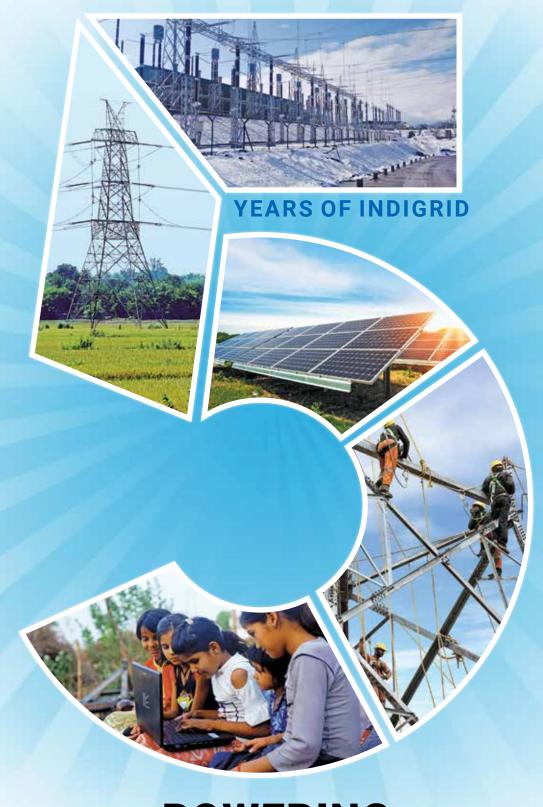
Company Secretary & Compliance Officer ACS-23423

Copy to-

#### **Axis Trustee Services Limited**

The Ruby, 2nd Floor, SW 29 Senapati Bapat Marg, Dadar West, Mumbai- 400 028 Maharashtra, India





POWERING AHEAD

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# FIVE YEARS OF POWERING AHEAD

#### India witnessing an accelerated energy transition

Majority of the nations globally are aligning themselves to the IEA's Net Zero by 2050 Roadmap with higher energy investments across renewable and cleaner energy. Currently, global share of renewable energy falls around 28% of the total energy generation. Coming to India, that number has grown from about 18% in 2017 to 29% in 2022. Over the coming years, India is envisioning a 500 GW of renewable energy capacity by 2030, more than doubling the share of natural gas in its energy mix, enhancing energy efficiency and transport infrastructure, and increasing domestic coal output which indicates a strong growth potential for the Indian power sector.

India is acting as the major growth driver of the rising energy demand, accounting for 25% of the global growth. As per International Energy Agency (IEA), it is poised to supercede the European Union by becoming the world's third-largest energy consumer, by 2030.

#### Modernizing the national transmission grid

Following the Government's mission of 'Power for All' and higher emphasis on green energy power generation, the nation's transmission and distribution network has entered a new phase of growth. With an accelerated push towards renewable energy, there is a need of 35-40 GW of annual incremental renewable energy capacity each year. With the addition of new generation centres comprising largely of renewable energy sources, there has also been a fresh impetus to augment the country's transmission network with the twin objectives of improving the network efficiency and dealing with the inherent intermittency of renewable energy generation sources. To facilitate integration of the envisaged large-scale renewable energy generation capacity, Green Energy Corridors and Renewable Energy Management Centres are getting established.

#### IndiGrid - value addition strategy

IndiGrid, is the first power transmission InvIT and over the past five year and a half it has tapped the growth prospects in the transmission and the renewable energy space while maintaining superior track record of its operations, distributions and return to its unitholders. IndiGrid, with its underlying theme of value-accretive acquisitions while maintaining AAA-rated cashflows, has grown from ₹ 37 Billion to over ₹ 210 Billion.

IndiGrid envisions sizeable growth opportunities given an attractive pipeline in the transmission and renewable energy. Through a planned acquisition pipeline, systematic and gradual diversification strategy and deepening investor base on equity and debt side, IndiGrid is placed in a steadfast position. With revenue-generating assets portfolio and new acquisition pipeline, we remain committed to address the challenge of growing the transmission network in India by offering and leveraging our unique proposition. IndiGrid maintains a continual focus on providing superior risk-adjusted total returns with stable cash yield and growth.

# FROM THE CEO'S DESK



44

It gives me immense pleasure to put forth IndiGrid's semi-annual report for the period ended September 2022. In the journey of becoming the most admired yield platform, IndiGrid has not only grown multifold but also provided superior risk adjusted returns since listing.

## Dear Unitholders,

It gives me immense pleasure to put forth IndiGrid's semi-annual report for the period ended September 2022. In the journey of becoming the most admired yield platform, IndiGrid has not only grown multifold but also provided superior risk adjusted returns since listing. While we evolved from operating only power transmission assets to venturing into renewable energy generation as well as greenfield transmission, we've stayed firm to our underlying theme of delivering stable, sustainable and accretive growth to our unitholders.

Our asset portfolio consists of 42 transmission lines with a total network length of 7,790 circuit kilometers, 12 substations with 14,550 MVA transformation capacity and 100 MW of solar power capacity across 19 states and one Union Territory with an AUM of over ₹ 210 Billion.

We delivered a 4% growth in both revenue and EBITDA on year-on-year basis. We also increased our DPU guidance from ₹ 12.75/unit in FY2022 by 3.5% to ₹ 13.20/unit in FY2023 and have successfully distributed ₹ 6.60/unit in H1 FY2023. Owing to our stable business model and robust operations, we are confident of delivering predictable distributions. This has been the fifth instance of DPU increase by IndiGrid since its listing in as many years. Overall, we have cumulatively distributed "₹ 34 Billion to our unitholders through our quarterly DPU alone.

With the volatility on the debt markets with increasing cost, we have been fortunate with the enhanced trust from our investors and lenders. We have successfully refinanced most of the refinancing requirements for the current fiscal year at competitive rates. With more than  $3/4^{th}$  of the debt at fixed-rate borrowing, we are well-positioned amidst the headwinds of the rising interest rate environment. The Net Debt/AUM as of today stands at ~57%, giving ample headroom to fuel the next leg of growth journey.

We have continued investing in digital initiatives for our asset management, DigiGrid, to ensure we are able to deliver reliable grid as well as maintain cost of operating below plans. We realized that technology must play a crucial role in asset management as our portfolio expanded across the length and breadth of the country. I am pleased to announce that our ambitious digital platform, DigiGrid, has been successfully implemented across our asset portfolio. We are on the path to move from a corrective/reactive approach to a predictive and reliability-centric asset management approach. Our investments in DigiGrid have enabled us to not only keep costs in check but set a foundation stone of reliability centered maintenance. I am confident that we will be able to reap benefits of these investment for a long term.

As our portfolio grows wider, we become exposed to natural calamities like floods, earthquake and others. We had invested in advanced Emergency Restoration System (ERS) during the past year and trained our teams to respond quickly in such situations. In this half year, our well-equipped asset management team rose to the occasion and rectified the impacts of floods in the state of Assam in the shortest possible time. This ensured our availability was not impacted and grid continued to deliver electricity. During the period where we faced a few operational challenges, we were able to register an average availability of >99.50% which is a testament to the superior asset management strategy and unmatched operational excellence.

We have recently concluded the acquisition of Raichur Sholapur Transmission Company Private Limited (RSTCPL). RSTCPL operates ~ 208 Ckms of 765 KV single circuit line and is part of Inter State Transmission System (ISTS) of the grid. It is operational since 2014 and spreads across Karnataka and Maharashtra. The newest asset in our portfolio complements our existing footprint with synergies with existing 765 kV network in BDTCL and upcoming Kallam transmission.

#### **Building a sustainable IndiGrid**

Last few quarters have also been pivotal in our journey of growing as an inclusive and sustainable organization. During the period under review, we have taken significant strides in promoting inclusive safety and health awareness amongst our stakeholders and support adjoining communities ensuring proactive reporting and closure of any unsafe incidents and ensuring zero injury accidents. IndiGrid, through its comprehensive ESG and ESMS Framework, is fully committed to ensuring responsible growth and making a difference to all its stakeholders and the environment and society at large. This is a step forward in realizing our vision of being the most admired yield vehicle in Asia.

Sustainability is an inseparable part of IndiGrid's culture and through our extensive volunteering and social programs in environment, education, healthcare and rural development, IndiGrid has created value for local communities and environment. As a part of IndiGreen programme, we planted Miyawaki forests and fruit orchards with plantations of 50,000+ trees in FY 2022. During the period, IndiGrid, in collaboration with EdIndia, launched EduGrid which focusses on local tribal areas in Tripura and implement education infrastructure across 100 local villages comprising of 3,000+ students. EduGrid is our small step towards providing basic



educational resources and awareness which shall contribute towards building the future of our country.

Meanwhile, we have increasingly focused on employee training and over 29,000 hours were spent over the last six months on training manhours. IndiGrow, which is a mix of online and offline training initiative aims at increasing awareness and sensitivity towards safety via increased focus on safety drills and imbibing a Zero Harm culture at IndiGrid. The training program also aims at skill development, embracing best practices in the industry and improving efficiency and collaboration at work in day-to-day operations.

#### **Looking Ahead**

We believe that power sector is at the cusp of a decadal shift given the change in demand and supply patterns with the advent of electric mobility, supportive regulatory environment, technological advancements and shift towards cleaner, greener energy. India's energy needs are underpinned by government's push towards round-the-clock (RTC) adequate and reliable energy with accelerated renewable energy capacity addition. To achieve India's ambitious target of 500 GW of non-fossil fuel capacity by 2030, there is a need of 35-40 GW annual incremental renewable capacity over the next 8-9 years. In addition to this, the Government's ambitious National Monetization Plan (NMP) aims to monetize ₹ 6,000 Billion worth of brownfield infrastructure assets.

We believe these will throw several opportunities for us to participate in projects across value chain of power transmission, renewable energy and energy storage. We remain focused on identifying and evaluating opportunities for growth in power transmission and renewable energy projects which provide stable and long-term cash flows.

I want to express my deepest gratitude to our Board of Directors, employees, unitholders, regulators and all other stakeholders for your confidence and trust in IndiGrid and look forward to your continued guidance and support as we continue on our growth journey to achieve many more milestones in the coming years.

Warm Regards,

#### Harsh Shah

Chief Executive Officer



# INDIGRID - INDIA'S FIRST POWER TRANSMISSION YIELD PLATFORM

Backed by KKR, IndiGrid is India's first power sector Infrastructure Investment Trust (InvIT), formed in 2016 with the goal of democratising ownership of the power infrastructure in India and providing reliable electricity to all. Five years ago, we embarked on this growth journey, built upon solid fundamentals of transparency, governance, and sustainability to provide superior risk-adjusted returns to unitholders by generating predictable, AAA-rated cash flows from our portfolio assets.





**Total Assets under Management** 

18 States1 Union Territory

Presence across India

41 Transmission Lines ~7,585 cKms

Total Length Network

**AAA**-Rated

Perpetual Ownership#

**12** Substations

 $\sim 14,550$  MVA

**Total Transformation Capacity** 

~11,500

**Towers** 

100 MW (AC)

Solar Generation Capacity

 $>435,000 \, \mathrm{MT}$ 

Steel and Aluminium

~29 Years

Average Residual Years of Contract Life

NOTE

\*Value of 100% stake of all projects as per independent valuation report as of Sep 2022

#All projects except JKTPL are on BOOM model

ENICL has a TSA term of 25 years from the Licence Date IndiGrid Solar Assets have a PPA term of 25 years from the effective date





# **CELEBRATING 5 YEARS** OF INDIGRID JOURNEY

**DISTRIBUTION SINCE LISTING**  ~₹ 34.15 Billion

**Gross Distribution** till date

22

Quarters of consecutive distribution

3-4% YoY

**Growth Run-Rate** 

**EQUITY RAISED** SINCE INCEPTION: ₹ 66.36 BILLION

**₹ 28.38 Billion** 

**IPO Proceeds** 

₹ **25.14 Billion** 

**Preferential Issue** 

₹ **12.84 Billion** 

**Rights Issue** 

**TOTAL RETURNS:** 105%\*

₹ 65.11/Unit

Predictable DPU

~14%

**Annualised Return** 

0.08 Beta

Low Risk

\* Total return is sum of all distributions since listing (Jun'17) and change in price till Sep 30, 2022 Note: Total Distribution refers to gross distributions since listing till Q2 FY23

#### Total AUM "₹ 211 Billion

o Initial Asset Portfolio: ₹ 37 Billion

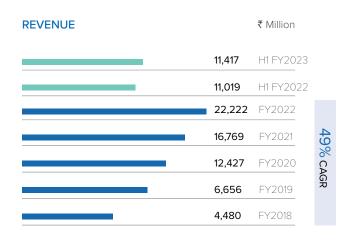
o Acquisitions Worth: ₹ 175 Billion

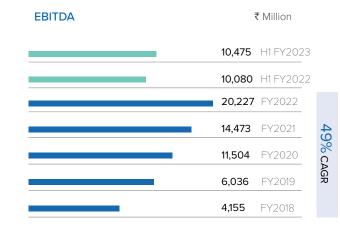
#### **Total Equity Raised ₹ 66.36 Billion**

o IPO Proceeds: ₹ 28.38 Billion o Preferential Issue : ₹ 25.14 Billion o Rights Issue : ₹ 12.84 Billion

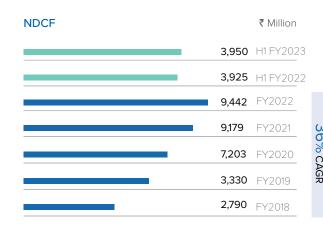


# TRACK RECORD OF STRONG FUNDAMENTALS



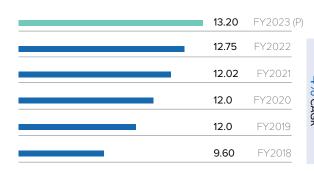


| ASSETS UNDER MANAGEMENT |     | ₹ Billion |                 |
|-------------------------|-----|-----------|-----------------|
|                         | 211 | H1 FY2023 |                 |
|                         | 214 | H1 FY2022 |                 |
|                         | 211 | FY2022    |                 |
|                         | 205 | FY2021    | 4.              |
|                         | 120 | FY2020    | <b>42%</b> CAGR |
|                         | 52  | FY2019    | CAGR            |
|                         | 52  | FY2018    |                 |





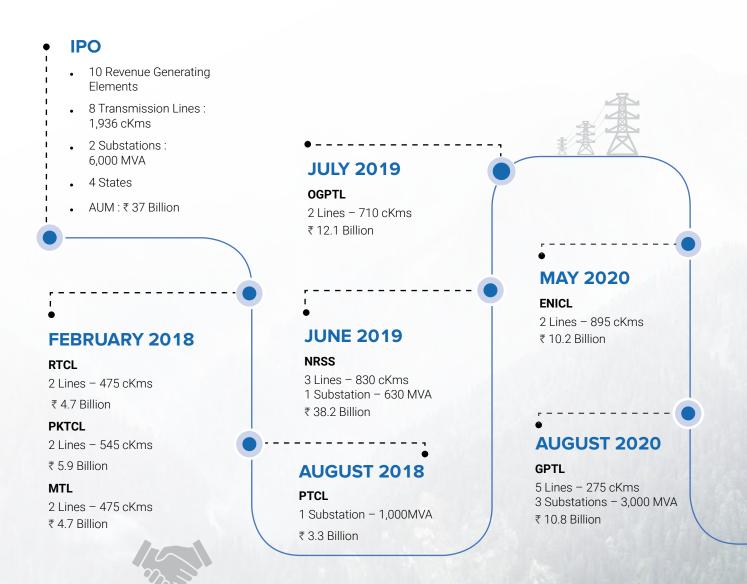
#### DPU IN ₹ / UNIT



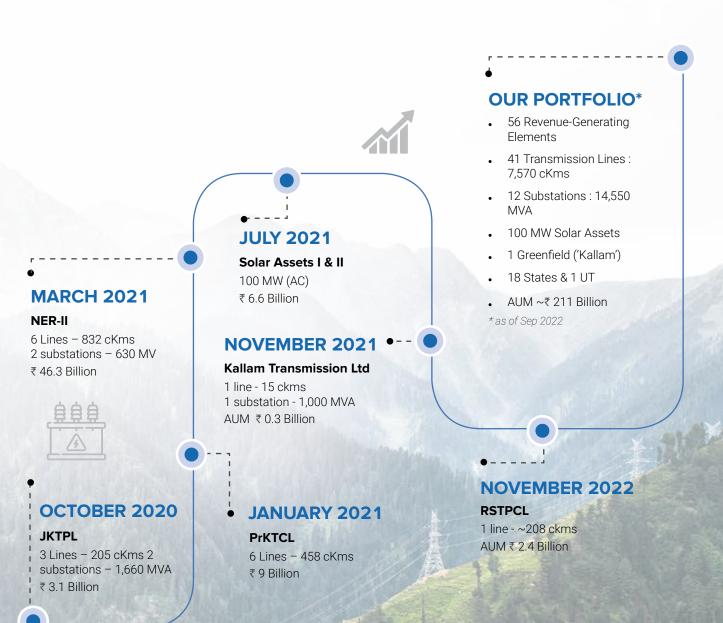
NOTE: NDCF includes reserve created at SPV level



# **5X INCREASE IN AUM ON ACCOUNT** OF ACCRETIVE ACQUISITIONS

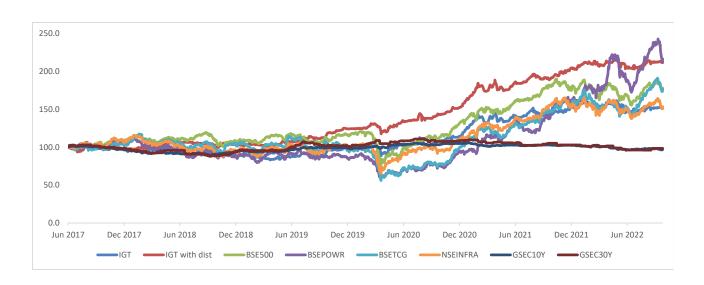


Over the past five eventful years, we have grown from 2 power transmission projects to 14 operational diversified power projects. The sustainable growth has been led by our robust acquisition strategy with thorough due-diligence, systematic diversification and continuous evaluation of acquisition pipeline

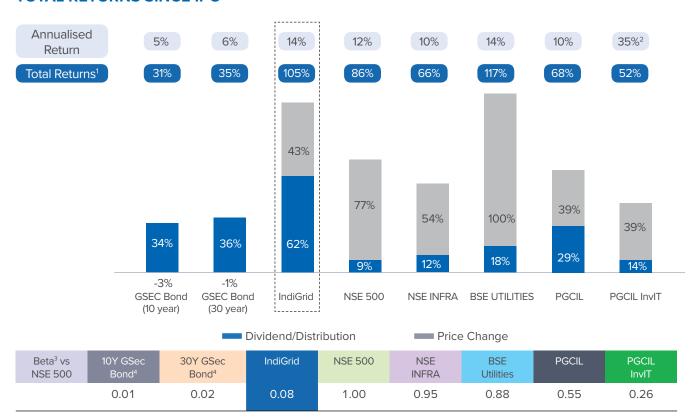


# SUPERIOR RISK-RETURN PROFILE

#### SUPERIOR RISK-ADJUSTED RETURN



#### **TOTAL RETURNS SINCE IPO**



NOTE: Bloomberg

<sup>(1)</sup> Total return is sum of all distributions since listing (Jun'17) and change in price till Sep 30,2022

<sup>(2)</sup> PGCIL InvIT listed in May 2021

<sup>(3)</sup> BETA REFERS TO HISTORICAL BETA CALCULATED ON A WEEKLY BASIS SINCE LISTING OF INDIGRID TO SEP 30,2022

<sup>(4) 10</sup>Y GSEC BOND REFERS TO IGB 6.79 15/05/2027; 30Y TO IGB 7.06 10/10/46 CORP

# **MANAGING LIABILITIES PRUDENTLY**

AAA

Credit Rating

**~77%** 

**Fixed Rate Borrowing** 

**~57%** 

Net Debt/AUM

**~7.51%** 

Average Cost of Debt

#### **LEVERAGE AND BORROWING FRAMEWORK**

| AAA RATING  | OPTIMISE BORROWING  | ASSET-LIABILITY MANAGEMENT   |
|---|---|--|
| <ul> <li>Leverage cap of 70%</li> <li>AAA Rating from CRISIL, ICRA,<br/>India Ratings</li> </ul>                                  | <ul><li>Majority of loans at fixed rate</li><li>Diversified sources of borrowing</li></ul>  | <ul> <li>Focussing on long-tenure loans</li> <li>Well-diversified repayment<br/>schedule with no bunching up<br/>of repayments</li> </ul>  |
| LIQUIDITY<br>MANAGEMENT   | TRANSPARENCY  | POLICY<br>ADVOCACY   |
| <ul> <li>Maintain a combination of<br/>liquid reserve &amp; DSRA</li> <li>Factoring for working capital<br/>management</li> </ul> | <ul> <li>Unitholders approval for borrowings over 25% of Total Assets</li> <li>Regular reviews by Investment Committee</li> </ul> | <ul> <li>FEMA Regulations amended to permit FPIs to invest in debt securities of InvITs and REITs</li> <li>Insurance companies and NPS schemes enabled to invest in debt securities of InvITs</li> <li>PFRDA relaxed sponsor rating requirement for investments by NPS schemes into InvIT units</li> <li>Trading lot size reduced to one unit for publicly listed InvITs since Aug 2021</li> </ul> |





# **ESG AT INDIGRID**

At IndiGrid, we have always believed in the philosophy that our business deeply intertwined with environment, social and governance (ESG) metrics. Our ESG initiatives and strategy is not a separate layer that sits above our day-to-day operations but is very much integrated with our governance approach, asset management operations and sustainability on our sites.

#### **Environment**

As a responsible organisation, IndiGrid is aware of the impacts that our business can have on the environment. We take great pride in our environment initiatives ranging from efficient energy usage, reduction in emissions, preservation of biodiversity, etc. Our constant purpose has been and will remain to create a balance between operational excellence and environment protection.

#### **Key Focus Areas**

- Preserve and Promote Ecosystem /Adapt Climate Change initiatives
- o Promote Biodiversity of our asset base
- o Promote Renewable Energy initiatives as part of ESMS
- o Water Management Monitor and measure water usage
- Waste management Safe Disposal and Recycle
- o ESG Benchmarking



#### Social

Through our assets, we have a presence across the length and breadth of the country. With such great presence, we are mindful of the societal impact that we can bring through our initiatives. IndiGrid's social initiatives related to healthcare, education, safety and rural development have been specifically dedicated to our employees, partners and communities we serve in. We care about providing a meaningful and engaging operating environment for our employees and stakeholders, and the communities that we operate within, by building a zero-harm culture.

#### **Key Focus Areas**

- Ensuring employee health and safety to achieve zero
- Ensuring Employee and community well-being
- Promote Diversity & Inclusion
- Promote Education along our transmission lines
- Promote Healthcare and medical aid as part of community engagement





#### **Governance**

Our values govern our actions, in doing the right thing, the right way. We are dedicated to the highest standards of personal and corporate conduct, and align our architecture by embedding the principles of good governance in our business. We are also driven by nurturing an open and transparent culture at the core.

We are committed towards the adoption of best corporate governance practices that goes beyond compliance with the law and have been rated as one of the best Corporate Governance practice among our peer groups.

#### **Key Focus Areas**

- o Code of Conduct
- o Corporate Behaviour
- Business Ethics



#### H1 FY2023 AT A GLANCE

100%

Hazardous Waste Disposal Compliance ~107.9 Million units

renewable units generated

~91,723 tonnes

CO<sup>2</sup> avoidance

**72**%

CGWA NOC availability

9,525.1

Scope 1 Emission in tCO2

1,559.94

Scope 2 Emission in tCO2

23,216

**HSE Training Man Hours** 

Reached 1 Million

Safe Manhours

100%

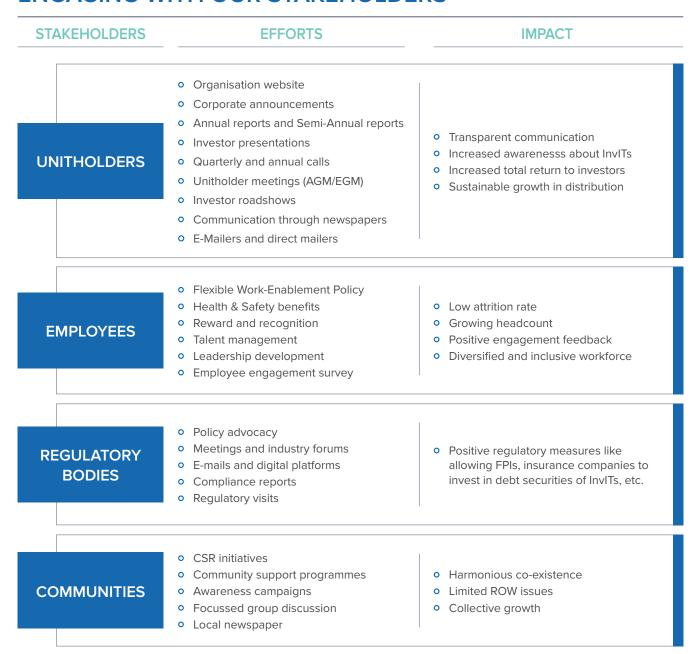
**HSE Training** 



# STAKEHOLDER ENGAGEMENT

At IndiGrid, we remain committed to build constructive relationships with all our stakeholders. Proactively engaging with them enables us to get valuable insights on how we can shape our business strategy and operations while minimising risks and harm to all parties. We believe in forging long-term relation with stakeholders for collective growth and sustainable future.

## **ENGAGING WITH OUR STAKEHOLDERS**



### **Employees**

During the pandemic, there was an increased focus on overall welfare, well-being, health and safety of the employees. In the face of COVID-19, IndiGrid prioritised people's safety and well-being above all. The biggest challenge that first needed addressing was to ensure the safety of our employees, whether on-the-ground or in remote locations.

#### Safety: Our key priority

With digital readiness, workforce flexibility, transparent and two-way communication, supportive policies and empathy, we ensured to stand together together in this war. IndiGrid also launched supportive medical packages, vaccination drives and well-being programmes to provide financial assistance to our employees during these tough times. Besides enabling work from home and providing equipment to enable this, we also created a COVID Taskforce for our employees and their families. Participating in comprehensive and multi-dimensional health enhancement programme led our employees to enhance their wellness quotient at the physical, emotional and social level.

#### Build a transparent and winning culture

A combination of isolation, limited human contact, and fear and anxiety threatened the mental and physical well-being during the pandemic. This underscored the need for a permanent employee support system to care for employee safety, mental health and engagement, and productivity. At IndiGrid, valuing all stakeholders, including employees, regulators, and customers, has been a part of the DNA since our inception. Supportive HR initiatives like Work Enablement Policy, extended insurance and medical claim coverage, vaccination drives, flexible work hours, and other well-being offerings, helped ease the anxiousness for employees. Weekly townhalls and catch-up sessions were also scheduled to ensure two-way, transparent communication and to instill a sense of collective well being.

### **AMC Partners & Supply Chain**

IndiGrid focussed on reimagining partner management and leveraged our capabilities to adapt to a fast-changing environment. Our dedicated partners, suppliers and vendors worked tirelessly during the challenging time of the pandemic to maintain their supply to our sites across India. Our teams stayed in touch with partner and vendors to allay their fears about the pandemic. With this, we ensured business continuity, addressed critical power needs and also achieved business growth.

Even as power transmission was declared as an "essential service", there were disruptions in the supply chain as several third-party service providers and vendors faced operational, working capital, and labour issues. While it does not need continuous raw material, but the supply of spare parts for repair is critical. Similarly, the business is significantly dependent on other service providers like tax, valuation, regulatory, diligence. An effective resiliency plan at IndiGrid ensured minimal impact to our overall operations on account of any supply chain issues.

#### Communities

Continuing our tradition of promoting health and well-being of the communities we operate in, IndiGrid adopted several key measures to fight the pandemic. We continually worked with several NGOs to support affected communities around our locations. We also engaged in supply of daily provisions, masks and other essential items to frontline warriors. besides awareness, sanitization campaigns for the local communities during the Covid pandemic.

We continue to support our local communities through free health check-up drives, initiatives in education, skill development and rural area infrastructure development.





# **DELIVERING HOLISTIC PERFORMANCE**

H1 FY2023 - Value Accretive Growth

4%YoY

**EBITDA Growth** 

>99.5%

Average availability

0.26

Trips per line

### **PORTFOLIO GROWTH**

- o AUM stable at ~ ₹ 211 Billion
- Acquired its first greenfield transmission project worth ₹ 1.70 Billion (Kallam transmission)
- o Acquired Raichur Sholapur Transmission (RSTCPL) for ₹ 2.50 Billion

## **IMPROVING BALANCE SHEET STRENGTH**

- Average cost of borrowing at 7.51%
- Net Debt / AUM at 57% providing sufficient headroom for growth
- While the interest rate scenario is rising and our incremental cost of debt may increase, we are well placed with low gearing levels and a AAA rating which allows us to leverage long term debt

## RESILIENT ASSET **MANAGEMENT**

- Average availability maintained at >99.5% in H1 FY2023
- Improved reliability through implementation of DigiGrid and across all the IndiGrid assets
- Low trips per line since inception on the back of preventive maintenance initiatives
- Implementation of Emergency Restoration System enabling to tackle unpredictable situations in an efficient manner

## **INDUSTRY STEWARDSHIP**

- FEMA Regulations amended to permit **FPIs** to invest in debt securities of InvITs and REITs
- Trading lot size reduced to **ONE** unit for publicly listed InvITs
- PFRDA enabled NPS-backed pension funds to invest in debt securities of InvITs
- Since IndiGrid's listing in 2017, a total of 19 InvITs have registered in India including the PG InvIT and the NHAI InvIT

# GEARING TO MAXIMISE LONG-TERM VALUE CREATION

FY2023 - Key Focus Areas

### **Superior Returns**

Continue to grow total returns to unitholders

## **Growing DPU**

Increase/elongate DPU stream for unitholders

## **Responsible Growth**

Increased focus on ESG

# PORTFOLIO GROWTH

- ~₹ 400 Billion worth of tenders already notified and ~₹450 Billion identified under National Monetization Pipeline till FY2025 creating a healthy pipeline for bidding and acquisition respectively
- Focus on acquisition of framework asset Khargone Transmission Limited (KTL), other operational solar and transmission assets
- Evaluate bidding opportunities in power transmission with partners and explore opportunities in adjacent spaces such as utility scale battery storage
- Deliver on increased DPU Guidance of ₹ 13.20 for FY2023

## IMPROVING BALANCE SHEET STRENGTH

- Focus on optimising interest cost and elongate tenures for incremental acquisitions in the year
- Focus on maintaining adequate liquidity to mitigate any uncertainties and unpredictable scenarios

# RESILIENT ASSET MANAGEMENT

- Focus on maintaining >99.5% availability across portfolio and maximise incentives
- Self-reliant O&M practices across the portfolio
- Stablising DigiGrid across portfolio to improve reliability
- Ensuring world-class EHS and ESG practices across the portfolio

## INDUSTRY STEWARDSHIP

- Enabling index inclusion for InvITs/REITs
- Policy initiatives like streamlining tax anomalies and actioning ECB lending
- Focus on increasing awareness about IndiGrid and InvITs

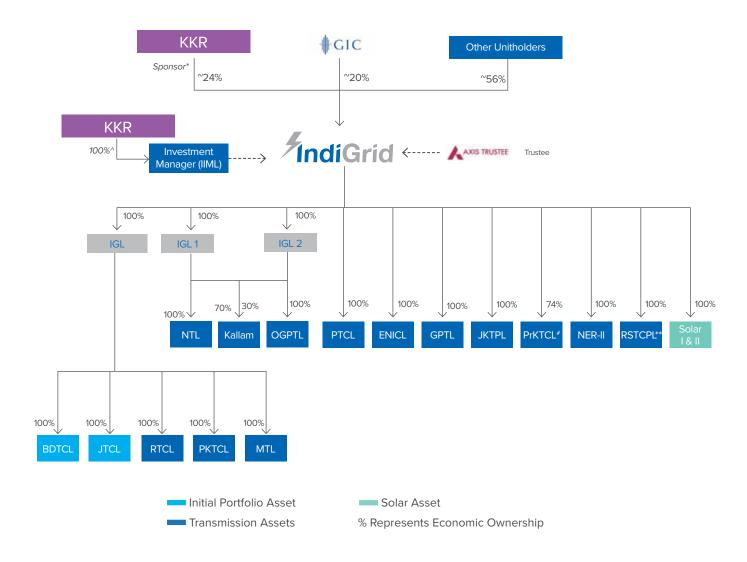




# **ABOUT INDIGRID**

IndiGrid was established in 2016 with an objective of providing superior riskadjusted returns to the unitholders by owning operational power transmission and solar energy assets in India.

#### INDIGRID'S CORPORATE STRUCTURE



IGL= IndiGrid Limited, IGL1 = IndiGrid 1 Limited , IGL2 = IndiGrid 2 Limited, BDTCL = Bhopal Dhule Transmission Company Limited, JTCL = Jabalpur Transmission Company Limited, RTCL = RAPP Transmission Company Limited, PKTCL = Purulia & Kharagpur Transmission Company Limited, MTL = Maheshwaram Transmission Limited, PTCL = Patran Transmission Company Limited, NTL = NRSS XXIX Transmission Limited, Kallam = Kallam Transmission Limited, OGPTL = Odisha Generation Phase II Transmission Limited, ENICL = East-North Interconnection Company Limited, GPTL = Gurgaon Palwal Transmission Limited, JKTPL = Jhajjar KT Transco Private Limited, PrKTCL = Parbati Koldam Transmission Company Limited, NER-II = NER II Transmission Limited, Solar I & II = IndiGrid Solar-I (AP) Private Limited and IndiGrid Solar-II (AP) Private Limited

<sup>\*</sup>Sterlite Power Transmission Ltd. is also the sponsor with 0% stake in IndiGrid

<sup>#</sup>PrKTCL held in a Joint Venture with Power Grid holding 26% stake

<sup>\*\*</sup> RSTCPL acquired in November 2022

# **OUR KEY STAKEHOLDERS**

## **Investment Manager**

INDIGRID INVESTMENT MANAGERS LTD (IIML)

IndiGrid Investment Managers Limited (IIML) is the Investment Manager for IndiGrid. The Investment Manager is responsible for the operations pertaining to the Trust, such as distribution of cash flows, acquisition/divestment of assets, etc.

IIML executed Investment Management Agreement with IndiGrid on November 10, 2016. As per the provisions of the Investment Management Agreement, IIML is empowered to:

- Take all decisions in relation to the management and administration of IndiGrid's assets and investments
- Oversee the activities of the Project Manager in terms of the InvIT Regulations and applicable Law
- Issue and allot units, accept subscriptions to units of IndiGrid and issue, transfer units to unitholders or other such people and undertake all related activities
- Engage teams for asset management, M&A, capital raising, compliance, engineering and finance & accounting

As on date, KKR owns 100% stake in IIML.

## **Sponsor**

1. ESOTERIC II PTE. LTD. (KKR)

Esoteric II Pte. Ltd., an affiliate of KKR, is a sponsor for IndiGrid. In the 3<sup>rd</sup> Annual General Meeting of IndiGrid held on September 28, 2020, the unitholders approved the induction of Esoteric II Pte. Ltd. as a sponsor (as defined under the InvIT Regulations) by a special majority (> 75% voting). This move marked an extension of IndiGrid's strategic relationship with KKR and is expected to expand IndiGrid's access to long-term capital. KKR's induction has allowed the Trust to leverage KKR's global experience of investment management, along with enhancing its corporate governance standards in line with global standards. KKR had invested in IndiGrid in May 2019 and currently owns an ~24% stake in the platform. Separately, KKR also owns 100% stake in IndiGrid Investment Managers Limited (IIML), the Investment Manager of IndiGrid.

## BOARD OF DIRECTORS

Mr. Tarun Kataria\*

Mr. Rahul Asthana\*

Mr. Ashok Sethi\*

Ms. Jayashree
Vaidhyanathan\*

Mr. Hardik Shah#

Ms. Ami Momaya#

Mr. Harsh Shah

#### **BOARD OF DIRECTORS**

Ms. Madhura Narawane

Mr. Tang Jin Rong

<sup>\*</sup> Independent Director

<sup>#</sup> KKR representative



# AN ESTEEMED BOARD

## MR. TARUN KATARIA

Independent Director



Mr. Tarun Kataria has over 30 years of rich experience in banking and capital markets, working across New York, Singapore, Hong Kong and Mumbai. He was appointed as an Additional Independent Director on the Board of the Investment Manager on October 29, 2016 and has been serving as an Independent Director since September 22, 2017. Currently, he serves as an Independent Non-Executive Director (and Chairman of the nomination and remuneration committee) of Mapletree Logistics Trust Ltd. He is an Independent Director of Westlife Development Limited, Jubilant Pharma Limited and Global Moats Fund (Mauritius). Additionally, he also supports World Wildlife Fund, Singapore as Non-Executive, Senior Advisor, Advisory Council. Previously, he was the CEO of Religare Capital Markets Limited, Managing Director and Head of Global Banking and Markets at HSBC India and Vice Chairman of HSBC Securities and Capital Markets Private Limited. He has a Master's degree in Business Administration in Finance from the Wharton School of the University of Pennsylvania. He is also a Chartered Accountant.

## MR. RAHUL ASTHANA

Independent Director



Mr. Rahul D. Asthana is a retired IAS Officer from the 1978 batch. He was appointed as an Additional Independent Director on the Board of the Investment Manager on December 26, 2017 and has been serving as an Independent Director since September 28, 2018. Currently, he also serves as a Non-Executive Director on the Board of Aegis Logistics Limited, and NBS International Limited. He is also a Director on the Board of Directors of Mahindra Waste to Energy Solutions Limited and Mahindra Integrated Business Solutions Private Limited. Previously, he served as the Metropolitan Commissioner of Mumbai, Metropolitan Region Development Authority, Chairman of Mumbai Port Trust and CEO of Brihanmumbai Electric Supply and Transport. He has also served as the Principal Secretary, Energy Department of Government of Maharashtra and was responsible for formulating the renewable energy policy for the State of Maharashtra. He holds a Master's degree in Business Administration in International Business from ICPE University of Ljubljana, Slovenia and a Bachelor's degree in Technology (aeronautical) from Indian Institute of Technology, Kanpur.

#### MR. ASHOK SETHI Independent



Mr. Ashok Sethi has over four decades of experience in the power sector with significant knowledge in project execution, operations, commercial, regulatory, advocacy and policy making. He was appointed as an Independent Director on the Board of the Investment Manager on October 20, 2020. A B.Tech from IIT Kharagpur, he also did advance management at Ashridge, UK. He currently serves as Non-Executive Chairman of Tata Consulting Engineers Limited. In his last executive role, he served as Chief Operating Officer and Executive Director of Tata Power (2014 to 2019). He was also the Chairman of various subsidiary companies of Tata Power. He holds a Bachelor's degree of Technology in Metallurgical Engineering from the Indian Institute of Engineering at Kharagpur. He was awarded CBIP Award 2019 for Excellent Contribution in Power Sector and is also a Member of the Institute of Directors.

#### **MS. JAYASHREE VAIDHYANATHAN**

Independent Director



Ms. Vaidhyanathan has decades of experience in driving product strategy in the Digital Transformation space, product innovation, risk management, M&A, technology delivery and execution. She is currently the CEO of BCT Digital – a global technology company specialising in innovation in predictive analytics, AI and IOT. She also serves as the Independent Director on Board of UTI Asset Management Company as the Chairwoman of the Digital Transformation Committee and serves on the risk and stakeholder management committees. Ms. Vaidhyanathan is a three-time winner of the prestigious Stevie Award, including a Lifetime Achievement Award in addition to being Databird Female Executive of the Year, CEO of the year 2020 by Fintech Futures, Top 10 Influential Woman in Technology 2020 by Analyst Insights and has also been listed amongst Fortune's Most Inspiring Women. Ms. Vaidhyanathan holds a MBA in Finance & Strategy from Cornell University and a BE in Computer Science & Engineering from Madras University, India. She is also a CFA Charter Holder.

MR. HARDIK SHAH

Non Executive Director



Mr. Shah is a member of the Asia-Pacific Infrastructure team of KKR since 2018 responsible for Infrastructure investments in India. Mr. Shah began his career at Macquarie Group in Sydney where he spent over 10 years across their Sydney and Mumbai offices and was involved in building their India Infrastructure business. More recently, he led Brookfield's India business in India and was responsible for building Brookfield's team and presence. Mr. Shah has led "US\$ 4 Billion of transactions in India across various infrastructure sectors such as Telecom Towers, Toll Roads, Airports, Energy transportation and Renewable Energy. Mr. Shah holds a Post-Graduate degree from S.P. Jain Institute of Management & Research (Mumbai) and is a CFA Charter holder.

MS. AMI **MOMAYA** 

Non- Executive



Ms. Ami Momaya joined KKR in 2022 and is a member of the Asia-Pacific Infrastructure team. Ms. Momaya is responsible for infrastructure investments in India. She began her career at Morgan Stanley where she spent 17 years across India and New York offices. She was instrumental in building their India infrastructure business. As a part of Morgan Stanley's infrastructure business, Ms. Momaya led transactions across transportation, logistics and renewable energy. Prior to joining the Infrastructure Fund in 2008, Ms. Momaya worked at Morgan Stanley's Investment Banking Division in New York where she focused on buyouts, mergers & acquisitions, initial public offerings and financings in services, outsourcing and payment processing sectors. Ms. Momaya holds a Bachelors in Commerce from Mumbai University and a Post Graduate degree from the Narsee Monjee Institute of Management Studies (Mumbai).

#### MR. HARSH SHAH

Chief Executive Officer and Whole-time



Mr. Harsh Shah has extensive experience in infrastructure sector across bidding, financing, operations, mergers and acquisitions and regulatory policy. He was the Chief Executive Officer and Whole-time Director from August 2018 till June 2022. He was instrumental in setting up IndiGrid, India's first Infrastructure Investment Trust in the power transmission sector. He is also a member of the SEBI Advisory Committee for InvITs and REITs. Previously, he worked with Azure Power, Sterlite Power Transmission Limited, Larsen & Toubro Limited, L&T Infrastructure Finance Company Limited and Procter & Gamble International Operations Pte. Limited. He holds a Master's degree in Business Administration from National University of Singapore and a Bachelor's degree in Electrical Engineering from Nirma Institute of Technology, Gujarat University.



# **OUR MANAGEMENT TEAM**

#### MR. HARSH SHAH

Chief Executive Officer and Whole-time Director



Mr. Harsh Shah has extensive experience in infrastructure sector across bidding, financing, operations, mergers and acquisitions and regulatory policy. He was the Chief Executive Officer and Whole-time Director from August 2018 till June 2022. He was instrumental in setting up IndiGrid, India's first Infrastructure Investment Trust in the power transmission sector. He is also a member of the SEBI Advisory Committee for InvITs and REITs. Previously, he worked with Azure Power, Sterlite Power Transmission Limited, Larsen & Toubro Limited, L&T Infrastructure Finance Company Limited and Procter & Gamble International Operations Pte. Limited. He holds a Master's degree in Business Administration from National University of Singapore and a Bachelor's degree in Electrical Engineering from Nirma Institute of Technology, Gujarat University.

#### MS. DIVYA **BEDI VERMA**

Chief Financial Officer



Ms. Divya Bedi Verma is the Chief Financial Officer at IndiGrid. She holds a Bachelor's degree in Commerce from Delhi University and is a qualified Chartered Accountant. She has over 22 years of extensive experience in field of business partnership, managing finance operations, FP&A, ERP system implementation, & change management. She has extensive experience working across the manufacturing, publishing and infrastructure industries. She has previously worked with Imaje India Private Limited, Elsevier, ATS Infrastructure Limited and Sterlite Power.

#### MS. MEGHANA **PANDIT**

Chief Investment Officer



Ms. Meghana Pandit is the Chief Investment Officer at IndiGrid since 2018. She holds a Bachelor's degree in Commerce and a Master's degree Management Studies from the University of Mumbai, has cleared all three levels of CFA, CFA Institute (US) and a Post Graduate Diploma in Financial Analysis from the Institute of Chartered Financial Analysts of India. She has over 19 years of experience in investment banking and corporate finance, covering the infrastructure sector across private equity transactions, mergers and acquisitions, initial public offerings, qualified institutional placements and infrastructure investment trusts, in subsectors such as roads, airports, renewable power, thermal power, ports and real estate. She has previously worked in IDFC Bank, Deloitte Financial Advisory Services India Private Limited and Essar Steel Limited.

# MR. SATISH TALMALE

Chief Operating Officer



Mr. Satish Talmale is the Chief Operating Officer at IndiGrid. He has diverse expertise over 22 years largely in power generation in Thermal (majorly Gas), Renewables and now in Transmission sector. He has gained diversified strategic and operational experience in P&L Management, Business Transformation, Portfolio Risk Management, Services Operations, Project Management, Sales/ Commercial Operations and hands-on with EPC/O&M services. He has demonstrated strong expertise in continuous improvements to unlock the value of assets. He has previously worked with Ingersoll Rand as Services Director (MEIA) and prior to that, he worked with GE Power (including BHEL-GE JV) for ~14 years in various capacities in engineering, sales, commercial and services including asset management of wind assets across South Asia. He started his career with Larsen & Toubro Limited in Power division and holds B.E (Mechanical) Engineering degree along with Executive MBA from IIM-Calcutta.

#### MR. BIGYAN PARIJA

Chief Design Officer



Mr. Bigyan Parija is the Chief Design Officer at IndiGrid. He holds a Bachelor's degree in Mechanical Engineering from Utkal University. He has over 22 years of experience in design and engineering, project management and business acquisition in the power transmission sector. Prior to joining IndiGrid, he was the Senior Vice President - Engineering & Routing for Sterlite Power.

#### MR. KUNDAN KISHORE

Head – Human Resources



Mr. Kundan Kishore is the Head – Human Resources at IndiGrid. He has over 11 years of experience across different human resources functions. He holds a Bachelor's Degree in Engineering (Electrical Engineering) from Rajiv Gandhi Proudyogiki Vishwavidyalaya, Bhopal and has completed the two-year (full-time) Post Graduate Diploma in Management (Human Resource) in 2009 from the International Management Institute. He has previously worked with Bennett, Coleman & Co. Ltd., KEC International Limited and TransUnion CIBIL Limited.

#### MR. URMIL SHAH

Company Secretary & Compliance Officer



Mr. Urmil Shah, serves as the Compliance Officer at IndiGrid. He joined IndiGrid in July 2019. Previously, served as the Company Secretary of IRB Infrastructure Private Limited (Investment Manager of IRB InvIT Fund) and was designated as the Compliance Officer of IRB InvIT Fund. Mr. Shah holds a Bachelor's degree in Commerce and is an Associate of the Institute of Company Secretaries of India. Prior to joining IRB in 2011, he was part of the Secretarial department of Great Offshore Limited. He has several years of experience in secretarial and compliance functions.



#### KKR - A LEADING GLOBAL INVESTMENT FIRM

- KKR is a leading global investment firm with over 46 years of experience and a strong track record of performance
- It sponsors investment funds that invest in private equity, credit and real assets and has strategic partners that manage hedge funds
- It has US\$ 496 Billion of AUM globally (as of September 30, 2022) with offices in 23 cities across 4 continents
- Infrastructure is a core focus for KKR, where it has completed ~70 investments across several infrastructure subsectors since 2010 and ~US\$ 55 Billion of assets under management
- KKR had established the Asia-Pacific Infrastructure team to address the significant and growing infrastructure investment needs across the region

#### KKR'S STRATEGY TO INVEST IN INDIA

## Favourable long-term outlook

 India offers a positive longterm economic outlook, given its favourable demographic trends, stable macro-economic indicators and ongoing structural reforms

## One of KKR's core markets

 Invested Billions of US dollars in Indian companies across strategies including private equity, infrastructure and credit since 2006

## Attractive infrastructure investment destination

- Believes India's infrastructure needs over the next 25 years will remain significant
- Demand for infrastructure coincides with an increasingly robust and liberalised regulatory regime, positioning India as a prime investment destination



#### KKR'S STRATEGY TO INVEST IN ASIA-PACIFIC

# PLAY TO KKR'S COMPETITIVE ADVANTAGE

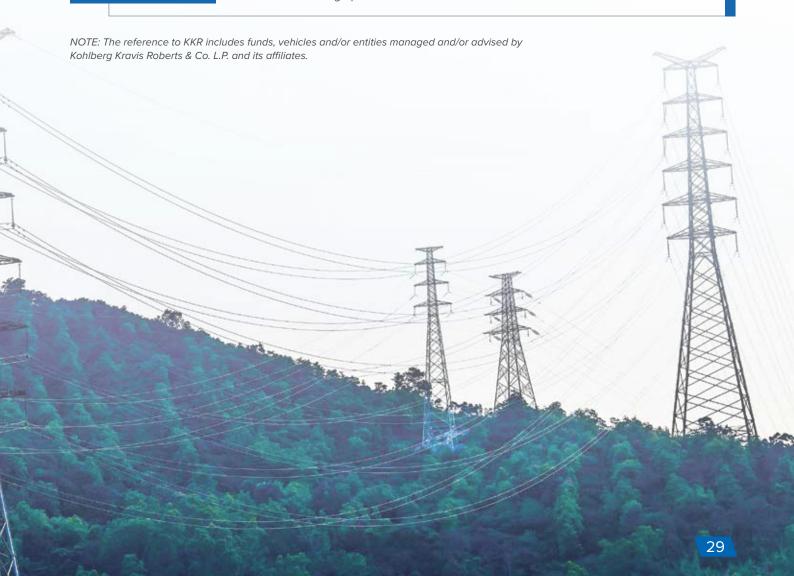
- Extensive Asia-Pacific platform that has delivered positive and consistent investment performance
- Leading global infrastructure platform with deep expertise and a strong track record across several geographies and sub-sectors
- Access to a dedicated team of professionals focussed on value creation and operational enhancements

# DIFFERENTIATED INVESTMENT APPROACH

- Track record of leveraging deep local relationships to generate proprietary deal flow
- Strong alignment of interest with investors

# CAPITAL PROTECTION WITH PARTICIPATION IN GROWTH

- Strategy targets existing enterprises and corporate build-up strategy
- Brownfield and platform investments
- Contracted / regulated assets and well-positioned growth-oriented assets
- Yield-generating assets and reinvesting for growth
- Modest leverage profiles





#### 2. STERLITE POWER TRANSMISSION LIMITED (SPTL)

SPTL, one of IndiGrid's sponsor, is a leading global developer of power transmission infrastructure with extensive experience in developing projects spanning across India and Brazil. With an industry-leading portfolio of power conductors, EHV cables and OPGW, Sterlite Power also offers solutions for upgrading, uprating and strengthening existing networks. The company has set new benchmarks in the industry by use of cutting-edge technologies and innovative financing.

Of the 28 power transmission projects developed by Sterlite Power, 10 have been acquired by IndiGrid till date.

With dedicated teams to ensure best-in-class designing, construction and maintenance of power transmission assets, coupled with the deployment of latest technologies, SPTL has been able to improve efficiency and minimise the impact on the environment during the project construction period.

## **Trustee**

#### **AXIS TRUSTEE SERVICES LIMITED**

Axis Trustee Services Limited, registered as an intermediary with SEBI under the Securities and Exchange Board of India (Debenture Trustees) Regulations, 1993, serves as the Trustee for IndiGrid.

The Trustee, independent of Sponsor and Investment Manager, is entrusted with the custody of the assets ensuring highest standards of corporate governance. The Trustee has signed a Trust Deed with IndiGrid on October 21, 2016. As per the provisions, the Trustee is supposed to:

- Approve distribution to unitholders
- Ensure compliance of rights attached to the units
- Oversee voting of unitholders
- o Appoint an Investment Manager and Project Manager and delegate its responsibilities to them in writing
- Enter into various agreements, including the Investment Management Agreement, Project Implementation and Management Agreement and other documents
- Ensure that the Investment Manager takes investment decisions in the best interest of the unitholders
- Ensure the Investment Manager performs its obligations in accordance with the InvIT Regulations, oversees activities of the Project Manager and ensures receipt of relevant records and information from the Project Manager
- Employ and pay at the expense of IndiGrid, to any agent in any jurisdiction whether attorneys, solicitors, brokers, banks, trust companies or other agents

#### **BOARD OF DIRECTORS**



#### **BOARD OF DIRECTORS**

Mr. Rajesh Kumar **Dahiya** Mr. Ganesh Sankaran Ms. Deepa Rath



## **Project Manager**

Until FY2021, Sterlite Power Transmission Limited (SPTL) and IndiGrid Limited (IGL) managed the operations and maintenance of our projects. SPTL entered into the Project Implementation and Management Agreement with IndiGrid on November 10, 2016, as amended, to:

- Support operations of IndiGrid's assets as per the terms and conditions of the O&M agreements, either directly or through the appointment and supervision of appropriate agents
- Provide additional services to IndiGrid's assets on the terms and conditions set out in the Project Implementation and Management Agreement.

IndiGrid and SPTL decided to discontinue the Project Manager services for all IndiGrid Project SPVs (except NER) effective June 2021. Accordingly, the Investment Manager has executed the Deed of Termination for existing PIMA and a separate PIMA was executed for NER on June 30, 2021. The Investment Manager has also executed a fresh PIMA with IGL for its appointment as a Project Manager for all Project SPVs with effect from June 30, 2021.

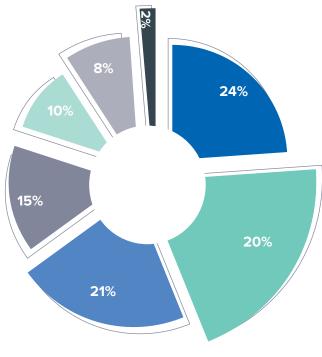
## **Unitholders**

As of Septemper 30, 2022, total Foreign Institutional Investors (FII) ownership (including sponsor) in IndiGrid is at ~54%. KKR (Sponsor) owns 24%, GIC owns ~20% while the balance 10% is held by other marquee foreign investors. Domestic Institutional Investors (DII) and corporates hold ~23% of the units which includes 9 insurance companies, 4 mutual funds and 3 employee pension funds. Retail holding is at 21%, which has quadrupled in value since IPO.

#### UNITHOLDING PATTERN (As on Septemper 30, 2022)

- 24% KKR (Sponsor)
- **◆ 20**% GIC
- 21% Retail
- 15% Corporates & Trusts (includes 3 employee pension funds)
- ◆ 10% Other FIIs
- 8% Insurance (9 insurance companies)
- **◆ 2**% Others







# **OUR KEY STRATEGIC ENABLERS**

IndiGrid's key strategies have been developed around our core pillars underpinning the strategic aspects of our business and intended to build a resilient and responsible organisation. IndiGrid's main objective is to continue to ensure transmission of reliable power to all while delivering superior risk-adjusted total returns to unitholders.

At IndiGrid, our key strategy is to achieve our stated objectives and ensure the organisation is on the course of long-term, sustainable and responsible growth. Owing to our resilient business model, we are growing continually and providing superior risk-adjusted returns to unitholders. The Trust is enabling this by investing in long-term stable cash-generating power transmission and solar assets.

#### **OUR STRATEGIES ARE BUILT ON THE BELOW PILLARS:**

Focussed Business Model Value
Accretive Growth

Optimal
Capital Structure

Best-in-Class Corporate Governance

#### **Focussed Business Model**

Long-term AAA-rated cash flows

- Own operational power assets
- Long-term contracts with technical asset life of more than 50 years
- Pre-contracted availability-based tariffs
- Focus on acquiring high quality AAA-rated accretive acquisitions

Low Risk Annuity Returns

- Limited construction risk
- Diversify counterparty risk
- o Minimal counterparty risk due to the inherent tariff payment security mechanism
- Transmission costs form a relatively lower proportion of the total operational costs

#### Value-Accretive Growth

Growing DPU

- FY2023 DPU guidance increased to ₹13.20 per unit announced on May 20, 2022
- Fifth instance of DPU increase by IndiGrid since the Company's listing
- Delivering predictable DPU and growing it sustainably
- Value-accretive acquisitions aimed at stabilising and growing the DPU

Maximising Total Returns

- IndiGrid's track record of accretive acquisitions, resilient operations and a strong balance sheet have allowed us to underpin our goal of sustainably and responsibly growing returns for our investors despite the volatility of capital markets
- The planned acquisition of framework assets along with third-party acquisitions enable incremental growth in DPU yield as well as capital appreciation

#### **Optimal Capital Structure**

# Compliance with InvIT Regulations

- 70% leverage cap on borrowings
- Active and prudent liability management by focussing on long-tenure loans
- Focus on reducing cost of borrowing

# Maximising Distribution

- Maximise cash upstreaming to IndiGrid and to the Company's unitholders from SPVs
- Focus on AAA-rated cash flows, accretive acquisitions and resilient operations

# Low Cost of Capital

- o Focus on diversifying our sources of debt and elongate tenures in incremental facilities
- Evaluate both private and public markets for debt and equity capital
- Raise pre-emptive capital to maintain headroom for funding future acquisitions
- Appropriate risk policies to manage foreign exchange and market risks

#### **Best-in-Class Corporate Governance**

# Eligibility and Lock-In

- At least 80% of InvIT's assets have to be revenue-generating for one year prior to the acquisition, ensuring operational stability
- Not more than 10% assets of InvIT's can be under construction or liquid assets
- The Sponsor should remain invested and hold at least 15% of units of InvIT for three years after the initial offer of units

## Independence

- Quarterly periodic valuation of assets along with physical inspection
- 50% of the Board of Investment Manager to be independent
- o Investment Committee comprises of majority Independent Directors
- o Independent & Thorough Technical, Financial, Legal & Environment Due Diligence
- o 100% stake in Investment Manager held by KKR

#### Distribution

- At least 90% of the net distributable cash flows needs to be distributed to the unitholders, at least every six months
- Grow DPU in sustainable and steady manner to ensure predictable cash flows to investors
- Quarterly distribution to the unitholders instead of the prescribed half-yearly distribution

## **Unitholder Rights**

- The unitholders have the ability to appoint and remove the Investment Manager
- Any debt raising beyond 25% of asset value also requires unitholder vote
- Majority vote is essential for all Related Party Transactions and exceeding 5% of asset value
- Over 98% approval rate from investors in last 10 unitholders meetings (except one)



# **OUR ASSET PORTFOLIO**

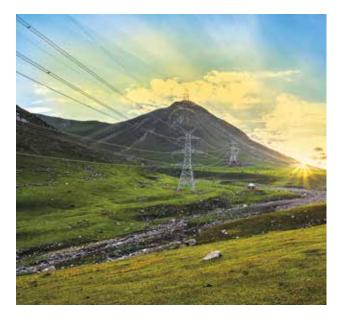
In our short but eventful existence, we have come a long way – from two power transmission projects with 1,930 circuit kilometres and 6,000 MVA transformation capacity to 15 power projects consisting of 41 transmission lines (~7,585 ckms), 12 substations (~14,550 MVA capacity) and 100 MW of solar power plants across 18 states and one Union Territory in India.

Since listing, our assets under management (AUM) have increased more than three-fold from ₹ 37 Billion in June 2017 to over ₹ 211 Billion in September 2022. The current portfolio has a total circuit length of approximately ~7,585 ckms (across 41 transmission lines,  $7 \times 765 \text{ kV}$  lines and  $31 \times 400 \text{ kV}$  lines and  $3 \times 132 \text{ kV}$  lines), and 14,550 MVA(across 12 substations) of transformation capacity and 100 MW of solar power plants across 18 states and one Union Territory. Most of the portfolio assets have in place long-term Transmission Services Agreements (TSAs) of 35 years from the scheduled commercial operation date of the relevant portfolio asset, after which we can apply to CERC for extension if not unilaterally extended by CERC.

All our transmission assets are located in strategically important areas for electricity transmission connectivity, delivering power from generating centres to load centres to meet inter-regional power deficits. Once a transmission project has been commissioned, it requires relatively low levels of expenditure to operate and maintain, which means that the assets will have the benefit of owning a critical asset without incurring significant operational costs. The transmission line business enjoys a longer asset life of ~50 years as compared to other infrastructure projects, such as roads. The transmission lines of the portfolio assets are predominantly located in areas where developing alternate lines may be challenging due to the terrain, challenges in obtaining rights of way, limited corridors and high construction costs. This puts us in an advantageous position to capitalise the opportunities to increase our power transmission capacity through the same corridor by upgrading our existing systems.

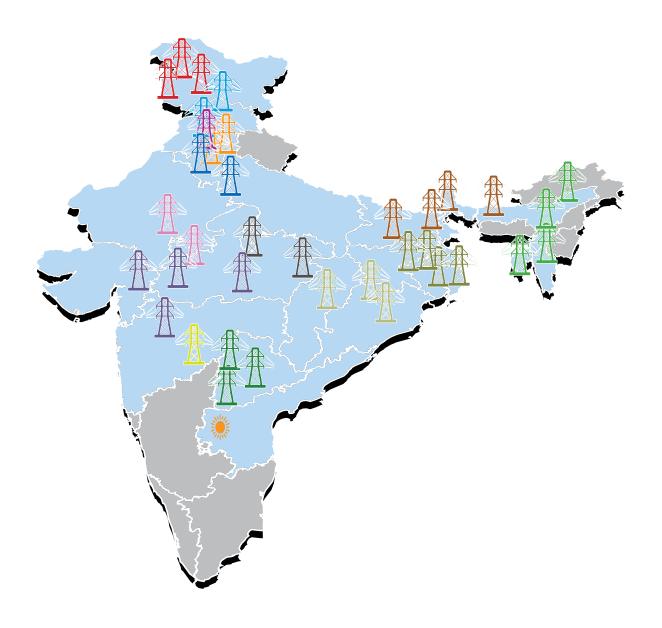
The portfolio assets, are owned by us directly or indirectly through our wholly-owned subsidiary, IndiGrid Limited (IGL), IndiGrid 1 Limited (IGL 1) and IndiGrid 2 Limited (IGL 2). Through IGL, IGL1 and IGL 2, 100% legal and economic ownership of BDTCL, JTCL, PKTCL, RTCL, MTL, NTL and OGPTL is held by IndiGrid. PTCL, ENICL, GPTL, JKTPL, PrKTCL, NER-II and Solar I & II are directly owned by IndiGrid.



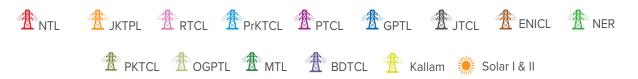


### **SNAPSHOT OF PORTFOLIO ASSETS**





Map not to scale. For Illustration purpose only.





### **ACQUISITION HISTORY**

The Initial Portfolio Assets comprised of two power transmission projects located across four states in India. These projects comprise eight EHV Overhead Power transmission lines, comprising of six 765 kV transmission lines and two 400 kV transmission lines, with a total circuit length of approximately 1,936 ckms, and two sub-stations with 6,000 MVA of transformation capacity.

### August/September 2020

Completed acquisition of Gurgaon-Palwal Transmission Limited from Sterlite Power at an enterprise value of ~₹ 10.20 Billion as part of the Framework Agreement. Also acquired Jhajjar KT Transco Pvt Ltd from Kalpataru Power and Techno Electric at an enterprise value of ₹ 3.10 Billion in September 2020.

### January 2021

Completed acquisition of first cost-plus asset i.e. Parbati Koldam Transmission Ltd. from Reliance Infrastructure. The asset is held under a JV with Power Grid owning 26% in PrKTCL.

### March 2021

Completed one of the largest transmission asset deal in India by acquiring NER-II from Sterlite Power for ₹ 46.25 Billion.

### **July 2021**

Completed acquisition of 100% stake in two solar assets with cumulative capacity of 100 MW (AC) from Fotowatio Renewable Ventures (FRV) at an enterprise value of ~₹ 6.6 Billion.

### December 2021

Forayed into greenfield transmission project with the acquisition of 100% stake in Kallam Transmission Ltd from REC Power with a planned outlay of ₹ 1,700 Million.

#### **March 2020**

### June 2019

Successfully completed the acquisition of two power transmission assets, NRSS XXIX Transmission Limited ("NTL") and Odisha Generation Phase II Transmission Limited ("OGPTL"), from Sterlite Power for an enterprise value of ~₹ 50.25 Billion.

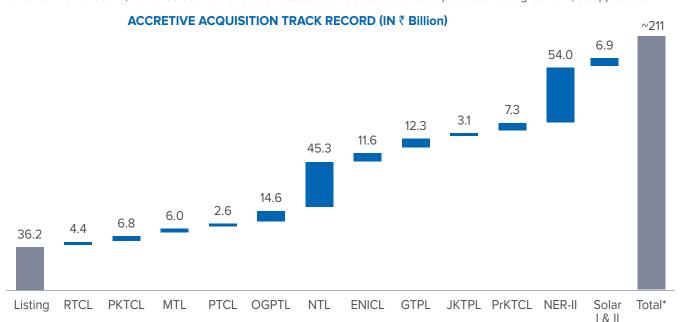
### August 2018

Additionally, as part of our growth strategy of acquiring third-party transmission assets, acquired Patran Transmission Company Limited ("PTCL") from Techno Electric & Engineering Company Ltd. ("TEECL"), with one substation having 1,000 MVA of transmission capacity in Punjab.

### February 2018

Acquired three power transmission projects i.e. PKTCL, MTL and RTCL from our sponsor as under the ROFO deed. These projects comprise five EHV Overhead Power transmission lines, comprising of five 400 kV transmission lines, with a total circuit length of approximately 1,425 ckms across five states in India.

In view of the acquisitions, the Investment Management Agreement executed between ATSL, IIML, IGL, BDTCL and JTCL originally on November 10, 2016 has been amended & restated during the year to include acquired SPVs as parties to the agreement. Further, the Project Implementation and Management Agreement executed between ATSL, SPTL, IIML, IGL, BDTCL, JTCL on November 10, 2016 has been amended & restated to include the SPVs as parties to the agreement, as applicable.



### **Asset Portfolio**



BDTCL was incorporated on September 8, 2009. BDTCL entered into a TSA on December 7, 2010 with LTTCs. The BDTCL project was awarded to IGL (erstwhile Sterlite Grid 1 Limited) by the Ministry of Power on January 31, 2011 for a 35-year period from the scheduled commercial operation date, on a Build, Own, Operate and Maintain (BOOM) basis. We acquired BDTCL from the Sterlite Sponsor in May 2017. BDTCL project is part of the system strengthening scheme of the western region and facilitates the transfer of up to 5,000 MW of electricity from the coal belt in the East, to the energy-deficient regions of western and northern India. BDTCL owns 943 cKms of transmission lines covering six elements and two substations with 2x1,500 MVA capacity each. BDTCL operates six EHV overhead transmission lines comprising of four 765 kV Single Circuit and two 400 kV Double Circuit lines commissioned to strengthen

the transmission system in the states of Madhya Pradesh, Maharashtra, and Gujarat. There are also two 765/400 kV Substations at Bhopal (Madhya Pradesh) and Dhule (Maharashtra).

### **Annual Availability**



### **Details of BDTCL Elements**

| Transmission Line/Substation | Route Length<br>(cKms) | Specifications               | Actual Commission Date | Expiry Term of Initial TSA |
|------------------------------|------------------------|------------------------------|------------------------|----------------------------|
| Bhopal-Indore                | 176                    | 765 kV S/C transmission line | November 19, 2014      | March 2049                 |
| Dhule-Aurangabad             | 192                    | 765 kV S/C transmission line | December 5, 2014       | March 2049                 |
| Dhule-Vadodara               | 263                    | 765 kV S/C transmission line | June 13, 2015          | March 2049                 |
| Bhopal-Jabalpur              | 259                    | 765 kV S/C transmission line | June 9, 2015           | March 2049                 |
| Dhule-Dhule                  | 36                     | 400 kV S/C transmission line | December 6, 2014       | March 2049                 |
| Bhopal-Bhopal                | 17                     | 400 kV S/C transmission line | August 12, 2014        | March 2049                 |
| Bhopal Substation            | -                      | 2X1,500 MVA 765/400 kV       | September 30, 2014     | March 2049                 |
| Dhule Substation             | -                      | 2X1,500 MVA 765/400 kV       | December 6, 2014       | March 2049                 |

Current Status As on September 30, 2022, BDTCL TSA has a remaining term of ~ 26.5 years.





JTCL was incorporated on September 8, 2009. JTCL entered into a TSA with LTTCs on December 1, 2010 and a TSA on November 12, 2013 with PGCIL (together JTCL TSAs). The JTCL project was awarded to IGL (erstwhile Sterlite Grid 1 Limited) by the Ministry of Power on January 19, 2011 for a 35-year period from the scheduled commercial operation date, on a BOOM basis. We acquired JTCL from our Sterlite Sponsor on May 30, 2017.

JTCL is a part of the system strengthening common for the Western Region and the Northern Region. The project alleviates transmission capacity bottlenecks and expands the reliability and stability of the power grid in western and northern India by providing open access to transmit power from independent power projects in the eastern region of India. The corridors, thus, created are crucial links, on the basis of which the Central Transmission Utility has entered long-term open-access agreements with several generation companies in the Eastern Region.

JTCL operates two EHV overhead transmission lines of ~995 cKms in Chhattisgarh and Madhya Pradesh comprising one 765 kV double circuit line of 759 cKms from Jabalpur (Madhya Pradesh) to Dharamjaigarh (Chhattisgarh) and one 765 kV single circuit line of 235 cKms from Jabalpur to Bina in Madhya Pradesh.

### **Annual Availability**



### **Details of JTCL Elements**

| Transmission Line/Substation | Route Length<br>(cKms) | Specifications               | Actual Commission Date | Expiry Term of Initial TSA |
|------------------------------|------------------------|------------------------------|------------------------|----------------------------|
| Jabalpur-Dharamjaigarh       | 759                    | 765 kV D/C transmission line | September 14, 2015     | March 2049                 |
| Jabalpur-Bina                | 235                    | 765 kV D/C transmission line | July 1, 2015           | March 2049                 |

Current Status As on September 30, 2022, JTCL TSA has a remaining term of ~ 26.5 years.



RTCL was incorporated on December 20, 2012 and RTCL entered a TSA (the RTCL TSA) with LTTCs on July 24, 2013. The RTCL project was awarded by the Ministry of Power on September 17, 2013 for a 35-year period from the scheduled commercial operation date on a BOOM basis. We acquired RTCL from our Sterlite Sponsor on February 14, 2018.

RTCL strengthens the transmission capability between the northern and western sectors of India's power grid by evacuating electricity from an atomic power plant near Kota in Rajasthan to central Madhya Pradesh. The project was set up to transfer power from the atomic power plant near Kota (Rawalbhata) in Rajasthan to Shujalpur in Madhya Pradesh to provide the path for the evacuation of electricity generated at RAPP-7 and 8. The project involves operation of one 400 kV Double Circuit transmission line stretching over 400 cKms. RTCL acts as an interregional link between

the Northern and western region by helping in evacuation of power from the power complex even in case of any grid constraints in the northern region.

### **Annual Availability**



\*RTCL Q2 FY23 availability impacted due to NHAI line diversion work for which planned outage was undertaken, Revenue loss and modification cost recovered from NHAI. No impact on RTCL.

### **Details of RTCL Elements**

| Transmission Line/Substation | Route Length (cKms) | Specifications               | Actual Commission Date | Expiry Term of Initial TSA |
|------------------------------|---------------------|------------------------------|------------------------|----------------------------|
| RAPP-Shujalpur               | 403                 | 400 kV D/C transmission line | March 1, 2016          | February 2051              |

Current Status As on September 30, 2022, RTCL TSA has a remaining term of ~ 28.5 years.





PKTCL was incorporated on December 15, 2012 and entered into a TSA (the PKTCL TSA) with LTTCs on August 6, 2013. The PKTCL project was awarded by the Ministry of Power on September 17, 2013 for a 35-year period from the scheduled commercial operation date on a BOOM basis. We acquired PKTCL from our Sterlite Sponsor on February 14, 2018.

PKTCL supports the interconnection of the West Bengal state grid and the ISTS and facilitates the exchange of additional power between them. It strengthens the transmission system in the Indian states of West Bengal and Jharkhand. PKTCL operates two EHV overhead transmission lines with a total circuit length of approximately 545 cKms in the states of West Bengal and Jharkhand, comprising one

400 kV D/C line of 323 cKms from Kharagpur (West Bengal) to Chaibasa (Jharkhand) and one 400 kV D/C line of 223 cKms from Purulia (West Bengal) to Ranchi (Jharkhand).

### **Annual Availability**



### **Details of PKTCL Elements**

| Transmission Line/Substation | Route Length (cKms) | Specifications               | Actual Commission Date | Expiry Term of Initial TSA |
|------------------------------|---------------------|------------------------------|------------------------|----------------------------|
| Kharagpur-Chaibasa           | 323                 | 400 kV D/C transmission line | June 18, 2016          | April 2051                 |
| Purulia-Ranchi               | 223                 | 400 kV D/C transmission line | January 7, 2017        | April 2051                 |

Current Status As on September 30, 2022, PKTCL TSA has a remaining term of ~ 28.5 years.



MTL was incorporated on August 14, 2014 and entered into a TSA (the MTL TSA) with LTTCs on June 10, 2015. The MTL project was awarded by the Ministry of Power on July 21, 2015 for a 35-year period from the scheduled commercial operation date. The Project was awarded on BOOM basis. We acquired 49% of MTL from the Sterlite Sponsor in February 2018.

MTL constitutes a key component in enabling the southern region of India to draw more power from the rest of the grid and seeks to address the issue of power stability in southern India. The improved grid connectivity has facilitated power procurement from the Inter State Transmission System

(ISTS) network to the beneficiary states Telangana, Tamil Nadu, Seemandhra and Karnataka to meet their electricity demands. MTL operates two EHV overhead transmission lines with a total circuit length of approximately 475 cKms in the state of Telangana.

### **Annual Availability**



### **Details of MTL Elements**

| Transmission Line/Substation                            | Route Length (cKms) | Specifications               | Actual Commission Date | Expiry Term of Initial TSA |
|---|---------------------|------------------------------|------------------------|----------------------------|
| Maheshwaram-Mehboob Nagar                               | 196                 | 400 kV D/C transmission line | December 14, 2017      | December 2053              |
| Nizamabad-Yeddumailaram<br>(Shankarpalli)               | 278                 | 400 kV D/C transmission line | October 14, 2017       | October 2053               |
| Mehboob Nagar Substation of TSTRANSCO                   | -                   | 2 x 400 kV line bays         | -                      | -                          |
| Yeddumailaram (Shankarpalli)<br>Substation of TSTRANSCO | -                   | 2 x 400 kV line bays         | -                      | -                          |

**Current Status** As on Sep 30, 2022, MTL TSA has a remaining term of ~ 31.5 years.



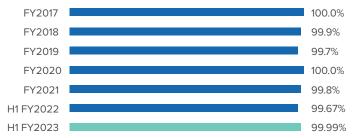


PTCL was incorporated on December 19, 2012. PTCL entered a TSA (the PTCL TSA) with LTTCs on May 12, 2014. The PTCL project was awarded to Techno Electric & Engineering Co. Ltd. ("TEECL") by the Ministry of Power on perpetual ownership-basis through a letter of intent dated September 8, 2013 for a 35-year period from the scheduled commercial operation date on a BOOM basis. We acquired PTCL from Techno Electric in 2018.

PTCL plays a key role in strengthening the power transmission system in Punjab by meeting the requirement of growing load in Patiala and Sangrur district of Punjab. The project comprises of 400/220 kV substation having 1,000

MVA transformation capacity with 14 bays in Patran, Punjab and LILO of both circuits of Patiala-Kaithal 400 kV double circuit triple snow bird Line of 5 km at Patran.

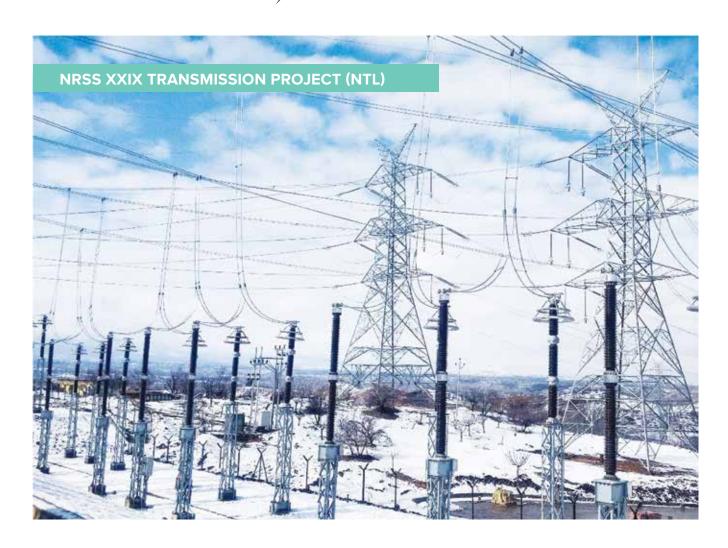
### **Annual Availability**



### **Details of PTCL Elements**

| Transmission Line/Substation | Transformation<br>Capacity<br>(MVA) | Specifications  | Actual Commission Date | Expiry Term of Initial TSA |
|------------------------------|-------------------------------------|---|------------------------|----------------------------|
| Patiala-Kaithal LILO         | -                                   | Loop in loop out of both circuits of 400 kV D/C line at Patran                        | November 12, 2016      | November 2051              |
| Patran Substation            | 1,000                               | 2X500 MVA, 400/220 kV<br>Substation with 6 nos. 400 kV<br>Bays and 8 nos. 400 kV Bays | November 12, 2016      | November 2051              |

**Current Status** As on September 30, 2022, PTCL TSA has a remaining term of  $^{\sim}$  29 years.



NRSS XXIX Transmission Limited (NTL) was incorporated on July 29, 2013 and entered into a TSA on January 2, 2014 with LTTCs. The NTL project is held by IGL 1 and was awarded by the Ministry of Power on a perpetual ownership basis with a TSA term of 35 years from the scheduled commercial operation date. We acquired NTL from Sterlite Sponsor on June 04, 2019.

NTL, is one of the largest private sector transmission project awarded in the country. The project is extremely critical to meet the power requirements of Jammu & Kashmir. The NTL project is expected to deliver over 2,000 MW of electricity from Punjab to the Kashmir Valley by strengthening the

transmission system in the states of Jammu and Kashmir and Punjab. NTL consists of three 400 kV Double Circuit transmission lines & one 400/220 kV GIS Substation.

### **Annual Availability**



### **Details of NTL Elements**

| Transmission Line/Substation | Route Length (cKms) | Specifications  | Actual Commission Date | Expiry Term of Initial TSA |
|------------------------------|---------------------|-----------------|------------------------|----------------------------|
| Samba-Amargarh               | 546                 | 400 kV D/C line | September 2, 2018      | September 2053             |
| Uri-Wagoora                  | 14                  | 400 kV D/C line | September 2, 2018      | September 2053             |
| Jalandhar-Samba              | 270                 | 400 kV D/C line | June 24, 2016          | June 2051                  |
| Amargarh Substation          | -                   | 400 kV D/C line | September 2, 2018      | September 2053             |

**Current Status** As on Sep 30, 2022, NTL TSA has a remaining term of  $^{\sim}$  31 years.





Odisha Generation Phase-II Transmission Limited (OGPTL) was incorporated on April 17, 2015 with LTTCs. OGPTL entered into a TSA on November 20, 2015 with LTTCs. The OGPTL project was awarded to IGL 2 by the Ministry of Power on a perpetual ownership-basis with a TSA term of 35 years from the scheduled commercial operation date. We acquired OGPTL from the Sterlite Sponsor in July, 2019. The OPGC-J line was commissioned in August 2017 and JR line was commissioned in April 2019 respectively. We acquired OGPTL from our Sponsor on June 28, 2019. OGPTL project is a part of common transmission system for Phase-II Generation Projects and immediate evacuation

system for OPGC Project in Odisha. The project consists of two transmission lines totalling over 700 cKms connecting Odisha and Chhattisgarh.

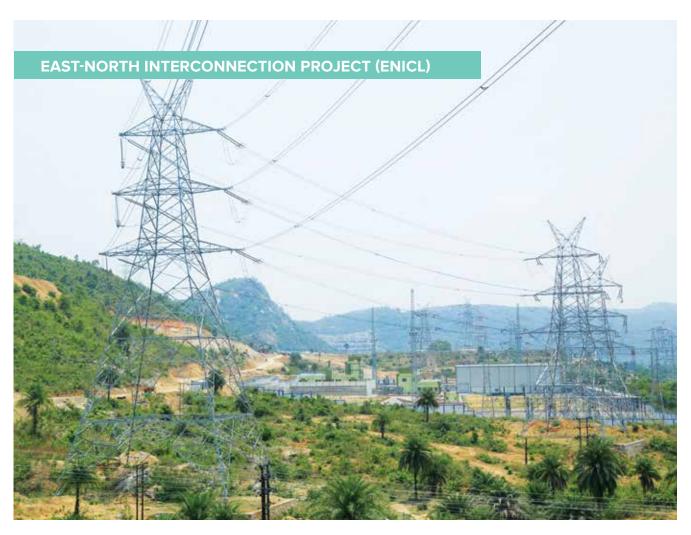
### **Annual Availability**



### **Details of OGPTL Elements**

| Transmission Line/Substation | Route Length (cKms) | Specifications  | Actual Commission Date | Expiry Term of Initial TSA |
|------------------------------|---------------------|-----------------|------------------------|----------------------------|
| Raipur-Jharsuguda            | 610                 | 765 kV D/C line | April 6, 2019          | April 2054                 |
| Jharsuguda-OPGC              | 103                 | 400 kV D/C line | August 30, 2017        | July 2052                  |

**Current Status** As on September 30, 2022, OGPTL TSA has a remaining term of ~ 31.5 years.

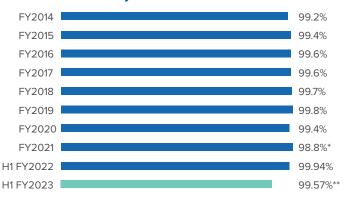


East-North Interconnection Company Limited (ENICL) was incorporated on February 1, 2007. ENICL entered into a TSA on August 6, 2009 with LTTCs. The ENICL project was awarded by the Ministry of Power on a perpetual ershipbasis with a TSA term of 25 years from the date of issue of the licence by CERC. We acquired ENICL from the Sterlite Sponsor in May 2020.

The project addresses the critical issue of the power shortfall during non-Monsoon months, thereby bringing significant relief to the people of Assam. ENICL operates two 400 kV Double Circuit transmission lines of 896 cKms through challenging terrain in the States of Assam, West Bengal and Bihar. Commonly referred to as the Siliguri Corridor or the Chicken's Neck, the peculiarity of this stretch

is that it is the only land route connecting mainland India with North-East India making it critical from an inter-region power transfer point of view.

### **Annual Availability**



### **Details of ENICL Elements**

| Transmission Line/Substation | Route Length<br>(cKms) | Specifications  | Actual Commission Date | Expiry Term of Initial TSA |
|------------------------------|------------------------|-----------------|------------------------|----------------------------|
| Bongaigaon-Siliguri          | 438                    | 400 kV D/C line | November 12, 2014      | October 2035               |
| Purnia-Biharsharif           | 458                    | 400 kV D/C line | September 16, 2013     | October 2035               |

**Current Status** As on September 30, 2022, ENICL TSA has a remaining term of  $^{\sim}$  13 years.

<sup>\*</sup>FY21 availability - indemnified by seller

<sup>\*\*</sup>ENICL H1 FY23 availability impacted due to tripping of PB Line due to conductor snapping.





Gurgaon-Palwal Transmission Limited (GPTL) was incorporated on October 26, 2015. GPTL entered into a TSA on March 4, 2016 with LTTCs. GPTL project was awarded to SGL4 by the Ministry of Power on a perpetual ownership basis with a TSA term of 35 years from the scheduled commercial operation date. We acquired 100% economic ownership of GPTL from Sterlite Sponsor in August 2020.

GPTL is part of Inter State Transmission Scheme (ISTS) network and consists of three gas-insulated substations (GIS) with a total transformation capacity of 3,000 MVA and ~273 circuit kilometres of 400 KV transmission lines. The project is first of its kind vertically mounted GIS framework with a substantial focus on ESG aspects. It is a strategic

asset for ensuring reliable power supply in the region which may reduce the carbon emissions by reducing dependence on DG sets. The land requirement for this project is also substantially reduced with innovatively-designed vertical GIS substation and monopole towers with micro-piling.

### **Annual Availability**



### **Details of GPTL Elements**

| Transmission Line/Substation | Route Length<br>(cKms) | Specifications        | Actual Commission Date | Expiry Term of Initial TSA |
|------------------------------|------------------------|-----------------------|------------------------|----------------------------|
| Aligarh-Prithala             | 99                     | 400 kV D/C            | August 6, 2019         | July 2054                  |
| Prithala-Kadarpur            | 58                     | 400 kV D/C            | December 7, 2019       | July 2054                  |
| Kadarpur-Sohna Road          | 21                     | 400 kV D/C            | March 21, 2020         | July 2054                  |
| LILO of Gurgaon Manesar      | 2                      | 400 kV D/C            | March 13, 2020         | July 2054                  |
| Neemrana-Dhonanda            | 93                     | 400 kV D/C            | February 25, 2019      | July 2054                  |
| Kadarpur Substation          | -                      | 400/220 kV, 2X500 MVA | December 11, 2019      | July 2054                  |
| Sohna Substation             | -                      | 400/220 kV, 2X500 MVA | April 13, 2020         | July 2054                  |
| Prithala Substation          | -                      | 400/220 kV, 2X500 MVA | August 8, 2019         | July 2054                  |
| Dhonanda Substation Bays     | -                      | 2X400 Line Bays       | February 25, 2019      | July 2054                  |

Current Status As on September 30, 2022, GPTL TSA has a remaining term of ~ 32 years.

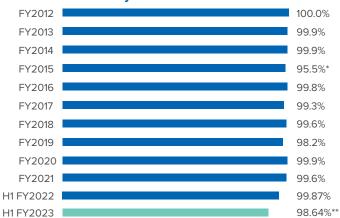


Jhajjar KT Transco Pvt Ltd. (JKTPL), is IndiGrid's first intrastate asset. JKTPL is an operational intra state asset awarded on a Design Build Finance Operate and Transfer ("DBFOT") basis, with a contractual period of 25 years and a provision of further 10-year extension. JKTPL was incorporated on May 19, 2010. JKTPL entered into a TSA on May 28, 2020. The project was awarded to Kalpataru Power and Techno Electric based on the competitive bidding process conducted by HVPNL. In October 2020, we completed the acquisition of 100% of the equity shares of JKTPL from KPTL and TEECL.

It is a strategic asset for Haryana state distribution companies and the key evacuation transmission system from the 1,320 MW thermal power plant in Jhajjar. It consists of three 400 kV transmission lines spread across 200 cKms in Haryana with two substations with a transformation capacity of 830 MVA each. The project has been operational since 2012 with a robust collection track record and steady receivable cycle.

It is a strategic asset for Haryana state distribution companies and the key evacuation transmission system from the 1,320 MW thermal power plant in Jhajjar. IndiGrid Limited acts as the O&M contractor for this project.





### **Details of JKTPL Elements**

| Transmission Line/Substation                  | Route Length<br>(cKms) | Specifications   | Actual Commission Date | Expiry Term of Initial TSA |
|---|------------------------|--|------------------------|----------------------------|
| Jharli (Jhajjar)-Kabulpur<br>(Rohtak)         | 70                     | 400 kV D/C line  | March 12, 2012         | March 2037                 |
| Kabulpur (Rohtak)-Dipalpur (Sonepat)          | 134                    | 400 kV D/C line  | March 12, 2012         | March 2037                 |
| Dipalpur Substation<br>Abdullapur-Bawana Line | 1.4                    | 400 kV S/C loop in loop out line<br>at 400 kV substation Dipalpur<br>of 400 kV D/C line at from<br>Abdullapur-Bawana | March 12, 2012         | March 2037                 |
| Kabulpur (Rohtak) Substation                  | -                      | 400 kV/220 kV/132 kV<br>(830 MVA)  | March 12, 2012         | March 2037                 |
| Dipalpur (Sonepat)<br>Substation              | -                      | 400 kV/220 kV/132 kV<br>(830 MVA)  | March 12, 2012         | March 2037                 |

**Current Status** As on September 30, 2022, JKTPL TSA has a remaining term of ~ 14.5 years.

<sup>\*</sup>JKTPL H1 FY 23 availability impacted due to ICT 3 tripping and outage due to flashover in OLTC on 16th Aug'22; Rectification of ICT was done on Oct 16, 2022.

<sup>\*</sup>Agitation at asset site. Force Majeure claimed





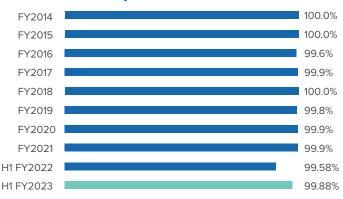


Parbati Koldam Transmission Company Limited ("PrKTCL") is IndiGrid's first cost-plus regulated asset. PrKTCL is an inter-state operational asset situated in Himachal Pradesh and Punjab, and was awarded on a Build, Own, Operate ("BOO") basis for the transfer of electricity from Parbati II and Koldam HEPs in Himachal to Ludhiana in Punjab. The Project was a joint venture between Reliance Infrastructure and Power Grid. PrKTCL was incorporated on September 2, 2002.

PrKTCL has entered into various long-term Bulk Power Agreement (BPTA) on March 4, 2010. The Project was awarded as cost plus project with a guaranteed ROE of 15.5% on the approved equity base. In January 2020, we completed the acquisition of 74% of the equity shares of PrKTCL from Reliance Infrastructure Limited. PrKTCL is now held as a joint venture between IndiGrid (74%) and Power Grid Corporation of India Limited (26%).

PrKTCL operates two transmission lines, subdivided into various revenue-generating elements, with a total circuit length of approximately 458 cKms of 400 kV transmission lines and substations. This transmission project is of very strategic importance and has been constructed for evacuation of the power generated from Hydro-Electric Projects (HEPs) of 2,220 MW which is utilised by northern region states of Uttar Pradesh, Rajasthan, Punjab, Haryana, Jammu & Kashmir, Himachal Pradesh, Delhi, Chandigarh, and Uttarakhand.

#### **Annual Availability**



#### **Details of PrKTCL Elements**

| Transmission Line/Substation   | Route Length<br>(cKms) | Specifications                                | Actual Commission Date                           | Expiry Term of Initial TSA |
|--|------------------------|---|--|----------------------------|
| LILO point of Parbati III HEP<br>to LILO point of Parbati<br>Pooling Station | 4                      | 400 kV S/C along with D/C<br>Quad Bundle Line | August 1, 2013                                   | FY2050                     |
| Banala-Nalagarh  | 66                     | 400 kV S/C along with D/C<br>Quad Bundle Line | October 10, 2014                                 | FY2050                     |
| Banala-Koldam  | 63                     | 400 kV S/C along with D/C<br>Quad Bundle Line | October 4, 2014                                  | FY2050                     |
| Parbati II-Banala  | 14                     | 400 kV S/C along with D/C<br>Quad Bundle Line | November 3, 2015                                 | FY2050                     |
| Parbati II-Parbati III   | 10                     | 400 kV S/C along with D/C<br>Quad Bundle Line | November 3, 2015                                 | FY2050                     |
| Koldam-Ludhiana  | 301                    | 400 kV D/C, Triple Bundle Line                | Ckt I: August 7, 2014<br>Ckt II: August 14, 2014 | FY2050                     |

Current Status As on September 30, 2022, PrKTCL TSA has a remaining term of ~ 27.5 years.



NER-II was incorporated as a company on April 21, 2015. NER-II entered the TSA (the "NER TSA") on December 27, 2016. The Project was awarded by the Ministry of Power on February 22, 2017 for a 35-year period from the scheduled commercial operation date of the NTL project, on a BOOM basis. We acquired NER-II from Sterlite Sponsor in March 2021. This project strengthens the power transmission network in the North-Eastern States and address the transmission, sub-transmission, and distribution system needs of the region.

The project consists of two substations, five transmission lines and four bays to meet the rising power demand in North-Eastern Region of India. The project has 11 elements

including two substations of ~1,260 MVA capacity and four transmission lines extending over ~830 circuit kilometres. The asset spans across Assam, Arunachal Pradesh and Tripura and is of strategic importance for the delivery of power in one of the toughest regions in the country and also acts as an important link for power evacuation to Bangladesh.





### **Details of NER-II Elements**

| Transmission Line/Substation                 | Route Length<br>(cKms) | Specifications            | Actual Commission Date | Expiry Term of Initial TSA |
|--|------------------------|---------------------------|------------------------|----------------------------|
| Silchar-Misa 400 kV                          | 357                    | 400 kV DC                 | March 1, 2021          | November 2055              |
| BNC-Itanagar 132 kV                          | 136                    | 132 kV DC                 | April 6, 2021          | November 2055              |
| LILO 132 kV                                  | 17                     | 132 kV DC                 | April 6, 2021          | November 2055              |
| NEEPCO-PK Bari 132 kV                        | 48                     | 132 kV DC                 | February 23, 2021      | November 2055              |
| Surajmaninagar-PK Bari<br>400 kV             | 36                     | 400 kV DC                 | January 27, 2021       | November 2055              |
| Surajmaninagar-PK Bari<br>400/132 kV         | 238                    | 400/132 kV DC             | January 27, 2021       | November 2055              |
| Biswanath-Chariali PG 2 No. of the Line Bays | -                      | 2 No. of Line Bays 132 kV | April 6, 2021          | November 2055              |
| AGTPP NEEPCO 2 No.<br>132 kV Line Bays       | -                      | 2 No. of Line Bays 132 kV | February 23, 2021      | November 2055              |
| PK Bari (TSECL) 2 No. 132 kV<br>Line Bays    | -                      | 2 No. of Line Bays 132 kV | February 23, 2021      | November 2055              |
| PK Bari Substation                           | -                      | 400/132 kV (2X315 MVA)    | January 27, 2021       | November 2055              |
| Surajmaninagar Substation                    | -                      | 400/132 kV (2X315 MVA)    | January 27, 2021       | November 2055              |

Current Status As on September 30, 2022, NER-II TSA has a remaining term of ~ 33 years.

\*NER H1 FY23 availability impacted by force majeure (FM) event which caused tower collapse incident in SM line on June 17, 2022, due to unprecedented floods in Assam. Emergency restoration of circuit 1 was done on 23rd July'22 and circuit 2 on 16th Sep'22 using ERS. Force Majeure Claim have been accepted by NERPC & availability certificates have been received





FRV is an operational 100 MW solar asset located in high radiation zone in the 400 MW Ananthapuram Solar Park in Andhra Pradesh with a contractual period of 25 years at a fixed tariff. The Power Purchase Agreement (PPA) has been signed with SECI on October 16, 2016 at a fixed tariff for 25 years of project life with Solar Energy Corporation of India ("SECI"), a limited liability company owned 100% by the Government of India, as the counterparty. These superior quality projects use Tier I equipment and are eligible to receive a fixed tariff on per unit of electricity generated, thus, limiting the operational risk. The projects have been operational for more than 2 years and have a robust track record of collections with a healthy plant availability and grid availability.

We completed acquisition of 100% stake in two solar assets with cumulative capacity of 100 MW (AC) from Fotowatio

Renewable Ventures (FRV) at an enterprise value of  $\sim 7000$  Billion in July 2021. Solar I & II have been one of the best performing solar plants.

### **Plant Availability**



### **Operational Metrics**

|            | иом | FY21   | H1FY22 | H1FY23 |
|------------|-----|--------|--------|--------|
| Generation | MU  | 211.0  | 109.0  | 107.9  |
| CUF        | %   | 24.08% | 24.83% | 24.57% |

Note:Gap largely attributable to annual degradation factor in case of PV modules.

#### **Details of Solar Elements**

| Element    | Location  | Specifications                             | Actual Commission Date | Term of PPA                     |
|------------|---|--|------------------------|---------------------------------|
| Project P2 | Ananthapuram Solar Park,<br>District Kadapa, AP | AC capacity: 50 MW;<br>DC capacity: 68 MWp | July 2018              | 25 years from declared COD date |
| Project P8 | Ananthapuram Solar Park,<br>District Kadapa, AP | AC capacity: 50 MW;<br>DC capacity: 70 MWp | Jan 2019               | 25 years from declared COD date |

**Current Status** As on September 30, 2022, Solar assets have a remaining PPA term of ~ 21.5 years.

### **New Acquisition**



RSTCPL was incorporated on November 11, 2009. RSTCPL entered into a TSA on August 4, 2010 with LTTCs. The Letter of Intent (LoI) for the RSTCPL project was awarded to consortium of Patel Engineering Limited (PEL), Simplex Infrastructures Limited (SIL) and BS Limited (BSL) by the RECPDCL (erstwhile RECTCL) on December 16, 2010 for a 35-year period from the scheduled commercial operation date, on a Build, Own, Operate and Maintain (BOOM) basis. Indigrid acquired RSTCPL from the the consortium in November 2022. It is a critical project of the Inter State Transmission Scheme (ISTS) network of the country. RSTCPL consists of 765 kV single circuit transmission line of ~208 ckms between Raichur (Karnataka) and Sholapur

(Maharashtra) associated with the Krishnapattnam Ultra Mega Power Thermal Project. The project enables synchronous interconnection between Southern and Western Regions of the country and is a key transmission link to strengthen the power transmission network between these regions.

### **Availability**



### **Details of RSTCPL Elements**

| Transmission Line /<br>Substation | Route Length<br>(ckms) | Specifications               | Actual Commission Date | Expiry Term |
|-----------------------------------|------------------------|------------------------------|------------------------|-------------|
| Raichur – Sholapur                | 208                    | 765 kV S/C transmission line | July 2014              | July 2049   |

**Current Status** As on September 30, 2022, RSTCPL has a remaining term of ~27 years.

<sup>\*</sup> Availability reported from Apr'22 to Aug'22



# **ASSETS IN PIPELINE**

### **KHARGONE TRANSMISSION PROJECT (KTL)**

Khargone Transmission Limited (KTL) was incorporated on November 28, 2015. KTL entered into a TSA on March 14, 2016 with LTTCs. The KTL project was awarded to SGL-4  $\,$ 

by the Ministry of Power on a perpetual ownership basis with a TSA term of 35 years from the scheduled commercial operation date.

### **Details of KTL Elements**

| Transmission Line/<br>Substation  | Location                           | Route<br>Length<br>(cKms) | Specifications                     | Actual / Anticipated<br>Commission Date | Expiry of TSA<br>Term |
|---|------------------------------------|---------------------------|------------------------------------|---|-----------------------|
| LILO of Khandwa-Rajgarh<br>Line   | Madhya<br>Pradesh,<br>Chhattisgarh | 14                        | 400 kV D/C Line                    | February 2018                           | July 2054             |
| Khargone TPP Switchyard<br>Khandwa Pool   | Madhya<br>Pradesh                  | 49                        | 400 kV D/C line                    | March 2020                              | July 2054             |
| Khadwa Pool-Indore  | Madhya<br>Pradesh                  | 179                       | 765 kV <b>D</b> /C Line            | March 2020                              | July 2054             |
| Khandwa Pool-Dhule  | Madhya<br>Pradesh                  | 383                       | 765 kV D/C Line                    | December 2021                           | July 2054             |
| Khandwa Pooling Station   | Madhya<br>Pradesh                  | -                         | 3,000 MVA<br>Transmission Capacity | March 2020                              | July 2054             |
| 2 Nos. of 765 kV line bays<br>& 7x80 MVAR Switchable<br>line reactors (1 unit as<br>spare)<br>along with 800 Ω NGR and<br>its auxiliaries for Khandwa<br>Pool – Dhule 765 kV D/C<br>at Dhule 765/400 kV<br>Substation | Madhya<br>Pradesh                  | -                         | 400/200 kV,<br>2X500 MVA           | December 2021                           | July 2054             |

Project progress based on SPTL disclosures

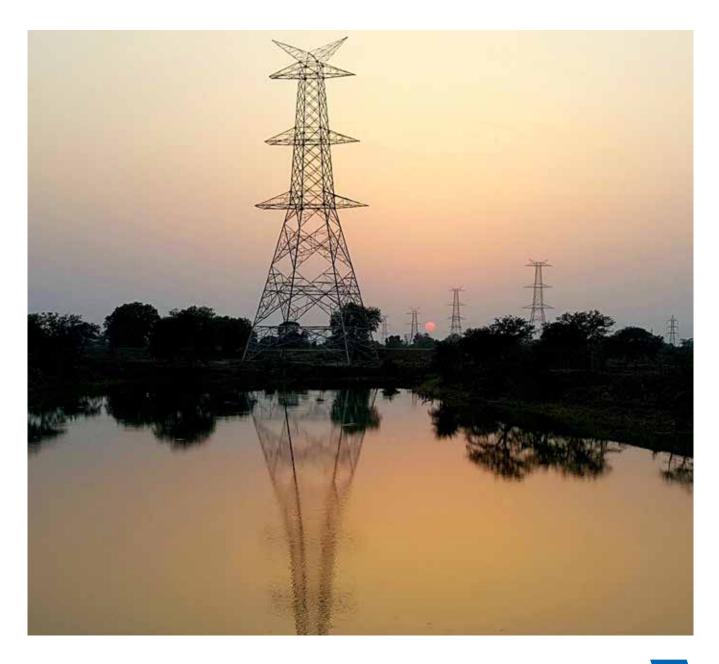


### **KALLAM TRANSMISSION PROJECT**

Kallam was incorporated on May 28, 2020 and was incorporated for the development of a new 400/220kV Substation at Kallam and 400kV Multi circuit transmission line of works in the state of Maharashtra. This project is envisaged on build, own, operate and maintain ("BOOM") basis for a period of 35 years through tariff-based competitive bidding ("TBCB"). Kallam is IndiGrid's first greenfield transmission project.

The project, with a planned outlay of  $^{\sim}$ ₹ 1700 Million, will consist of one substation of 2 x 500 MVA, 400/220 kV near Kallam and 10 Bays with a LILO multi circuit line of  $^{\sim}$ 18 kms. The project will strengthen the transmission system in Maharashtra by improving the grid availability for evacuation & integration of renewable energy in the state. The project is situated in a low-risk plain topography and is proposed to be completed over the next 15-18 months.

Note- On acquisition of Kallam Transmission Limited (executed in Dec 2021) refer Media Release on our website









# MANAGEMENT DISCUSSION **AND ANALYSIS**

### **ECONOMIC OVERVIEW**

### Global Economy

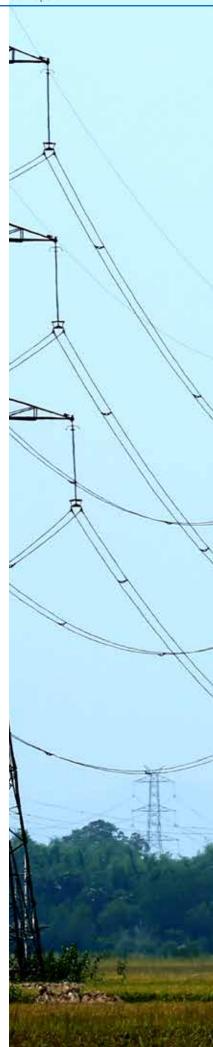
Global economy is estimated to witness a slowdown from a 6% growth in 2021 to 3.2% in 2022 and 2.7% growth in 2023, much below the long-term growth trend of ~3.5%. This has been the weakest growth profile since 2001 except the 2008 crisis and COVID-19 phase, signalling significant slowdown in major economies. It is estimated that more than a third of the countries will experience contraction while the three largest economies – the US, China, and the EU – will experience stagnation. The global slowdown is led by broadening inflationary pressures, geopolitical tensions, and a slowdown in China. Advance Economies (AE) are estimated to grow at 2.4% in 2022 while Emerging Markets Economies (EME) to grow at 3.7% in 2022.

The past few months have witnessed persistent and broadening inflation pressures leading to multi-decade high inflation. Commodity prices rose 19.1% between February and August 2022 with energy prices driving the increase. Natural gas sharply rose by 129% during the period with supply scarcity in Europe due to reduction in gas supplies from

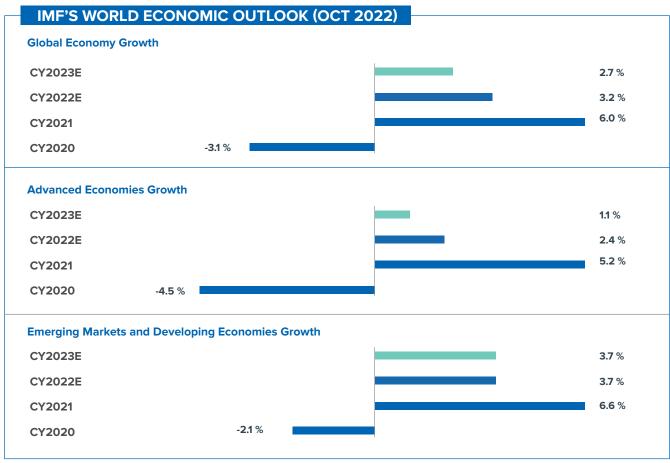
To curb the inflationary pressures, there has been rapid tightening of monetary policies by central banks across the world which has resulted in an accelerated appreciation of the  $\ensuremath{\mathsf{US}}$  dollar against most other currencies. The sharp appreciation of the  $\ensuremath{\mathsf{US}}$  dollar, which is at its highest level since early 2000s, has led to significant domestic price pressures and cost-of-living crisis in the emerging markets. Additionally, geopolitical tensions in Europe has resulted in gas prices to escalate to four-fold since 2021 with Russia limiting deliveries to less than 20% of 2021 levels. Global inflation, though expected to peak in late 2022, will remain elevated for longer than previously forecasted, decreasing to 4.1% by 2024.

In one of the major economies, China, the frequent lockdowns under the zero-COVID policy has resulted in weakening of the economy, especially in the second quarter of 2022. Furthermore, the property sector, representing about one-fifth of the economic activity in China, is rapidly weakening. Considering China is the major cog in the global supply chain, its weakening will reflect negatively in the global trade and supply activity.

The major headwind to the health of the global economy, going forward, is the increasing price pressures which is squeezing the real incomes and undermining macroeconomic stability. Central banks, around the world, are persistently working on restoring price stability, resulted in accelerated tightening. While Federal Reserve has increased the federal funds target by 300 bps since early 2022, the Bank of England has raised its policy rate by 200 bps. Similarly, all the central banks have worked on tightening of monetary policy which has also resulted in higher interest rates and spreads and induced volatility in the financial markets. Currencies of EMEs and even of some AEs are depreciating vis-à-vis the US dollar. Consequently, inflationary pressures are building up and external funding conditions are becoming tighter, posing financial stability challenges in emerging market economies.







Source: World Economic Outlook 2022 - IMF



### India Economy

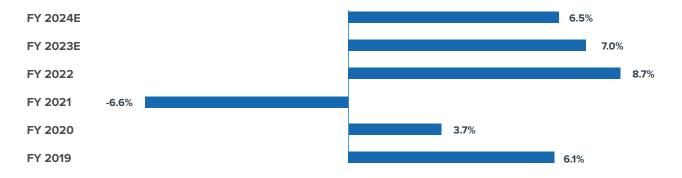
In a challenging global macro environment, Indian economy is relatively better placed with an estimated growth of 7.0% in FY 2022 Despite a subdued external demand environment which has resulted in a downward revision in its growth, India maintains a healthy growth trajectory reflecting its strong macroeconomic fundamentals.

Spill overs from the global monetary tightening, the geopolitical tensions, elevated commodity prices and the prolonged effects of the pandemic have affected countries globally. EMEs have been particularly affected by capital outflows, currency depreciations and reserve drawdowns,

complicating macroeconomic policies in these countries. India, although affected by the external environment, has stayed resilient with well-capitalised financial system, improving asset quality indicators, pick up in credit demand and stabilising inflation.

Real gross domestic product (GDP) grew at an impressive 13.5% YoY in Q1 FY2023 with all constituents of domestic demand expanding with a slight offset from the net exports. On the supply side, gross value add (GVA) rose by 12.7% in the same period with most notable growth in services. Activity in industry and services sectors remains in

### Real GDP Growth (annual % change)



Source: RBI

expansion, especially the latter, as reflected in purchasing managers indices (PMIs) and other high frequency indicators. The manufacturing PMI remained in the expansion zone in September with 55.1, moderated from August's PMI of 56.2. Similarly, service PMI also remained in the expansion zone at 54.3 witnessing a dip from August levels of 57.2 as the sector lost momentum due to weakening of household purchasing power.

The Indian central bank, RBI, has increased the repo rate from 4% to 5.9% in the past one year with another possibility of an increase in the short term. Inflation, though above the upper tolerance threshold of 6%, has somewhat moderated at around 7% with tighter monetary policy. CPI inflation rose to 7% in August 2022 from 6.7% in July as food inflation moved higher, driven by prices of cereals, vegetables, pulses, spices, and milk. Fuel inflation moderated with reduction in kerosene (PDS) prices, though it remained in double digits. Core CPI (i.e. CPI excluding food and fuel) inflation remained sticky at heightened levels, with upside pressures across various constituent goods and services.

Going forward, uncertainty around geopolitical conditions weighs heavily on the inflation outlook. Additionally, an increased imported inflation pressure remains an upside

risk to the inflation trajectory amplified by the continuous appreciation in the US dollar. With proactive monetary policies by the RBI, inflation forecast remains unchanged at 6.7% for FY 2023 with moderation in the upcoming quarters at around 6%.

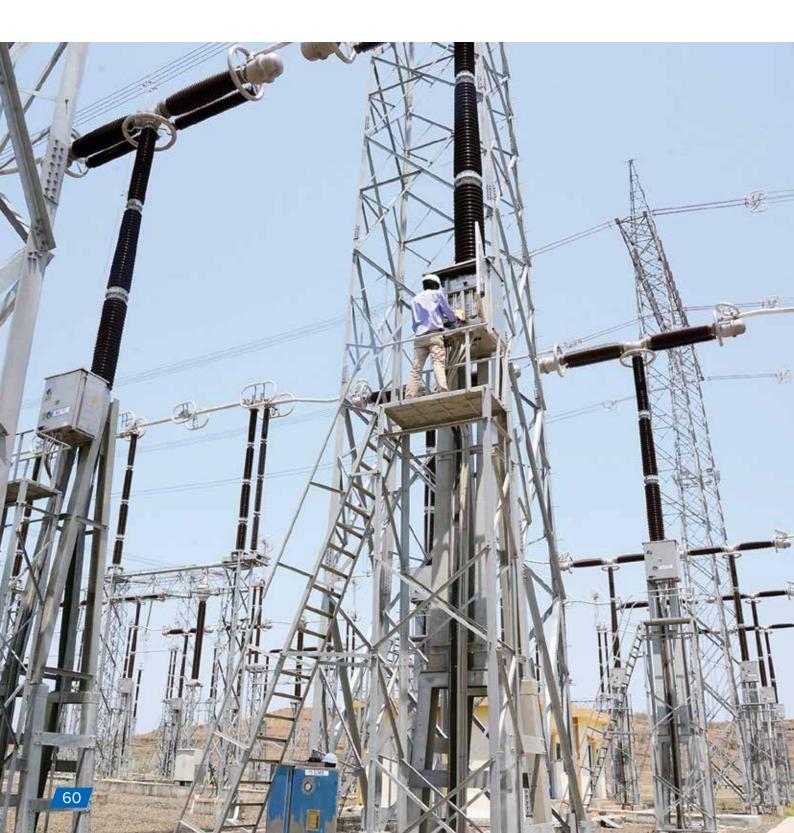
On growth outlook, agriculture, and allied activities and rebound in services are boosting the prospects for aggregate supply. The Government's continued thrust on capex, improvement in capacity utilisation in manufacturing and pick-up in non-food credit should sustain the expansion in industrial activity that stalled in July. The outlook for aggregate demand is positive, with rural demand catching up and urban demand expected to strengthen further with the typical upturn in the second half of the year. According to the RBI's surveys, consumer outlook remains stable and firms in manufacturing, services and infrastructure sectors are optimistic about demand conditions and sales prospects. However, headwinds from geopolitical tensions, tightening global financial conditions and the slowing external demand pose downside risks to net exports and hence to India's GDP outlook.



# **Industry Overview**

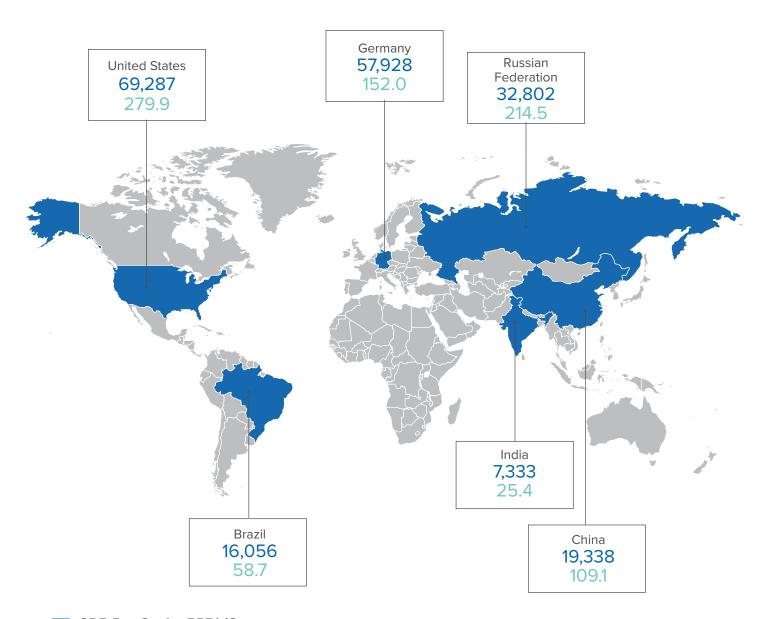
### **Power Sector**

Globally, the electricity demand has slowed down a bit after a strong growth of 6% in 2021 propelled by rapid economic activity post-COVID-19 lockdowns. Overall, the growth is estimated to slow down to around 2.4% in 2022 followed by higher energy prices, slower global economic growth and renewed public health restrictions, particularly in China. The total renewable electricity generation reached an all-time high in 2021 and contributes 28.6% of the global electricity generation, increasing by 0.4% from 2020.



India has been a major force in the global energy economy wherein the energy consumption has more than doubled since 2000. India is the third largest producer as well as consumer of electricity worldwide with a 5.8% and 5.7% global share respectively, behind China and the US. Since the decade unfolded, India has contributed to more than 10% of the increase in the global energy demand. However, on a per capita-basis, India's energy use and emissions are less than half of world's average at only a measly 25.4

Gigajoules per capita. As the country is recovering from the Covid-19-induced economic slowdown, it is entering into a dynamic period in its energy development. Over the coming years, India is envisioning a 500 GW of non fossilfuel energy capacity by 2030, more than doubling the share of natural gas in its energy mix, enhancing energy efficiency and transport infrastructure, and increasing domestic coal output which indicates a strong growth potential for the Indian power sector.



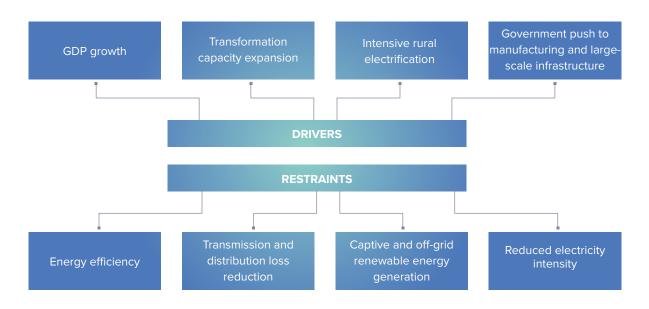
- GDP Per Capita PPP¹ (Current International US\$) CY2021
- Per Capita Consumption<sup>2</sup> (Gigajoules) CY2021

Map not to scale. For Illustration purpose only.

Source: (1) World Bank Data (https://data.worldbank.org/indicator/NY.GDP.PCAP.PP.CD) (2) Statistical Review of World Energy 2022 |  $71^{st}$  edition



#### **Factors Influencing Power Demand**



Source: CRISIL Research

### **Investment in Power Sector**

### **National Infrastructure Pipeline**

As per the National Infrastructure Pipeline 2019-25, energy sector projects accounted for the highest share (24%) of the total expected capital expenditure which translates to approximately ₹ 27-30 Trillion worth investments in the period. The highest investment is estimated in the generation (renewable energy) space with an outlay of ~₹ 14 Trillion across 470+ opportunities. There is a major focus on solar and wind power projects with a combined outlay of ₹8-9 Trillion to achieve the renewable energy transition. With the addition of new generation centres comprising largely of renewable energy sources, there has also been a fresh impetus to augment the country's transmission network with the twin objectives of improving the network efficiency and dealing with the inherent intermittency of renewable energy generation sources. To facilitate integration of the envisaged large-scale renewable energy generation capacity, Green Energy Corridors and Renewable Energy Management Centres are getting established. There is a planned outlay of ~₹ 4 Trillion under the NIP scheme for the transmission sector which shall improve the network efficiency. Investment of close to ₹ 5 Trillion is planned in the distribution sector which envisions to provide lastmile connectivity and availability to all the villages of the country.

Investment in power generation is expected to marginally increase over the next five years. CRISIL Research projects that over the next five years, India's power sector will receive an investment of ~₹ 9.5-10 Trillion, as compared to ~₹ 8.2 Trillion over FY2016-20 (E). Central & state sectors are expected to drive conventional capacity additions in the next five years, primarily led by renewables, whereas the share of private sector capacity addition will remain low due to weak financial condition of players and presence of untied capacities.

Investment in the generation segment is expected to be marginally higher, despite lower capacity addition. The reason being higher capacity addition in the nuclear segment, which is costlier on a per MW basis. Investment in distribution is likely to be subdued in the short-to-medium term on account of the financial stress of state utilities, which accounts for more than 90% share in distribution investment. However, with the Government's focus on alleviating congestion, transmission capacities are expected to witness robust growth. About 330-350 GVA transformation capacity (above 220 kV level) is expected to be added between FY2021 to FY2025 to reach the cumulative transformation capacity of 1,300-1,350 GVA by FY2025. In particular, robust growth is expected in high voltage (HV) lines of 400 kV and 765 kV due to its importance in interstate transmission lines

on account of the following Government targets:

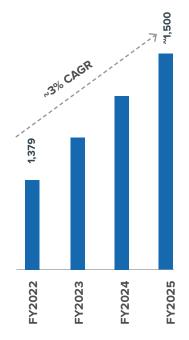
- Inter-regional transmission capacity expansion to 145 GW by FY2024 from 102 GW in March 2020
- Ultra-high capacity green energy corridors with expected investments worth ₹ 430 Billion

Thus, the expected improvement in T&D infrastructure coupled with agricultural feeder separation and extensive rural electrification under the Deendayal Upadhyaya Gram Jyoti Yojana (DDUGJY) will drive power demand upwards over the next five years.

#### 24/7 Power for All

The Government's schemes like DDUGJY, IPDS, UDAY and Saubhagya are aimed at providing uninterrupted power for all consumers. The Government has sanctioned ₹850 Billion to various state governments to strengthen their power infrastructure. These initiatives will improve last-mile connectivity, and solve issues related to distribution of power, billing and collection losses. Although the progress has been noticeable with almost 100% electrification of households and reduction in the technical losses, poorly devised power tariffs, and delays in release of subsidies squeezed state discoms financially affecting their efficiency in power supply. The thrust on renewable energy will ensure that the T&D segment's share in incremental power supply increases.

## **Energy Requirement Growth over Next Five Years** (In Billion units)



Source: CRISIL Research





### Infrastructure Development to drive Power Demand

|   | What does it entail  | Impact on power sector   |
|---|--|--|
| Housing for All and Smart<br>Cities         | <ul> <li>Under Prime Minister Awas Yojana, 8 Million urban and 10 Million rural houses to be constructed over the next five years</li> <li>100 smart cities have been planned</li> </ul>                   | Rapid urbanisation and rising disposable incomes to boost demand from domestic and commercial categories             |
| 'Make In India' and Capital<br>Goods Policy | <ul> <li>Make in India envisages increase in share of manufacturing in India's GDP from the current 18% to 25%</li> <li>Capital goods policy aims at production of ₹ 750 Billion by 2025</li> </ul>        | Support in electricity consumption by industrial and allied segments   |
| Infrastructure Development                  | <ul> <li>Eastern and western dedicated freight corridors with planned outlay of ₹ 734 Billion</li> <li>Metro rail projects in cities across the country</li> <li>Railway tracks electrification</li> </ul> | Power demand from railway segment<br>as well as commercial establishments<br>along the freight corridors, to pick up |

Source: Crisil Research

### Power Transmission in India

India electricity demand is estimated to grow at CAGR of ~4.5% till 2030 with higher share coming from transport and building sector. The widespread uptake of household appliances means that the share of electricity in total energy demand in buildings rises from 20% today to almost 44% by 2030. Further electrification of India's energy system also drives significant demand growth. There is a much greater use of power in certain industrial applications requiring low temperature heat supply, and a rise in the use of electricity as an input to making steel. Higher uptake of EVs, particularly two and three wheelers, enables electricity also to make inroads into the transport sector. During the same period, the capacity addition is estimated to grow at a CAGR of 6.1% with renewables contributing 55% of the total generational capacity led by growth in solar.

As of Sep 2022, the total electricity generation stands at 138 Billion units with a growth of 11.0% in the last one year. In-line with the Government's push of transitioning towards renewable energy, renewables (including hydro) have seen a growth of 18.4% while conventional sources grew at 8.3% only during the period. Today, renewable energy (including hydro) constitutes 40.4% of the total installed capacity visà-vis 38% a year ago, though slower, but bodes well for the transition that India is aiming for.

The T&D system in India operates at several voltage levels:

### Extra high voltage (EHV):

765 kV, 400 kV and 220 kV

### High voltage:

132 kV and 66 kV

### Medium voltage:

33 kV, 11 kV, 6.6 kV and 3.3 kV

### Low voltage

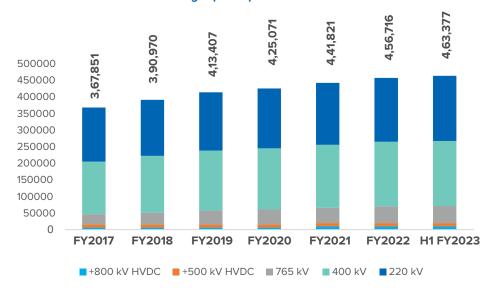
1.1 kV, 220 volts and below





There has been strong growth in the transmission system at higher voltage levels and substation capacities due to increased requirement of the transmission network to carry bulk power over longer distances. At the same time, optimise the right of way, minimise losses and improve grid reliability. The transmission network (above 220 kV voltage level) covers 463,377 ckms as of September 2022 and has grown at a CAGR of "4.3% since FY 2017.

### Voltage-wise Growth in Transmission Line Length (ct. km)

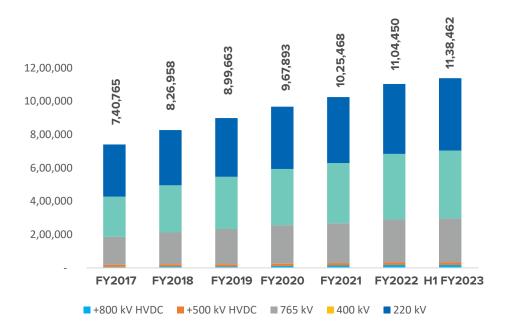


Source: CEA, India Infrastructure Research

The transformation capacity (above 220 kV level) in the country have grown from 804,458 MVA in FY2017 to reach 1,138,462 MVA in September 2022, at a CAGR of 9.5%. The growth in sub-station capacities have majorly seen traction in 220 kV, 400 kV and 765 kV segments.



### **Voltage-wise Growth in AC Transformer Capacity**



Source: CEA, India Infrastructure Research

The pace of expansion is expected to continue in the future to meet the Government's renewable energy targets and 24×7 power for all consumers. To ensure free and uninterrupted flow of power, every megawatt of new generation capacity needs a certain transformation capacity added to the system. In the Indian context, 220 kV and above level transformation to generation addition ratio (MVA:MW) has remained low over the years. At the end of March 1985, this ratio was 1.1 times and has improved to only 2.8 times by the end of September 2022.

With Government's focus on alleviating congestion, transmission capacities are expected to witness robust growth in transformation capacity additions. A conductive policy framework has helped the transmission sector to develop consistently at a significant growth rate. As per CTU ISTS Rolling plan 2027-28, a total of 33,019 ckms of transmission lines with a transformation capacity of 2,42,940 MVA at an estimated cost of ₹ 1,40,962 Crore is expected to be added to the grid.



# INDIA'S TRANSMISSION FRAMEWORK

**Total Transmission Network in India\*** 

4,63,377 cKms

Transmission Line Length

11,38,462 MVA

Transformation Capacity

\*Note: As per CEA progress report till September 2022 (only commissioned)

**Key Players In India's Transmission Portfolio** 

INDIA GRID TRUST .

ADANI TRANSMISSION

~8,420 cKms

Transmission Line Length

~17,550 MVA

Transformation Capacity

~18,800 cKms

Transmission Line Length

~40,000 MVA

Transformation Capacity

\*Note: including sale of Framework assets to IGT, u/c Kallam transmission as well as RSTPCL (acquired on 9th Nov, 2022) (Includes under-construction projects and Essar Power Transmission Company Limited acquisition) Note: As per ATL September 2022 Equity Presentation excluding HVDC

STERLITE POWER (INDIA)

PGCIL

>2,000 cKms

Transmission Line Length

~3,300 MVA

Transformation Capacity

172,662 cKms

Transmission Line Length

485,750 MVA

Transformation Capacity

(includes under constriction projects, does not include sold or framework assets)

#Note: As per PGCIL Q2 FY2023 Investor presentation

PGCIL InvIT

~3,700 cKms

Transmission Line Length

~6,630 MVA

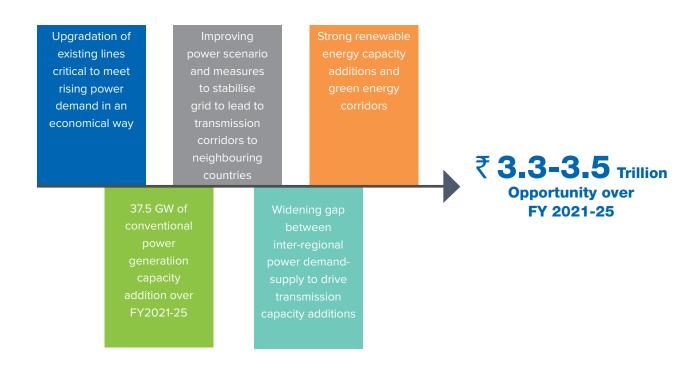
Transformation Capacity

Note: As per PG InvIT Q1 FY2023 presentation

# Other Key Transmission Projects in India

| Project SPV   | Stakeholders   | Length /<br>Capacity       | Project Cost<br>(In ₹ Million) |
|---|--|----------------------------|--------------------------------|
| Gadag Phase II Part A                               | Renew Power (under construction)   | ~120 ckms<br>~1,500 MVA    | ~3,100                         |
| MP Power Transmission Package I<br>Limited          | Megha Engineering and Infrastructures Limited (under construction)   | ~500 ckms,<br>~3,500 MVA   | ~13,000                        |
| Rajgarh Transmission Limited                        | GR Infraprojects Limited (under construction)  | ~200 ckms,<br>~1,000 MVA   | ~5,000                         |
| Gadag Transmission Limited                          | Renew Power (under construction)   | ~200 ckms,<br>~1,000 MVA   | ~4,000                         |
| Koppal Transmission Project                         | Renew Power (under construction)   | ~250 cKms,<br>~2,500 MVA   | ~7,500                         |
| Raichur Sholapur Transmission<br>Company Limited    | SPatel Engineering Limited, Simplex<br>Infrastructures Limited & BS TransComm Limited<br>(33.3% each)  | 210 cKms                   | 3,000                          |
| Kudgi Transmission Limited                          | Sekura Energy (Agreement to acquire)   | 960 cKms                   | 15,000                         |
| Darbhanga - Motihari Transmission<br>Co. Ltd."      | Sekura Energy  | ~280 cKms,<br>1,400 MVA    | 17,000                         |
| NRSS XXXI (B) Transmission<br>Limited"              | Sekura Energy  | ~580 cKms                  |                                |
| NRSS XXXVI Transmission Limited                     | Resurgent Power Ventures   | ~340 cKms                  | 4,700                          |
| Kohima-Mairani Transmission<br>Limited              | China Light and Power"   | ~500 cKms;<br>1,200 MVA    | 13,000                         |
| KT Satpura Transco Pvt Ltd.                         | China Light and Power  | 200 cKms                   | 3,400                          |
| Western UP Power Transmission Company Limited       | Megha Engineering and Infrastructures Limited  | 820 cKms;<br>6,340 MVA     | 41,500                         |
| South East UP Power Transmission<br>Company Limited | Resurgent Power Ventures   | "2,090 cKms;<br>5,000 MVA" | 80,000                         |
| Powerlinks Transmission Limited                     | PGCIL (49%), Tata Power Ltd. (51%)   | 2300 cKms                  | 7,500                          |
| Torrent POWERGRID Limited                           | PGCIL(26%), Torrent Power Limited (74%)  | 710 cKms                   | 3,500                          |
| North-East Transmission Company<br>Limited          | PGCIL (26%), ONGC Tripura Power Company<br>Limited (26%), Govt. of Tripura (10%), Govt. of<br>Assam (13%), Govt. of Mizoram (10%), Govt. of<br>Manipur (6%), Govt. of Meghalaya (5%) & Govt.<br>of Nagaland (4%) | 1320 cKms                  | 22,000                         |
| Teesta Valley Power Transmission<br>Limited         | PGCIL (26%), Teesta Urja Limited (74%)   | 410 cKms                   | 7,680                          |
| Cross Border Power Transmission Company Ltd.        | PGCIL (64%), Satluj Jal Vidyut Nigam Ltd (26%) and NEA (10%)   | 170 cKms                   | 2,500                          |
| Power Transmission Company<br>Nepal Limited         | NEA: 50%, PGCIL: 26%, Hydroelectricity<br>Investment and Development Company Limited<br>(HIDCL):14% and IL&FS Energy: 10%  | 80 cKms                    | 1,000                          |
| Bihar Grid Company Limited                          | PGCIL (50%), Bihar Power (Holding) Company<br>Limited (50%)  | 800 cKms;<br>2,990 MVA     | 16,900                         |
| Kalinga Bidyut Prasaran Nigam<br>Private Limited    | PGCIL (50%), Odisha Power Transmission<br>Corporation Limited (50%)  | NA                         | NA                             |
| Jaigad Power Transco Ltd                            | JSW (74%), MSETCL (24%)  | 330 cKms                   | 4,000                          |
| Amravati Power Transmission<br>Company Ltd          | Rattan India (100%)  | 215 cKms                   | 2,500                          |
| Sinnar Power Transmission<br>Company Ltd            | Rattan India (100%)  | 110 cKms                   | 1,500                          |
| Total   |  | 13,775 cKms;<br>26,930 MVA | 2,79,280                       |

#### **Growth Drivers in Transmission**



Source: CRISIL Research

### **Key Drivers for Development of Transmission Infrastructure**

### a. Renewable energy integration

An ongoing initiative for enabling the integration of large-scale renewable energy into the grid is that of the green energy corridors. Government has devised two schemes for the creation of highways for renewable power transmission, the green energy corridor I and green energy corridor II. Under the green energy corridor projects, advance technologies are being implemented to maintain grid stability. To further enhance stability and facilitate energy, balancing and scheduling mechanism is being implemented at the renewable energy monitoring centres. The Government has planned to build 11 renewable energy monitoring centres across the country, alongside the state load dispatch centres and an REMC at the national level. These would work in tandem with their state load centres or national load despatch centres to enable smooth grid operations.

### b. Cross-border links

Significant projects to strengthen the cross-border electricity exchange have also been executed in recent years and some are in the pipeline. In August 2017, India and Nepal inaugurated two new transmission lines for higher levels of electricity transfer. These will add 100 MW to the 350 MW power that India already supplies to Nepal. India has also planned several interconnections with Bangladesh, including the second Baharampur-Bheramara interconnection. In addition, the two countries have signed MoU for the supply of 1,600 MW through dedicated high voltage direct current transmission lines. India is also implementing several interconnections with Bhutan. These cross-border links will drive the growth of transmission infrastructure in India.



#### c. Rail electrification

Another key growth driver for transmission is expected to be the electrification of railways. Indian Railways unveiled its Railways Mission 41k initiative in January 2017 with the objective of saving ₹ 410 Billion over the next 10 years through an integrated energy management system. Under this, 38,000 route km of rail track will be electrified between FY2018 and FY2022, to ensure 100% electrification of its broad-gauge rail routes. In order to meet its targets, it is focussing on the setting up transmission lines, sub-stations and transformers. Around 8,000 km of transmission lines will be needed by Indian Railways to provide reliable and secure supply for the Golden Quadrilateral in the first phase. This is expected to fuel growth in the transmission segment, as well as create huge opportunities for transmission equipment manufacturers in the country. In recent years, the Central Organization for Railway Electrification (CORE) has contributed the majority of total electrified sections of Indian Railway. It has electrified 52,247 Route kilometers (RKM) that is about 80.2% of the total Broad-Gauge network of Indian Railways (65141 RKM) by March 31, 2022. CORE plans to electrify all BG routes of Indian Railway by December 2023. In order to electrify important railway routes for harnessing maximum benefits from their traffic potential, nine project units of CORE are operational at Ahmedabad, Ambala, Bangalore, Chennai, Kolkata, Jaipur, Lucknow, Guwahati and Secunderabad.

Source: Central Organisation for Railway Electrification (CORE), CRISIL Research

### d. Smart grid and electric vehicles

An initiative to make the transmission grid smarter has been, the Unified Real Time Dynamic State Measurement project, being implemented by PowerGrid Corporation. Further, with the increasing penetration of electric vehicles in the grid over the next few years on the back of the Government's ambitious plans to move to an all-electric fleet, the Indian grid will experience some serious challenges due to electric vehicle charging. This will necessitate investments in grid enhacement and automation, besides reactive power compensation capabilities, preventing overloading of the grid. The Government is also planning to provide several incentives and regulatory framework to promote e-vehicles in India.

#### e. Private sector participation

Promoting competition in electricity sector is one of the aims of the Electricity Act, 2003. In the spirit of encouraging competition, various reform measures have been initiated by the Central and State Governments. Ministry of Power came out with competitive bidding guidelines for enabling competition in power transmission to enable private sector investments in the sector, which allowed price discovery through market-based mechanism. This ensured that private transmission companies could avail equal platform and opportunity to access the market as the public companies, but most importantly it ensured competitive prices to benefit both, the consumers and the market.

India is one of the few countries where transmission sector

has been opened up for private participation and has garnered significant interest from private players. The initiatives undertaken by the Government and various states have led to competition in power transmission. However, the spirit of competition and private participation in the Indian electricity transmission sector is still in the nascent stages. With the huge generation capacity addition and improved generation with fuel issues getting sorted for existing capacity, a corresponding increase in transmission capacity is needed to ensure that power generated reaches the end- consumer. Major part of the total investment required has to come from private sector. Clearly, successful PPP in transmission would be vital to meet the huge investment and capacity enhancement target in transmission.



#### d. Outlook

Power sector of the country is quite diverse and varies continuously. Power sector is estimated to see a decline in fossil fuel-based energy source to around 43% in 2027-28 from the current 58% installed capacity, with an increase and push towards renewable energy capacity addition. New generation centres of renewable energy and its integration with the grid will further enhance its complexity. Large Renewable Energy complexes are expected to be established in Northern, Western, and Southern regions by 2027-28 timeframe. The transmission system for integrating the same into the grid has already been planned and is currently under various stages of implementation. Cumulatively by 2027-28, transmission schemes comprising of 33,019 ckm of transmission lines and transformation capacity of 2,42,940 MVA at estimated cost of ₹ 1,40,962 crore is expected to be added in the grid.

Parallelly, as per the NIP (National Infrastructure Pipeline), an investment outlay of US\$ 54.2 Billion across 221 opportunities is estimated for the transmission sector. Investments in the sector are expected to be driven by the need for a robust and reliable transmission system to support continued generation additions and the strong push to the renewable energy sector as well as rural electrification. Rising private sector participation with favourable risk-return profile of transmission projects will also support growth in investments.

### **NEP 2021 - Provision for Power Transmission and Grid Operators:**

System operators must be adequately equipped with modern technologies to ensure supply safety and security. Measures such expansion of the balancing as areas, combined operation of renewable energy sources with conventional generation/ storage systems, development of ancillary services, and assessment of transfer capability are required.

There is a need to streamline the approval process for transmission projects. At the central level, the National Committee on Transmission approves the plans drawn up by the CTU. A similar mechanism is recommended at the state level.

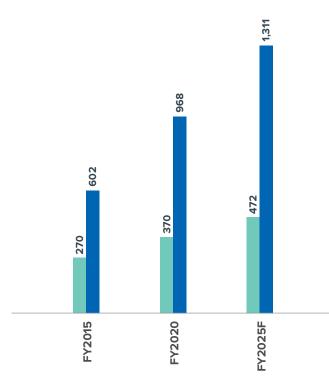
### **Key Objectives of NEP 2021**

- Promotion of clean and sustainable electricity generation
- Development of an adequate and efficient transmission system
- Revitalization of discoms
- Development of efficient electricity markets
- Supply of reliable and quality power of specified
- standards in an efficient manner
- Move towards lighter touch regulation
- Promotion of domestic manufacturing of goods and services under the Make in India initiative and Aatmanirbhar Bharat Abhiyaan



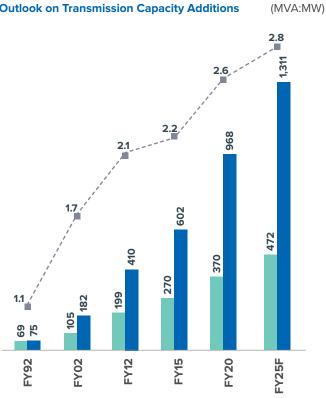




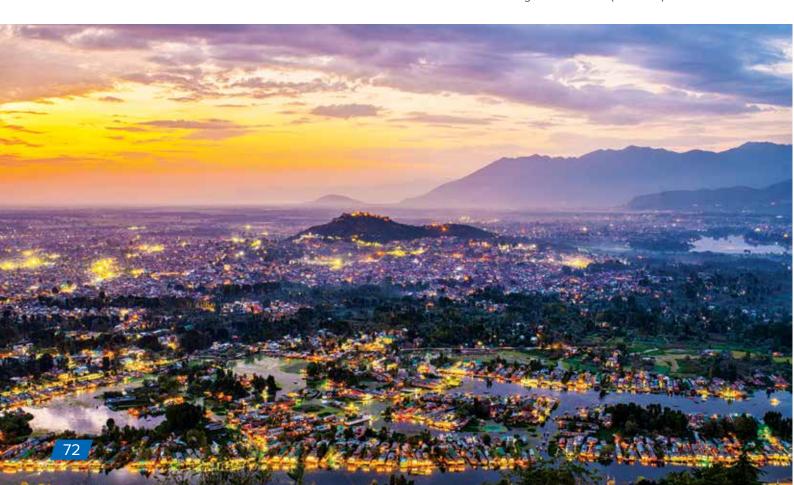


- Installed generation capacity (GW)
- Installed transformation capacity (GVA)

### **Outlook on Transmission Capacity Additions**



- Installed generation capacity (GW)
- Installed transformation capacity (GVA) (220 kV & above substation capacity)
- - Transformation to generation ratio (MVA:MW)



### Renewable Energy in India

#### Overview

In the past decade or so, globally, there has been a rising push towards renewable and greener sources of energy to avoid the worst impacts of climate change. The growth of the world's capacity to generate electricity from solar panels, wind turbines and other renewable technologies is on course to accelerate over the coming years with stronger policies and raised climate goals leading into COP26.

In India, renewable energy installation has picked up pace in the last half a decade or so, particularly for solar energy. The Government of India has set an ambitious target to achieve 500 GW of non-fossil fuel capacity by 2030 which translates to 35-40 GW of annual incremental renewable capacity over the next 8-9 years. Renewable energy has grown at a CAGR of 14% from 57 GW in FY2017 to 118 GW as of September 2022 while the total installed capacity grew at a CAGR of 4%

from 326 GW to 408 GW during the same period. The share of renewable energy has increased from 18% to 29% of the total installed capacity.

Additions in established sources, solar and wind power are expected to be driven by strong Government focus, which is evident from the fiscal and regulatory incentives, viability gap funding and execution support in terms of land and evacuation infrastructure. Improved availability of low-cost finance through various instruments / sources would also support renewable energy capacity additions. Moreover, for the next leg of accelerated renewable energy transition to achieve the 500 GW target by 2030, the Government is also working around policy support for energy storage systems, green hydrogen and offshore wind.

### Increase in share of renewable energy sources

|           | FY2015 | FY2020 | FY2022 | FY2025 |
|-----------|--------|--------|--------|--------|
| Coal      | 58%    | 54%    | 51%    | 46%    |
| Lignite   | 2%     | 2%     | 2%     | 2%     |
| Gas       | 8%     | 7%     | 6%     | 5%     |
| Diesel    | 1%     | 1%     | 1%     | 2%     |
| Nuclear   | 2%     | 2%     | 2%     | 1%     |
| Hydro     | 15%    | 12%    | 12%    | 10%    |
| Solar     | 1%     | 9%     | 14%    | 20%    |
| Wind      | 9%     | 10%    | 10%    | 11%    |
| Other RES | 4%     | 3%     | 3%     | 4%     |







### **Evolution of Solar Power in India**

Due to its favourable location in the solar belt (400 S to 400 N), India is one of the best recipients of solar energy with abundant availability. In the renewable energy basket as of October 2021, solar energy accounted for a share of  $^{\sim}46\%$ . Growth in the solar power sector over the last five years has been robust, registering a CAG R of  $^{\sim}15.3\%$  between FY2014

and FY2021. In November 2021, the Government announced future plans to increase the funding under the PLI scheme for domestic solar cells and module manufacturing to  $\stackrel{?}{\sim}$  240 Billion (US\$ 3.17 Billion) from the existing  $\stackrel{?}{\sim}$  45 Billion (US\$ 594.68 Million) to make India an exporting nation.

### Solar capacities allocated (MW)



Source: CEA, CRISIL Research

#### Growth drivers for solar sector in India

#### Fiscal and regulatory incentives

Under National Solar Mission (NSM), capacity additions will be driven by offtake and payment security under central allocations. Moreover, strategies to reduce tariffs through bundling with thermal power (NVVN) and viability gap funding (VGF) (SECI state-specific VGF schemes) will support additions. The Government has expanded the CPSU scheme to encourage cash-rich central PSUs to set-up renewable energy projects.

### **Infrastructure support from Government**

Gol has been pushing development of solar parks and improving transmission network under Green Energy corridors. MNRE has envisaged large renewable energy capacity additions across 6 complexes in India by FY2030. Transmission corridors will also be constructed which will help in building lower cost transmission system for evacuating renewable power. States with large renewable energy potential such as Maharashtra, Andhra Pradesh, Telangana are also adding transmission capacities to support offtake of power.

### Improving availability of finance at low cost

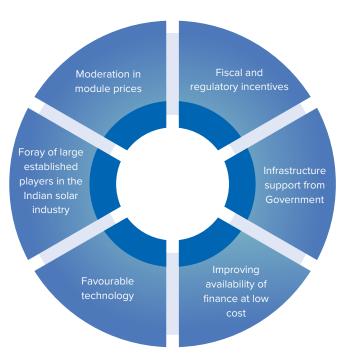
Developers are also exploring other options other than traditional funding channels to ensure availability of low cost finance. Issuance of green bonds, funding from Asian Infrastructure Investment Bank (AIIB) and creation of investment trusts have created various avenues for a wider pool of investments and lower cost of financing.

### Favourable technology

Solar power is one of the most sustainable sources of renewable energy. Overall, with the increased focus on renewables as the next leg of energy generation growth, there has been enormous investments in R&D and innovation which has resulted in higher power generation and proficiency, energy stowing, and integration of renewable energy sources into the prevailing grid infrastructure.

### Foray of large established players in the Indian solar industry

Post the announcement by Government of India to set up 500 GW renewable energy generation capacity by 2030, large established players have forayed into the solar generation. Many of the large Indian conglomerates as well as global players have announced to set-up large capacities in solar power generation.



Source: CEA, CRISIL Research

#### Moderation in module prices

Annual solar installations in the world have increased from 18 GW in 2010 to 183 GW in 2021 and is projected to increase to 334 GW by 2030. One major reason for its large-scale adoption is its low cost. A major driver of a downtrend of solar tariffs has been solar modules (~65% of the total project cost). Average global solar module price fell by more than 20% YoY between 2010-2020. Despite witnessing an uptrend due to supply chain disruptions, demand augmentation, and more in the last year and a half, prices are still in moderation.

### FACTORS TO BOOST GROWTH IN SOLAR CAPACITY ADDITIONS

- Infrastructure support by Government solar parks and green energy corridors
- Availability of cheaper finances from new funding avenues
- Improvement in discom financials under UDAY scheme
- Continued availability of finances for rooftop solar
- o decline in battery prices
- Aggressive expansion plans by central PSUs
- Large capacity allocations under the NSM and state schemes



# Types of Infrastructure assets Comparison of transmission assets with other infrastructure assets

|                               | 爱  | <del>-</del> []]   |  |  | *-<br>#1   | 1  |   |
|-------------------------------|--|--|--|--|--|--|---|
|                               | Inter-State<br>Power<br>Transmission                   | Roads  | Ports  | Conventional<br>power<br>generation                          | Solar energy<br>power<br>generation  | Wind energy<br>power<br>generation   | Commercial<br>Real Estate   |
| Certainty of<br>Cash Flows    | Driven by<br>long-term<br>agreements                   | Traffic risk<br>in BOT projects                            | End-user<br>industry<br>risk                           | Offtake<br>and cost<br>of fuel                               | Broadly driven<br>by long-term<br>agreements   | Broadly driven by long-term agreements   | Preferred<br>by global<br>institutional<br>investors<br>and HNI<br>investors but<br>with risk of<br>seasonality |
| Counterparty<br>Risk          | Exposure<br>limited to<br>systemic risk                | Cost overruns,<br>limit O&M<br>impact<br>toll collection   | Exposure to multiple end users                         | Direct<br>exposure<br>to debt<br>laden SEBs                  | Faster clearance to payments under NWN/ SECI Scheme (2-3 months). Weaker discoms delay the payments (5-6 months) | Faster clearance to payments under NWN/ SECI Scheme (2-3 months). Weaker discoms delay the payments (5-6 months) | Regular<br>challenges<br>of delays<br>and<br>cancellations  |
| Operational<br>Risk           | Limited O&M requirements                               | Mejor<br>maintenance<br>requirements                       | Limited O&M requirements                               | Substantial periodic maintenance needs                       | Limited O&M requirements   | Substantial periodic O&M requirements  | Limited O&M requirements  |
| Future<br>Growth<br>Potential | Severe deficit<br>in power<br>transmission<br>capacity | High<br>growth<br>potential                                | Good potential,<br>limited by<br>feasible<br>locations | Moderate<br>potential<br>from<br>baseload<br>power<br>demand | Governments<br>to scale up<br>capacity to<br>100 GW by<br>FY2022<br>from ~12 GW<br>in FY2017                     | Governments<br>to scale<br>up capacity to<br>60 GW by<br>FY2022<br>from ~32 GW<br>in FY2017                      | Pivoting towards hybrid models as work from home becomes more acceptable with digital means of communication    |
| Competitive<br>Environment    | Slightly<br>competitive                                | Highly<br>competitive<br>given multiple<br>private players | Few private players                                    | Highly<br>competitive given<br>multiple players              | Highly competitive with the presence of multiple private players   | Highly competitive with the presence of multiple private players   | Low number of large players, smaller ones merging due to impact on business                                     |
| Summary:                      | 0  | 0  | 0  | 0  | 0  | 0  | CDISII Pasaarch   |







Source: CRISIL Research

### **Operational power transmission projects**

Operational power transmission projects have minimal risk, as they are independent of asset utilisation and have adequate payment security.

In the project construction phase, transmission assets face execution risks including right of way, forest and environment clearances, increase in raw material prices etc. However, post-commissioning, with the implementation of POC mechanism, there is limited offtake and price risk as described below. Thus, operational transmission projects have annuity like cash flows and steady project returns. Tariffs payable to the ISTS have a fixed escalable component which ensures stability in cash flows while variable component is linked to the inflation index in India, which is relatively a smaller component of the tariff. Some of the key reasons for low risk are:

Revenue recovery irrespective of asset utilisation limits offtake risk

**Diversified counter-party risk** 

Collection risk offset owing to presence of CTU

Payment security mechanism in place

Relatively low probability of default due to lack of alternatives

## Power transmission infrastructure has better risk-return profile as compared to most other infrastructure projects

Returns from various infrastructure projects (other than transmission line projects) like roads, ports and power generation rely mostly on the operational performance of the assets, which in turn is dependent on factors where developers have limited control. For instance, in the roads sector (non-annuity-based project), the Company's profits are dependent on collection of toll revenues, the port

sector bears risk of cargo traffic, while in the case of power generation, it depends on availability of fuel and offtake by distribution companies. Further, the counterparty risk is higher in annuity-based roads projects as the sole revenue counterparty for annuity-based payments is National Highway Authority of India (NHAI). While in the case of ISTS transmission projects, the revenue counterparty is a pool of distribution and generation companies, thus reducing the counterparty risk-based on account of diversification.

# The key challenges faced in terms of India's power transmission sector are primarily based on three fronts – time, space, and capital.

- Transmission project construction needs to keep pace with faster commissioning of renewable generation facilities
- With rapid urbanisation, greenfield projects might not have adequate space as they compete with the muchneeded city infrastructure
- Land acquisition for new infrastructure will remain a constraint
- Needs refurbishing/repurposing existing infrastructure
- Commercial T&D losses due to theft, defective meters, and errors in meter reading, and in estimating unmetered supply of energy
- Generation sources are located in remote areas, posing challenges in developing transmission infrastructure





### OPERATIONAL REVIEW

IndiGrid is engaged in the business of owning and operating power transmission and solar energy assets. The interstate power transmission projects receive tariffs based on availability, irrespective of the quantum of power transmitted through the line. These 'availability-based' tariffs incentivise transmission system operators to provide the highest possible system reliability as the operator is entitled to get an incentive amount in excess of 98%. Hence, to maximise revenue, a robust asset management framework is in place at IndiGrid to ensure robust and prudent asset management programme, devise strategies and plan prudently to meet IndiGrid vision. This framework duly considers the sectorspecific conventional practices being followed and the global best practices from closely-related sectors like power generation, renewable and other sectors which leads to risk

adjusted asset management of power transmission assets, enabling to unlock maximum value to our stakeholders.

Below is graphical representation of the asset management framework

Over the last Five years, IndiGrid has gradually moved from a planned/corrective practice to a reliability centric management approach. Not only is this necessitated due to a larger asset base at IndiGrid - where assured performance is key, it is also critical due to the strategic nature of assets in the national grid. The movement to a reliability centric approach also underpins the steadfast pursuit of operational excellence and erecting a positive ecosystem around IndiGrid's portfolio



We strongly believe that the above framework will help to achieve our aspiration to deliver assured performance to our stakeholders with unmatched Operational excellence. The framework is built into three core strategic pillars as outlined:

### a. Deliver Assured Performance

Assured Performance is key to achieve IndiGrid Vision to meet our investor and other stakeholder expectations.

Robust risk mitigation plan execution enabled by digital technologies will be key driver for success of this pillar. Digital technologies will enable transition from conventional planned and corrective practices to advanced reliability centered predictive maintenance. Thus, strong rigor to minimise the downtime and

improve mean time between failures and restoration, would certainly result in optimizing total life cycle cost of ownership and unlocking the value of assets for our stakeholders.

### b. Sustain with Operational Excellence

Simplified processes, methodologies, its compliances and skill developments are the most important element of developing continuous improvement culture across the value chain of asset management functions and will play critical role for the success of this pillar. Implementing globally benchmarked processes, standard operating procedures on EHS standards and Quality Assurance systems and with strong compliance rigor shall enable unmatched operational excellence to deliver assured performance.

#### c. Enable with Winning Culture

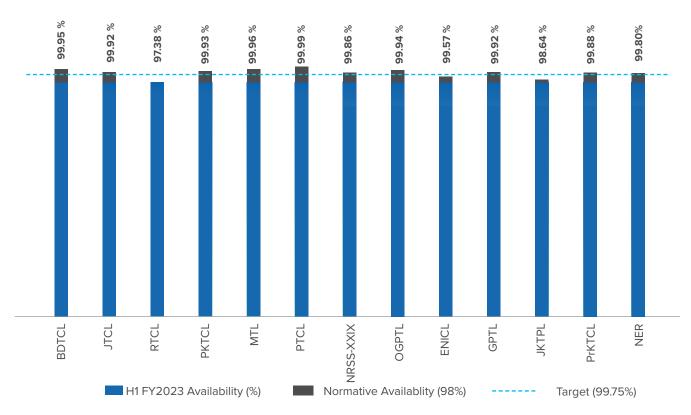
This pillar becomes a strong enabler for delivering assured performance and to sustain with unmatched

operational excellence. Working as 'One' Team till the last-mile person involved at the project sites, developing core competencies and building self-motivating teams would be key priorities to achieve objectives for this pillar. This is especially of great importance because there are several stakeholders involved including IndiGrid, the Project Manager, O&M Contractors etc. Asset Management offers huge opportunity to create a social impact by supporting communities and environment located nearby our assets and will be important aspect of this strategic pillar.

#### **Key Performance H1 FY 2022-23**

The following charts illustrates the demonstrated performance of IndiGrid assets which has consistently set benchmarks in the power transmission industry, beating pre-contracted availability-based tariffs — either under the transmission services contract or the CERC tariff guidelines

### Average Availability H1 FY2023



NOTE-\*RTCL H1 FY23 availability impacted due to NHAI line diversion work for which planned outage was undertaken, Revenue loss and modification cost recovered from NHAI. No impact on RTCL.

\*\*NER H1 FY23 availability impacted by force majeure (FM) event which caused tower collapse incident in SM line on June 17, 2022, due to unprecedented floods in Assam. Emergency restoration of circuit 1 was done on 23<sup>rd</sup> July'22 and circuit 2 on 16<sup>th</sup> Sep'22 using ERS. Force Majeure Claim have been accepted by NERPC & availability certificates have been received

\*\*\* ENICL H1 FY23 availability impacted due to tripping of PB Line due to conductor snapping.

\*\*\*\*JKTPL H1 FY23 availability impacted due to ICT 3 tripping and outage due to flashover in OLTC on 16<sup>th</sup> Aug'22; Rectification currently in progress

107.91



### **KEY INDICATORS**

Average Portfolio Availability (%)

>99.5 >99.5\*

H1 FY2022 H1 FY2023

Safe Manhours (%)

100 H1 FY2022 H1 FY2023

l l

**Training Manhours (hrs)** 

18,000 22,691

H1 FY2022 H1 FY2023

No. of Trips/Line

0.26 0.25

H1 FY2022 H1 FY2023

**Loss Time Incident Reporting (Including Fatality)** 

**0**H1 FY2022
H1 FY2023

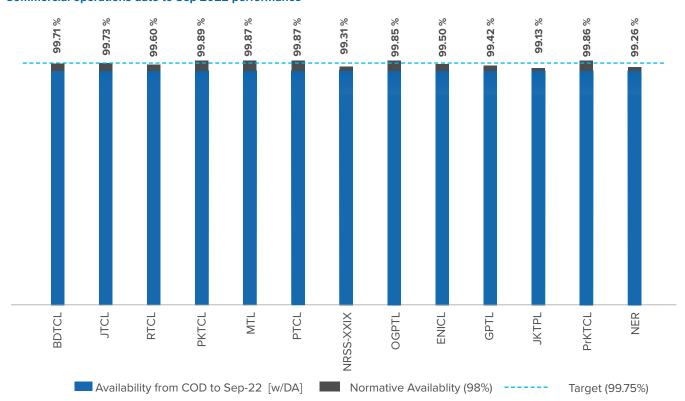
Solar Generation\*\* (MU)

109.07

H1 FY2022 H1 FY2023

\*Availability certificates are awaited for RTCL (NHAI modification work)

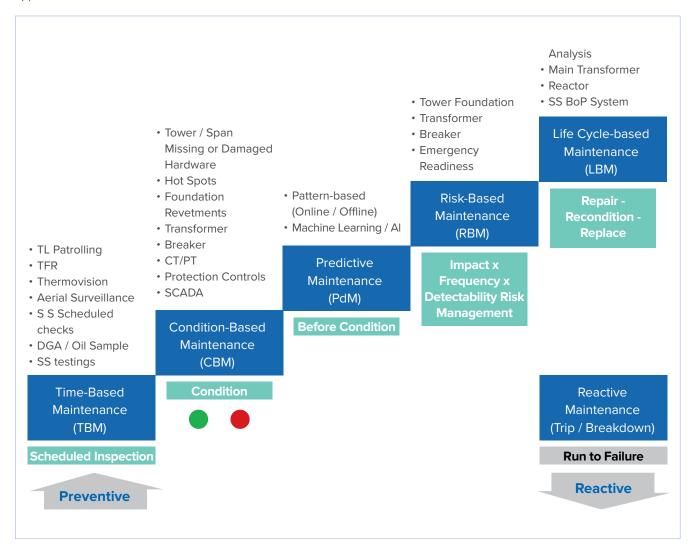
### Commercial operations date to Sep 2022 performance



<sup>\*\*</sup>These numbers are for 100 MW solar plant generation.

### Focus on maximising 'Reliability'

In accordance with the Assured Performance pillar of Asset Management Framework, Predictable Reliability is of paramount importance to achieve committed performance to our stakeholders. IndiGrid has adopted Reliability Centred Maintenance (RCM) approach to achieve objective of safe and reliable operations of assets for the Company's life cycle. IndiGrid RCM approach is illustrated as below:



Under this approach, conventional O&M mindset change from corrective (or reactive or run to failure approach) to preventive maintenance. Further, the preventive maintenance moves to predictive and ultimately to reliability centric maintenance approach. This Reliability-Centred Maintenance (RCM) has been the key philosophy towards maintaining IndiGrid Assets. Reliability-Centred Maintenance (RCM) is the process of determining the most effective maintenance strategies based on the local and global leading practices across the sectors and more particularly in power transmission.

The RCM philosophy employs best practices from each of maintenance strategies such as Time-based Maintenance, Condition-based Maintenance, Predictive Maintenance with

Real-time Monitoring, Risk-based Maintenance, Life Cyclebased Maintenance and even hard inevitable learnings from Run-to-Failure maintenance. These are deployed in integrated manner at system or component level to increase the confidence that the assets will deliver its assured performance in the desired manner over its design life cycle.

Implementation of Digital Technologies like drone-based inspections, digital asset life cycle management platform with artificial intelligence-based transformative technologies, advance weather prediction to address climate change challenges and robust emergency / disaster management programmes with inbuilt state-of-the-art SCADA system will further strengthen RCM approach to deliver IndiGrid vision and objectives.



IndiGrid is now also accredited with IMS certification for ISO 9001, ISO 14000, ISO 45000 quality and safety management systems and ISO 27001 for cybersecurity management system.

Some of these key projects undertaking during the year are detailed below:

### Reflections



**INDIGREEN Initiative** 



ENICL Maintenance Work



**ERS Training** 



Maintenance at Dhule Substation Switchyard





Charging



IMS Certification

IndiGrid Gurukul: Employee Training

### DIGITAL TRANSFORMATION INITIATIVES



DigiGrid & ERP (SAP) Migration



Cyber Security (GE SCADA Upgradation)



Weather Alert System



DMS



Drone POC (LIDAR/ Vegetation Management)

### Some Key Initiatives during the Year

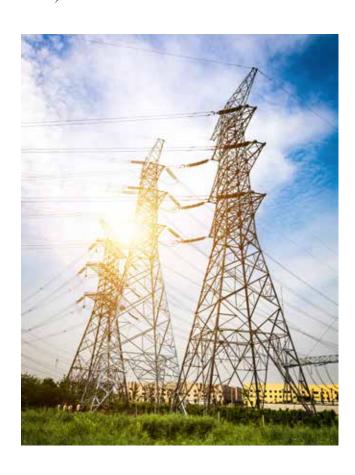
### Digital Transformation in partnership with IBM

IndiGrid has signed a multi-year collaboration agreement with IBM to build an artificial intelligence (AI)-enabled asset management platform. DigiGrid, the digital transformation project with IBM, aims to digitize the entire operations of IndiGrid through its platform Maximo, recognized across the utility segment globally. At IndiGrid, we aim to deploy a hybrid cloud solution with IBM Maximo Application Suite running on the secure IBM Cloud to optimize the quality and utilization of our assets throughout their lifecycle, increase productive uptime through preventive and predictive maintenance, drive efficiency and reduce operating costs, thereby ultimately delivering better value to the investors.

DigiGrid is live in all IndiGrid assetsand integrated with SAP ERP system. The key modules of Asset Master, Work Order Management for Preventive Inspection and Defect Correction, QHSE, Crew Management, Warehouse operations, Procurement & Service Modules are completed. Migration on all legacy processes to digital mode has been completed including GPS-based mobile and geofencing technology. The next phase of the projects covers implementation of advanced business analytics and asset performance module to provide insights for risk-based and life cycle-based maintenance strategies.



IndiGrid is investing heavily into creating a future-ready infrastructure. Several projects including DMS, SAP implementation and SCADA upgradation have been undertaken to revamp and upgrade the existing infrastructure. The predictive weather intelligence platform tomorrow.io (Ex- Climacell) has been engaged to mitigate the impact of weather changes on our energy operations. It also acts as micro-site level data for the basis of insurance claim, if required. IndiGrid has added Emergency restoration system in the inventory to prepare itself better in case of emergency events. We also plan to use drones and Thermal & LIDAR technology for effective vegetation management.



- 1. Indigrid has competed the IT/data migration from erstwhile system to a fully independent ecosystem.
- Cyber security- To ensure IndiGrid assets are resilient to any cyber attacks and its impact on the grid, IndiGrid has deployed managed security operations centre across all its IT and OT systems. IndiGrid has completed all mitigation measures as guided by CERT and best prudent practices SCADA upgradation been completed at all the substations
- IndiGrid has been certified for ISO 27001 ISMS standards and compliance by Bureau Veritas which is an internationally recognized certification agency.

### **OUR STRATEGIC INITIATIVES**

### **TECH INITIATIVES**

- Emergency restoration system
- Drone Inspections
- Thermal Image Camera
- SF6 leakage detection camera
- Online DGA instrument for transformer

### **CYBER SECURITY**

- Cyber security strengthening
- ISO 27001 certification
- SCADA upgradation

### **DIGITAL INITIATIVES**

- DigiGrid (Maximo)
- Weather monitoring (tomorrow.io)
- Document Management System (DMS)
- SAP integration

### OPERATIONAL EXCELLENCE

- Zero Harm Zero Defect Approach
- Relability centered maintenance framework adoption
- o IMS Certification
- ESG benchmarking and ESMS study
- KPI-based contracts with partners



#### Achieving ZERO DEFECTS on assets

IndiGrid is striving to achieve ZERO DEFECT in its all operating assets by adopting to reliability centred maintenance framework and below core pillars of our quality policy. The process involves robust mechanism of detecting the defects with stringent inspections protocols,

prioritising per ARE scoring methodology, in-depth FMEA / RCA / CAPA analysis for each of high risk defects and thereafter deploying mitigation measures with standard operating procedures and work instructions. This approach enables reduction of defects as well as mitigate recurrence of defects for future, which is helping to maintain utmost reliability for our portfolio of assets.

### **Key Pillars of Quality Policy**



#### **Reliability Improvement Efforts**

IndiGrid has adopted a Reliability Centred Management Approach that strives for "ZERO DEFECT". The Quality Policy aims for a continuous improvement culture through the adoption of leading practices, robust quality governance, conformance to applicable requirements and leading global standards. As part of the Reliability Improvement Efforts, under IndiGrid's defect liquidation program, 94% towers and 94% spans (excluding ENICL) have been made defect free till Mar 31, 2022.

### **Emergency Readiness**

To strengthen the reliability centred maintenance approach IndiGrid has procured Emergency Restoration System suitable for the 765 kV and 400 kV Transmission Lines network spread across the country. This will ensure quick restoration in case of any tower collapse events thus minimizing the outage hours & availability loss. The 1st phase of field training has been completed for understanding the erection process and hardware's

and tools used in site. Several trainings on emergency preparedness & response, incident reporting & investigation, hazard identification & risk assessment has been undertaken in FY2022.

#### **ZERO HARM Culture**

IndiGrid has committed itself to the vision of "ZERO HARM" through its extensive Health, Safety & Environment Policy and ESMS Framework. As a part of this endeavour, IndiGrid shall strive for "Zero Harm" to people, environment and community by adopting best-in-class practices and advocating risk-based HSE culture across the organisation and its stakeholders. Several initiatives such as awareness sessions, quizzes, expert sessions, trainings and community help sessions have been organised during the year to inculcate the philosophy of "ZERO HARM" across levels. For instance, as part of the ESMS Framework, we have followed the practice of conducting an independent and thorough environment due diligence to study the risk factors involved during the acquisition of an asset and mitigating measures thereafter.

### **Key Pillars of HSE Policy**



### Strong Operations Asset Management Team



### MR. PIYUSH PANDYA - Vice President – O&M (Substation)

- Over 26 years of versatile experience in the field of Power Generation (both conventional & renewables) and transmission sector
- Previously worked with CLP India Private Limited, Reliance Infrastructure Limited and Torrent Power
- Bachelor's degree in Electrical Engineering from Saurashtra University and also qualified with PGDM-HRM
- o Certified with Energy auditor and Six Sigma green belt



### MR. AMITANSHU SRIVASTAVA - Vice President – Transmission Lines

- Over 25 years of strong domain experience in power transmission sector majorly in EPC, Business development and operations in India, Brazil, Africa and SAARC countries
- Demonstrated strong ability in project execution and operations, business development and commercial activities for power transmission projects in domestic and international markets.
- Previously worked in Kalpataru Power, Sterlite Power and KEC International Bachelors degree in Electrical Engineering from Regional Engg College Nagpur



#### MR. RAMNEEK TENG - Vice President - Operational Excellence

- o 20+ years of experience in leading distributed operations in RE, power distribution and telecom
- Previously worked with LG Electronics, Airtel, Bharti Infratel and Enercon
- Bachelor's degree in Mechanical Engineering from NIT Srinagar and is an alumnus of IIM Bangalore, certified Six Sigma black belt



#### MR. SHANKAR KUMAR - General Manager - O&M (Solar)

- Over 10+ years experience in managing Solar PV assets including Design and Operations of large-scale PV plants
- Previously worked with Azure Power India Pvt Limited as O&M Head managing 1.8 GW of Asset under operation both in ground mount and rooftop section
- Helped Azure build its in-house remote monitoring platform called NOCC centre
- B. Tech Electrical and Electronics Engineering from Sikkim Manipal Institute of Technology in 2010



### MR. SATEESH KUMAR - General Manager – Quality Assurance

- 18 years of experience in the field of Project Management Quality, HSE, Supplier Quality, Quality Methods and Tools in Wind, Solar, Power Transmission & Distribution, & EPC sectors
- Previously worked with Senvion Wind Tech., Siemens Gamesa Renewable Energy, NEG Micon, Vestas Wind Systems & Power Group
- Holds Bachelor's degree in Electrical and Electronics Engineering from Bharathiar University & Masters in Power Electronics and Drives from SRM University & "Leadership Excellence Among Business Professional" Certified from IIM Bangalore



### MR. TAPAN PATRA - General Manager – HSE

- Over 18 experience in health environment and safety during construction, O&M across Energy sector including Refinery, Conventional and Renewable Energy including Large Scale Thermal, Solar, Wind Power Plants, Transmission Line, Switch Yard/Substation.
- Implementing HSE Management Systems and strong operational experience in managing all HSE aspects at sites in domestic and international markets.
- Previously worked majorly in Sterling and Wilson (Solar), Adani Green Energy Ltd., Essar Power Ltd, L&T, Tata Projects.
- Bachelors degree in Power Engineering from BITS Pilani, Post Diploma in Industrial Safety and accredited with NEBOSH certification.



### MR. LOKENDRA RANAWAT - DGM - Regulatory Affairs

- About 16 Years of experience in the field of Power Transmission detailing into various verticals of project development, project monitoring, tendering & bidding, contract management, supply chain management, contracts & commercial, regulatory operations, regulatory affairs in transmission sector.
- Previously worked with Adani Power Limited and Reliance Infrastructure Limited.
- Bachelor's Degree in Electrical Engineering from the University of Rajasthan.

### **FINANCIAL REVIEW**



### **Consolidated Financials - IndiGrid**

(₹ Million unless otherwise stated)

| Particulars                               | H1 FY2023 | H1 FY2022 | FY2022 | FY2021 | FY2020 | FY2019 | FY2018* |
|---|-----------|-----------|--------|--------|--------|--------|---------|
| Revenue from Operations                   | 11,417    | 11,019    | 22,222 | 16,769 | 12,427 | 6,656  | 4,476   |
| EBITDA                                    | 10,475    | 10,080    | 20,227 | 14,473 | 11,504 | 6,036  | 4,155   |
| EBITDA Margin                             | 92%       | 91%       | 91%    | 86%    | 93%    | 91%    | 93%     |
| NDCF                                      | 3,950     | 3,925     | 9,442  | 9,179  | 7,203  | 3,330  | 2,793   |
| PAT                                       | 2,089     | 1,491     | 3,433  | 3,344  | 5,057  | 1,539  | 2,104   |
| Net Debt/AUM                              | 57%       | 57%       | 56%    | 59%    | 50%    | 47%    | 45%     |
| DPU (₹/Unit)                              | 3.30      | 3.19      | 12.75  | 12.20  | 12.00  | 12.00  | 9.56*   |
| NAV as per Independent<br>Valuer (₹/Unit) | 135.3     | 133.3     | 131.71 | 146.26 | 102.26 | 96.55  | 101.87  |

<sup>\*10</sup> months of operations,  $\overline{\mathbf{x}}$  11.47 per unit annualised DPU

#### **REVENUE, EBITDA AND PAT**

Revenue grew by 6% YoY in H1 FY2023 while EBITDA also grew by 6% YoY during the same period.

In H1 FY2023, EBITDA margin improved to 92%, from 91% YoY, with efficient asset management and operational excellence. Key cost components included costs incurred towards annual maintenance contracts, insurance, professional and regulatory fees.

During the period under review, PAT grew 40% YoY on account of lower finance costs. The NAV per unit increased during the year to ₹ 135.3/unit

#### **NDCF AND DPU**

Net Distributable Cash Flows (NDCF) is the free cash flow generated from underlying operations. Cash flows received

by IndiGrid are typically in the form of interest income, dividend income and principal repayment. IndiGrid is required to distribute 90% of the cash flows received to its unitholders. During the period, the Net Distributable Cash Flow was ₹ 3,950 Million.

DPU amounts to the cash flows distributed on a "per unit" basis to the unitholders. The trust distributed DPU of  $\ref{thm}$  6.6/ unit in the period in accordance with the FY 2023 DPU guidance of  $\ref{thm}$  13.20/unit Total cash distribution to unitholders in H1 FY2023 was at  $\ref{thmm}$  4,623 Million

### **ASSETS UNDER MANAGEMENT**

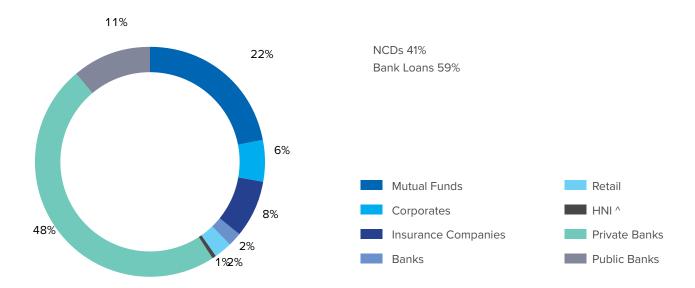
Registered valuer, Mr. Pradhan Priya Das, carried out valuation as an independent valuer and valued IndiGrid's assets at ₹ 211.41 Billion, as of September 30, 2022.

| Asset       | Revenue (₹ Million) |         |         |         | AUM (₹ Bil | lion)      |                   |                       |
|-------------|---------------------|---------|---------|---------|------------|------------|-------------------|-----------------------|
|             | FY 2018             | FY 2019 | FY 2020 | FY 2021 | FY 2022    | H1 FY 2023 | March 31,<br>2022 | September<br>30, 2022 |
| BDTCL       | 2,180               | 2,577   | 2,694   | 3,081   | 2,718      | 1,348      | 19.98             | 19.78                 |
| JTCL        | 2,118               | 2,150   | 1,505   | 1,541   | 1,546      | 761        | 16.23             | 16.39                 |
| MTL         | 72                  | 572     | 585     | 587     | 581        | 290        | 5.98              | 6.00                  |
| RTCL        | 41                  | 457     | 460     | 460     | 457        | 219        | 4.37              | 4.40                  |
| PKTCL       | 65                  | 746     | 756     | 759     | 773        | 376        | 6.80              | 6.78                  |
| PTCL        | -                   | 153     | 301     | 321     | 319        | 157        | 2.61              | 2.61                  |
| NRSS        | -                   | -       | 4,832   | 5,234   | 5,022      | 2,566      | 45.73             | 45.34                 |
| OGPTL       | -                   | -       | 1,260   | 1,736   | 1,649      | 799        | 14.67             | 14.62                 |
| ENICL       | -                   | -       | 33      | 1,473   | 1,494      | 755        | 11.80             | 11.62                 |
| GPTL        | -                   | -       | -       | 909     | 1,494      | 730        | 12.36             | 12.29                 |
| JKTPL       | -                   | -       | -       | 191     | 292        | 163        | 3.17              | 3.11                  |
| Parbati     | -                   | -       | -       | 355     | 1,088      | 699        | 7.19              | 7.31                  |
| NER II      | -                   | -       | -       | -       | 4,157      | 2,083      | 53.29             | 53.96                 |
| IG Solar -1 |                     |         |         |         | 306        | 232        | 3.38              | 3.31                  |
| IG Solar -2 |                     |         |         |         | 325        | 239        | 3.67              | 3.60                  |
| Kallam      |                     |         |         |         |            |            | 0.21              | 0.31                  |
| Total       | 4,476               | 6,656   | 12,427  | 16,748  | 22,222     | 11,417     | 211.45            | 211.41                |

### **BORROWINGS**

IndiGrid enjoys a AAA corporate credit rating; its debt facilities at the asset level are also rated AAA. This is on account of low operating risk resulting in stable cash flows. The break-up of borrowing by sources as of September 30, 2022 is as follows:

Gross Borrowings (₹ 130 Billion) as on September 30,2022





| Rating<br>Agency | Rating For | Rating                                   | Date                | Rating Rationale  |
|------------------|------------|--|---------------------|---|
| India Ratings    | IndiGrid   | IND AAA/Stable<br>IND A1+                | July 20, 2022       | <ul> <li>Stable operating performance</li> <li>Diversified ownership</li> <li>High-quality underlying assets</li> <li>Stable Solar Assets</li> <li>Moderate debt structure</li> <li>Adequate Liquidity</li> </ul>   |
| CRISIL           | IndiGrid   | CCR AAA/Stable,<br>CRISIL AAA/<br>Stable | August 26,<br>2022  | <ul> <li>Stable revenue of the operational SPVs</li> <li>Strong counterparties ensuring cash flow stability</li> <li>Robust financial risk profile</li> </ul>   |
| ICRA             | IndiGrid   | ICRA AAA/Stable<br>ICRA A1+              | July 20, 2022       | <ul> <li>Availability linked payments under the long-term TSAs for transmission assets and long-term PPAs for the solar assets</li> <li>Stable performance of assets under IndiGrid</li> <li>Strong payment security for inter-state transmission assets and strong counterparty for solar assets</li> <li>Healthy debt coverage metrics</li> <li>Structural features such as DSRA, cash-trap triggers and payment mechanism</li> </ul> |
| CRISIL           | BDTCL      | CRISIL AAA/<br>Stable                    | August 26,<br>2022  | <ul> <li>Low offtake risks as per contractual terms of TSA</li> <li>Stable cash flow under PoC pool mechanism</li> <li>Strong financial risk profile as part of IndiGrid</li> </ul>   |
| India ratings    | BDTCL      | IND AAA/Stable                           | October 29,<br>2021 | <ul> <li>BDTCL's strong debt structure</li> <li>Low counterparty risk</li> <li>IndiGrid's stable operating performance</li> <li>Price risk mitigated</li> <li>IndiGrid's high quality underlying assets</li> </ul>  |
| ICRA             | BDTCL      | ICRA AAA/Stable                          | January 31,<br>2022 | <ul> <li>Pooling benefit from being part of the India Grid Trust</li> <li>Availability linked payments under the long-term         TSA for BDTCL</li> <li>Stable performance of power transmission assets</li> <li>Strong payment security</li> <li>Healthy debt coverage metrics</li> <li>Structural features like presence of Debt Service</li> <li>Reserve, cash trap triggers and payment mechanism</li> </ul>                      |





### **Key Metrics**

7.51%

**Weighted Average Cost of Debt** 

Rating by CRISIL, ICRA, India Ratings >77%

**Fixed Rate Borrowing** 

### Repayment / Refinancing Schedule as of September 2022\* (₹ Billion)



Note: Information as of September 30, 2022

\*Chart is not drawn to scale

Note: There will be difference in reported consolidated borrowing and above repayment schedule on account of Ind AS adjustments.



### **Key Business Strategies**

### Leverage Policy

- Active and prudent liability management
- Focussing on long tenure loans with fixed cost of borrowing
- Distribute the repayment schedule evenly to avoid bunching up
- Diversify sources of debt

### Liquidity Management

- o Maintain a combination of liquid reserve & DSRA
- o Minimum liquidity level to increase in line with increasing AUM

### Acquisition Strategy

- o Acquire value accretive assets with low risk, long-term contracts, strong counterparties and steady cash flows
- Profile of the platform to be transmission-centric, with gradual and systematic diversification into solar
- o Independent & thorough technical, financial, legal and environment due diligence

### Distribution Framework

- Grow DPU in sustainable and steady manner to ensure predictable cash flows to investors
- o Minimum 90% of cash generated to be distributed
- Quarterly distribution to the unitholders after meeting debt service obligations in a tax-efficient manner

### Transparent Reporting

- Quarterly publication of financial statements including NAV and other key metrics
- o Quarterly disclosures on business and valuation reports



### Risk Management and Mitigation

IndiGrid is aware of the risks associated with its business. These risks are constantly monitored, and adequate steps are taken to mitigate these risks. There are robust internal control mechanisms to identify and manage these risks in a timely manner. We employ a comprehensive risk management framework which assesses and mitigates key risks. Our risk management framework ensures smooth business operations and financial stability

#### Strategic Risk **Operational Risk Market Risk** Asset Availability and Collection Risk Political risk • Hazard risk – natural Foreign currency risk **Definition** Financial risk disaster, manmade disaster Interest rate risk Regulatory risk Compliance risk Acquisition risk Comprehensive insurance Diversify funding sources coverage Adopted a well-defined High corporate governance Enhanced focus on and structured risk standards HSE & ERM management policy Mitigation Transparent disclosure Long-term O&M contracts Well-tenured borrowing norms Adequate cash resources o Focus on fixed rate Available undrawn lines of borrowing Strong diligence framework credit for acquisitions

### a. Delay in collection

A delay in payment by customers to the CTU under PoC mechanism might affect the timing of cash flows.

### b. Inability to offset cost increases

The tariff structure under TSA is largely fixed. Increase in O&M and interest costs because of the reasons beyond control might adversely impact profitability.

### c. Unforeseen changes in regulatory environment

Any adverse regulatory development can impact cash flows to the unitholders.

### d. Force majeure

Any force majeure event that is not covered by insurance or TSA can adversely impact the business and the timing of cash flows to the unitholders.

### **Internal Control Systems**

IndiGrid has a strong internal control system to manage its operations, financial reporting, and compliance requirements. The Investment Manager has clearly defined roles and responsibilities for all managerial positions. All the business parameters are regularly monitored, and effective steps are taken to control them. Regular internal audits are undertaken to ensure that responsibilities are executed effectively. The Audit Committee of the Board of Directors periodically

reviews the adequacy and effectiveness of internal control systems and suggests improvements to further strengthen them.

### Insurance

All Transmission assets, substations and renewable assets covered under Industrial All Risks (as against Standard Fire and Special Peril Insurance). This provides a wide cover against perils such as fire and allied perils, burglary, accidental damage, asset breakdown as well as business interruption. We have also covered the damage due to terrorism. Detailed insurance terms and conditions, exclusions, deductibles are mentioned in the respective policy contract.

All assets are insured to the extent of ₹ 2 Billion loss limit for standard risks like fire, storm, flood, tempest, machinery breakdown and related risks including loss of profit. The policy is subject to standard exclusions. The coverage under policy has been extended for reinstatement of value, escalation, cost of architect, surveyors, and consulting engineers, removal of debris and other clauses. All substation assets are covered on a 100% replacement value basis, including business interruption. The substation assets are covered on a replacement value basis including business interruption through a separate industrial all risk policy.

Sudden and accidental machinery breakdown and related business interruption are also covered. In addition, there is terrorism cover for all Transmission assets with loss limit of  $\mathfrak{T}$  4 Billion and CGL with loss limit of  $\mathfrak{T}$  500 Million.

#### Outlook

Over the last five years, IndiGrid's underlying performance has been robust, and it remains well capitalised (post Rights and Public NCD Issue) to grow faster than ever before. Backed by KKR and its investment expertise, we intend to keep the momentum of growing the underlying portfolio as well as enhancing unitholder returns. On the operational front, we continue to make investments in industry-leading technology initiatives to catapult IndiGrid's digital asset management, predictive analytics and emergency preparedness and become self-reliant in project management, going forward, to bring in the operational efficiencies and synergies. IndiGrid's main objective is to continue to ensure a positive impact on India's power connectivity by providing reliable power, while delivering superior risk-adjusted total returns to its unitholders. The management has guided for an increased distribution to the tune of ₹ 13.20 per unit for FY 2022-23, and we remain on track to deliver the same.

### **Cautionary Statement**

This document contains statements about expected future events, financial and operating results of IndiGrid, which are forward-looking. By their nature, forward-looking statements require the IndiGrid to make assumptions and are subject to inherent risks and uncertainties. There is significant risk that the assumptions, predictions and other forward-looking statements will not prove to be accurate. Readers are cautioned not to place undue reliance on forward-looking statements as a number of factors could cause assumptions, actual future results and events to differ materially from those expressed in the forward-looking statements.

Accordingly, this document is subject to the disclaimer and qualified in its entirety by the assumptions, qualifications and risk factors referred to in the management's discussion and analysis of IndiGrid's semi annual report 2022-23.





### **ESG AT INDIGRID**

At IndiGrid, we have always believed in the philosophy of our business deeply intertwined with environment, social and governance (ESG) metrics. Our ESG initiatives and strategy is not a separate layer that sits above our day-to-day operations but is very much integrated with our governance approach, asset management operations and sustainability on our sites.



### **Environment**

As a responsible organisation, IndiGrid is aware of the impacts that our business can have on the environment and we take great pride in our environment initiatives ranging from efficient energy usage, reduction in emissions, preservation of biodiversity etc. Our constant purpose has been and will remain to create a balance between operational excellence and environment protection.

### Following are the main drivers of our E&S strategy / Key Focus Areas

- Preserve and Promote Ecosystem /Adapt Climate Change initiatives
- Promote Biodiversity of our asset base.
- Promote Renewable Energy initiatives as part of ESMS
- Water Management Monitor and measure water usage
- Waste management Safe Disposal and Recycle.
- ESG Benchmarking





Measurement of companywide Scope 1 and Scope 2 GHG emissions initiated in FY23

| Period               | Apr-22 to Sep -22 |              |              |  |
|----------------------|-------------------|--------------|--------------|--|
|                      |                   | Scope 1 tCO2 | Scope 2 tCO2 |  |
| Mumbai Office        |                   | -            | 38.87        |  |
| NER II               |                   | -            | 2.88         |  |
| Patran               |                   | 809.13       | 108.26       |  |
| PK Bari              |                   | 0.002        | 126.42       |  |
| Prithla              |                   | 0.65         | 9.94         |  |
| SM Nagar             |                   | 0.16         | 112.64       |  |
| Sohna                |                   | 0.74         | 163.8        |  |
| Bhopal               |                   | 52.79        | 149.56       |  |
| Amargarh             |                   | 1.31         | 124.07       |  |
| Dhule                |                   | 1.94         | 139.97       |  |
| Dipalpur             |                   | 2,774.81     | 221.48       |  |
| Siliguri & Begusarai |                   | -            | 1.91         |  |
| Kabulpur             |                   | 6.27         | 33.95        |  |
| Kadarpur             |                   | 5,875.21     | 9.9          |  |
| IGS-I                |                   | 0.99         | 152.25       |  |
| IGS-II               |                   | 1.081        | 164.07       |  |
| Total for IndiGrid   |                   | 9,525.1      | 1,559.94     |  |

GHG Emission – Scope 1 and Scope 2 summary

All values in tCO2

- Solarization across substations of Bhopal and Dhule (453.6 kWp Generation Capacity)
- Water use measurement initiated at our substations



### **Biodiversity**

- Carried out ESDD (Environmental Social Due Diligence) for 10 assets as part of total portfolio.
- Carried out CHA (Critical Habitant Assessment) for key Biodiversity Sensitive areas of 6 assets for any endangered species
- Development of Biodiversity Action Plans.
- Miyawaki forestation Healthy maintenance ensured. Plantation of 50,000 plants through Miyawaki forestation and creating a fruit orchard with more than 2000 Plants, of which the yield to be utilized for community development. The benefits of Miyawaki Forestation is many folds, it not only emphasizes on a completely chemical-fertilizer free forest that sustains itself and supports local bio-diversity. It also has up to 30 times or more carbon-dioxide absorption as compared to conventional forest.
- 400 Saplings were planted at GPTL SS (Overall in H1: 3000, Portfolio Level: 55,000).
- Fruit Orchard Under maintenance expected yield by March 23
- Celebrated World Environment Day, a multi-day event across assets with activities like sapling distribution, tree plantation and awareness sessions







### Water management

- CGWA authorisation received for applicable assets
- Rainwater harvesting at sub stations

### **Waste management**

- Authorised waste handlers tied up across assets
- 100 % hazardous waste disposal as per norms

### **Social**

IndiGrid, through its assets, has a presence across the length and breadth of the country. With such great presence, we are mindful of the societal impact that we can bring through our initiatives. IndiGrid's social initiatives related to healthcare, education, safety, rural development has been specifically dedicated to our employees, partners and communities we serve in. We care about providing a meaningful and engaging operating environment for our employees and stakeholders, and the communities that we operate within, by building a ZERO HARM culture

#### **Key Focus Areas**

- Ensuring employee health and safety to achieve zero harm
- Ensuring Employee and community well-being
- Promote Diversity & Inclusion
- o Promote Education along our transmission lines
- Promote Healthcare and medical aid as part of community engagement.



### Ensuring employee health and safety to achieve zero harm

- o 1 Million + Safe manhours achieved
- No Loss time cases reported
- Near miss reporting campaign carried out, 89 Near miss cases reported and corrective action taken helping to establish a proactive work culture
- Risk based safety approach initiated Key focus on top 3 high risk activities such as Electrical and Fire Safety, Work at height safety and Road safety
- NER Assets Section Wise HSE Risk Mitigation action planning has been completed.
- 200 + certified first aiders across portfolio
- Behaviour-based safety enabled proactive closure of unsafe act conditions and near miss conditions
- 100% of our contractors have received relevant health & safety training designed for their scope of work
- 23,216 manhours of training across employees and partners in FY2023
- 4580 UA/UC Was Reported and 100% Closed (Majority of UA Cases involve non- Compliance with PPE's and Driving Safety, while the Majority of UC Cases involve Inadequate House Keeping and Equipment/ Electrical Safety).
- Over 180 IGT Employees have received First Aid and CPR certification training from an approved agency.
- ERS Installation, a first-time event done in IndiGrid was done safely without any injuries.
- HSE process adaptation through DigiGrid the online tool for HSE reporting



Safe Working at Height practices during ERS Installation





Safety Awareness for young Minds

### **Ensuring Employee and** community well-being

- 100 % medically fit employee deployment
- Periodic health check-up compliance for employees
- Health check camps for employees and communities
- COVID preventive measures across assets, Ensured 100 % Covid vaccination
- Various Employee fitness and wellbeing programs carried out
- Skill enhancement through various training and awareness sessions

### **Promoting Diversity and Inclusion**

- Action Plan for DE &I in process
- Job descriptions for hiring are gender neutral and hiring is based on merit, potential and role fitment
- Women participation in corporate key roles
- Near equal pay ratio between male and female employees
- o 33% women representation in management team



### **Promoting Education**

- Promoting education through Project Edu Grid
- a. Setting up Smart class rooms in 100 schools in different regions of Tripura (West Tripura, Sipaijhala, Khowai).
- b. Create tools and solutions for Multimodal support for teachers
- c. Build teacher capacity and monitor their impact on students learning outcome overtime



### **Promote Healthcare**

- Promoting healthcare through partnering with Akshaya Patra
- Contribute towards infrastructure development in participation with local community







### Governance

Our values govern – doing the right thing, the right way. We are dedicated to the highest standards of personal and corporate conduct, and we align our architecture by embedding the principles of good governance in our business. We are also driven by nurturing an open and transparent culture at the core.

We are committed towards the adoption of best corporate governance practices that goes beyond compliance with the law and have been rated as one of the best Corporate Governance practices among our peer group.

#### Key Focus Areas

- Code of Conduct
- Corporate Behaviour
- Business Ethics



The Code of Ethical Business Conduct ("Code of Conduct") is a reference document outlining the standard of conduct for India Grid Trust (IndiGrid), IndiGrid Investment Managers Limited (IIML), and affiliates of both these entities (together referred to as the 'Group') and for the directors, officers, employees, contractors, suppliers, or any other third-party intermediaries of the Group entities (together referred to

### **Key aspects of Conduct of Conduct**

Following are few of the key aspects or areas covered under the Code of Conduct:

- Compliance with the Law
- Relationship with Customers, Business Partners, Competitors, Government & Regulator
- Anti-trust And Fair Competition
- Accounting and Payment Practices
- Gifts and Donations
- Fraud, Misconduct and Money Laundering
- Brand Use and Protecting Confidential Information
- Conflicts of Interest
- Insider Trading and Information Barriers
- Prevention of Sexual Harassment
- Environment, Health and Safety
- Use of social media
- Whistle-Blower Cases
- Anti-Corruption Compliance Policy



as 'Associates'). The Code of Conduct provides a detailed roadmap and primary reference point for the Group and Associates, on questions pertaining to business ethics and integrity. It provides support for decision making on ethical questions faced from time to time. It protects the Group's reputation in case of a breach by an individual employee. It is defined by our core values and complements our policies and rules.

### Governance - Key actions & deliverables

- New Policy on Third-Party Business Partner Engagement Procedures has been rolled out.
- Quarterly Declarations from all Function Heads for all material interactions with Government Officials / Authorities, is being taken.
- Training Module on Prevention of Sexual Harassment has been rolled out for all employees
- Training Modules on Code of Conduct (including Anti Bribery & Anti-corruption, and Insider Trading), Information Security, and Whistle Blower is targeted to be rolled out.
- Training for (a) vendors on Code of Conduct, and (b) regional managers (in the form of a 'train the trainer' session), is targeted to be rolled out.
- Monthly posts / communications on provision under Code of Conduct with respect to pre-approvals, expense disclosures & general guidelines for Gifts, Donations and Contributions, is shared with all employees.
- Regular review of pre-approval requests sent to Compliance Officer for proposed expenses with respect to Government Officials & other external stakeholders, issuance of approvals & maintenance of register for such expenses, is undertaken



### **HALF YEAR IN REVIEW: FY2022-23**

### April

Credit Rating Agencies (CRISIL & ICRA) have re-affirmed their ratings (April 8, 2022)

### May 2022

Mr. Harsh Shah has resigned as Chief Executive Officer and Whole-time Director with effect from June 30, 2022 and Mr. Jyoti Kumar Agarwal elevated to the new Chief Executive Officer and Whole-time Director of the Company in addition to CFO with effect from July 01, 2022 (May 6, 2022)

### Outcome of Board Meeting (May 20, 2022)

- Approved Audited Standalone & Consolidated Financial Information of India Grid Trust for the quarter and financial year ended on March 31, 2022 along with Audit reports.
- Declared distribution of ₹ 3.1875 per unit comprising ₹ 2.5508 in the form of Interest, and
   ₹ 0.6367 per unit in the form of Principal payment for Q4 FY22.
- Approved appointment of Ms. Divya Bedi Verma as the Chief Financial Officer of IIML with effect from July 1, 2022 in place of Mr. Jyoti Kumar Agarwal
- Approved raising ₹ 7 Billion through various sources including term loans, non-convertible debentures and/ or any other mode
- Approved appointment of Mr. Pradhan Dass as a Registered Valuer (IBBI registration number IBBI/RV/06/2022/14558) of IndiGrid subject to the approval of the Unitholders, to undertake all valuation related assignments which are required to be conducted by a Registered Valuer for the financial year 2022-23

Published Valuation Report for the financial year ended March 31, 2022 (May 20, 2022) IndiGrid has received a disclosure from Mr. Harsh Shah regarding purchase of IndiGrid units (0.004%) (May 31, 2022)

### June

Issued Notice convening 5<sup>th</sup> Annual General Meeting (AGM) of India Grid Trust (June 28, 2022)

Published Annual Report for the financial year 2021-22 (June 28, 2022)

Advertisement published regarding 5<sup>th</sup> AGM of IndiGrid (June 29, 2022)

Year in Review: FY2022-23 (Contd.)

### **July** 2022

### Outcome of Board Meeting (July 26, 2022)

- Approved Unaudited Standalone and Consolidated Financial Information of India Grid Trust for the quarter ended on June 30, 2022 along with Limited Review Reports.
- Declared distribution of ₹ 3.3 per unit comprising ₹ 3.0556 per unit in the form of interest and ₹
   0.2444 per unit in the form of Principal payment for Q1FY23.
- Noted resignation of Mr. Swapnil Patil as the Company Secretary of IIML and Compliance Officer of IndiGrid with effect from July 31, 2022 due to personal reasons.
- Approved appointment of Mr. Urmil Shah as the Company Secretary of IIML and also designated him as the Compliance Officer of IndiGrid with effect from August 01, 2022.

### Published Valuation Report for the quarter ended June 30, 2022 (July 26, 2022) Outcome of 5<sup>th</sup> AGM of IndiGrid held through video conferencing (July 26, 2022)

- Adopted audited standalone financial statements and audited consolidated financial statements of IndiGrid as at and for the financial year ended on March 31, 2022 together with the report of the auditors thereon for the financial year ended on March 31, 2022 and the report on performance of IndiGrid
- Adopted valuation report issued by Mr. S Sundararaman, independent valuer for the valuation of the special purpose vehicles as on March 31, 2022
- Appointed Mr. Pradhan Dass, Chartered Accountant, bearing IBBI registration number IBBI/ RV/06/2022/14558 as the valuer of India Grid Trust
- Approved appointment of Mr. Jyoti Kumar Agarwal as a Chief Executive Officer and Whole-time Director of Investment Manager

Signed share purchase agreement on July 30, 2022 for acquisition of 100% shareholding and economic interest, in one or more tranches, in Raichur Sholapur Transmission Company Private Limited from Patel Engineering Limited (owning 33.34% stake), Simplex Infrastructures Limited (owning 33.33% stake) and BS Limited (owning 33.33% stake) (July 30, 2022)

### August

Mr. Jyoti Kumar Agarwal resigned as Chief Executive Officer and Whole-time Director of IndiGrid Investment Managers Limited ("the Company"), Investment Manager of India Grid Trust ("IndiGrid") effective September 30, 2022 due to personal reasons. (August 19, 2022)

Mr. Harsh Shah was appointed as the Chief Executive Officer and Whole-time Director of IndiGrid Investment Managers Limited ("the Company"), Investment Manager of India Grid Trust ("IndiGrid"), with effect from August 30, 2022. (August 29, 2022)

### October 2022

Postal Ballot Notice sent to the Unitholders (October 28, 2022)

Remote E-voting facility with respect to Postal Ballot started (October 29, 2022)



### **CORPORATE GOVERNANCE REPORT**



Corporate Governance is a continuous process, which incorporates every sphere of management, from internal set of controls and action plans to performance evaluation and disclosures. It is vital for any organisation to have a disciplined approach to Corporate Governance and we at India Grid Trust ("IndiGrid") have imbibed this philosophy. In harmony with SEBI (Infrastructure Investment Trusts) Regulations, 2014 ("SEBI InvIT Regulations") the Report on Corporate Governance reverberates the ideology of Corporate Governance Systems at IndiGrid.

IndiGrid's Philosophy on Code of Corporate Governance represent the values, ethical and moral framework under which business decisions are taken. The investors want to

be sure that not only is their capital handled effectively and adds to the creation of wealth, but the business decisions are also taken in a manner which is not illegal or involving moral hazard. IndiGrid perceives best in class corporate governance practices as a key to sustainable corporate growth and long-term unitholder value creation. The primary objective is to develop and adhere to a corporate culture of harmonious and transparent functioning and enhancing unitholders' wealth by developing capabilities and identifying opportunities that best serve the goal of value creation. All actions and strategic plans are directed towards delivering value to all stakeholders, as well as adhere to the highest standards of corporate behaviour.

### IndiGrid has a three-tier governance structure:

| Statutory supervision | Axis Trustee Services Limited is the Trustee of IndiGrid. Trustee is responsible for ensuring      |
|-----------------------|--|
|                       | that all the business activities and investment policies comply with the provisions of the Code,   |
|                       | Policies, Material Contracts and the SEBI InvIT Regulations and monitors the activities of         |
|                       | the Investment Manager under the Investment Management Agreement and activities of the             |
|                       | Project Manager under the Project Implementation and Management Agreement.                         |
| Strategic management  | IndiGrid Investment Managers Limited is the Investment Manager of IndiGrid. The Investment         |
|                       | Manager has overall responsibility for setting the strategic direction of IndiGrid and deciding on |
|                       | the acquisition, divestment or enhancement of assets of IndiGrid in accordance with its stated     |
|                       | investment strategy. The Board of Investment Manager lays down strategic goals and exercises       |
|                       | control to ensure that IndiGrid is progressing to fulfill unitholders' aspirations.                |
| Executive Management  | The executive management is composed of the key personnel and operates upon the directions         |
|                       | of the Board of Directors of Investment Manager.   |

### Corporate Governance Report (Contd.)

### **BOARD OF DIRECTORS**

In order to maintain independence of the Investment Manager, IndiGrid Investment Managers Limited has a judicious combination of Executive Director, Non-Executive and Independent Directors ("the Board"). As on date, the Board comprised Seven (7) directors including one (1) Whole- time Director, two (2) Non-Executive Director and four (4) Independent Directors. The Whole-time Director also serves as the Chief Executive Officer of the Investment Manager. The Chief Executive Officer takes a lead role in facilitating effective communication among Directors. The Chief Executive Officer is responsible for corporate strategy and all management matters. The Board composition is in conformity with the provisions of the SEBI InvIT Regulations and Companies Act, 2013. All Directors are astute professionals coming from varied backgrounds possessing rich experience and expertise. All the Directors attended majority of board and committee meetings held during the period under review. The detailed profile of all Directors can be viewed in this report and also on the IndiGrid's website at https://www.indigrid.co.in/about-us/ investment-manager/board-of-directors.

Mr. Jyoti Kumar Agarwal has tendered his resignation from the position of CEO & Whole-time Director with effect from September 30, 2022 and Mr. Harsh Shah has been appointed as a Chief Executive Officer & Whole-time Director of Investment Manger with effect from August 30, 2022.

### Composition of the Board of Directors of Investment Manager

In addition to the applicable provisions of SEBI InvIT Regulations, the board of directors of the Investment Manager adhere to the following:

- Not less than 50% of the board of directors of the Investment Manager comprise independent directors and not directors or members of the governing board of another infrastructure investment trust registered under the SEBI InvIT Regulations. The independence of directors is determined in accordance with the Companies Act, 2013
- Collective experience of directors of the Investment Manager covers a broad range of commercial experience, particularly, experience in infrastructure sector, investment management or advisory and financial matters.

### **Board Committees**

The Investment Manager has various committees to ensure independent board representation in line with SEBI InvIT Regulations. IndiGrid has an experienced Board of Directors which ensures strong representation on Board Committees.

#### **INVESTMENT COMMITTEE**

### Composition

The Investment Committee comprises of the board of directors of the Investment Manager. Majority members, including the chairperson of the Investment Committee are independent directors. The company secretary of the Investment Manager act as the secretary to the Investment Committee. The quorum shall be at least 50% of the number of members of the Investment Committee and subject to a minimum of two members.

The composition of the Investment Committee is as follows:

| Name of Committee Members | Category    |
|---------------------------|-------------|
| Mr. Tarun Kataria         | Chairperson |
| Mr. Rahul Asthana         | Member      |
| Mr. Ashok Sethi           | Member      |
| Mr. Hardik Shah           | Member      |
| Ms. Ami Momaya            | Member      |

### **Terms of reference of the Investment Committee**

The terms of reference of the Investment Committee include the following:

- Reviewing investment decisions with respect to the underlying assets or projects of IndiGrid from the Sponsor including any further investments or divestments to ensure protection of the interest of unitholders including, investment decisions, which are related party transactions;
- Approving any proposal in relation to acquisition of assets, further issue of units including in relation to acquisition or assets; and
- Formulating any policy for the Investment Manager as necessary, in relation to its functions, as specified above.

### **AUDIT COMMITTEE**

### Composition

The Audit Committee comprises of the board of directors of the Investment Manager. The chairperson of the Audit Committee is independent director. All members of the Audit Committee are financially literate, and Chairperson of the Committee have accounting and related financial management expertise. The company secretary of the

Investment Manager shall act as the secretary to the Audit Committee. The quorum shall be at least 50% of the directors, of which at least 50% of the directors present, shall be independent directors and subject to a minimum of two members being present in person.

The composition of the Audit Committee is as follows:

| Name of Committee Members   | Category    |
|-----------------------------|-------------|
| Mr. Tarun Kataria           | Chairperson |
| Mr. Rahul Asthana           | Member      |
| Mr. Ashok Sethi             | Member      |
| Ms. Jayashree Vaidhyanathan | Member      |
| Mr. Hardik Shah             | Member      |
| Ms. Ami Momaya              | Member      |

#### **Terms of reference of the Audit Committee**

The terms of reference of the Audit Committee include the following:

- 1. Provide recommendations to the board of directors regarding any proposed distributions;
- Overseeing IndiGrid's financial reporting process and disclosure of its financial information to ensure that its financial statements are correct, sufficient and credible
- Giving recommendations to the board of directors regarding appointment, re-appointment and replacement, remuneration and terms of appointment of the statutory auditor of IndiGrid and the audit fee, subject to the approval of the unitholders;
- 4. Reviewing and monitoring the independence and performance of the statutory auditor of IndiGrid, and effectiveness of audit process;
- Approving payments to statutory auditors of IndiGrid for any other services rendered by such statutory auditors;
- 6. Reviewing the annual financial statements and auditor's report thereon of IndiGrid, before submission to the board of directors for approval, with particular reference to
  - changes, if any, in accounting policies and practices and reasons for such change;
  - major accounting entries involving estimates based on the exercise of judgment by management;
  - significant adjustments made in the financial statements arising out of audit findings;
  - compliance with listing and other legal requirements relating to financial statements;
  - · disclosure of any related party transactions; and
  - qualifications in the draft audit report;

- Reviewing, with the management, all periodic financial statements, including but not limited to half-yearly and annual financial statements of IndiGrid before submission to the board of directors for approval;
- 8. Reviewing, with the management, the statement of uses/application of funds raised through an issue of units by IndiGrid (public issue, rights issue, preferential issue, etc.) and the statement of funds utilised for purposes other than those stated in the offer documents/ notice, and making appropriate recommendations to the board of directors for follow-up action;
- Approval or any subsequent modifications of transactions of IndiGrid with related parties including, reviewing agreements or transactions in this regard;
- 10. Scrutinizing loans and investments of IndiGrid;
- 11. Reviewing all valuation reports required to be prepared under applicable law, periodically, and as required, under applicable law;
- 12. Evaluating financial controls and risk management systems of IndiGrid;
- Reviewing, with the management, the performance of statutory auditors of IndiGrid, and adequacy of the internal control systems, as necessary;
- 14. Reviewing the adequacy of internal audit function if any of IndiGrid, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
- 15. Reviewing the findings of any internal investigations in relation to IndiGrid, into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board of directors;
- 16. Reviewing the procedures put in place by the Investment Manager for managing any conflict that may arise between the interests of the unitholders, the parties to IndiGrid and the interests of the Investment Manager, including related party transactions, the indemnification of expenses or liabilities incurred by the Investment Manager, and the setting of fee or charges payable out of IndiGrid's assets;
- 17. Discussing with statutory auditors and valuers prior to commencement of the audit or valuation, respectively, about the nature and scope, as well as post-audit/valuation discussion to ascertain any area of concern;
- 18. Reviewing and monitoring the independence and performance of the valuer of IndiGrid;

- Giving recommendations to the board of directors regarding appointment, re-appointment and replacement, remuneration and terms of appointment of the valuer of IndiGrid;
- Evaluating any defaults or delay in payment of distributions to the unitholders or dividends by the SPVs to IndiGrid and payments to any creditors of IndiGrid or the SPVs, and recommending remedial measures;
- 21. Management's discussion and analysis of financial condition and results of operations;
- 22. Reviewing the statement of significant related party transactions, submitted by the management;
- 23. Reviewing the management letter/letters of internal control weaknesses issued by the statutory auditors; and
- 24. Formulating any policy for the Investment Manager as necessary, in relation to its functions, as specified above.

#### STAKEHOLDERS' RELATIONSHIP COMMITTEE

#### Composition

The Stakeholders' Relationship Committee comprises of board of directors of the Investment Manager.

The Chairperson of the Committee is Independent Director. The company secretary of the Investment Manager act as the secretary to the Stakeholders' Relationship Committee. The quorum shall be at least 50% of the number of members of the Stakeholders' Relationship Committee and subject to a minimum of two members

The composition of the Stakeholders' Relationship Committee is as follows:

| Name of Committee Members   | Category    |
|-----------------------------|-------------|
| Mr. Rahul Asthana           | Chairperson |
| Mr. Tarun Kataria           | Member      |
| Mr. Ashok Sethi             | Member      |
| Ms. Jayashree Vaidhyanathan | Member      |
| Mr. Hardik Shah             | Member      |
| Ms. Ami Momaya              | Member      |

# Terms of reference of the Stakeholders' relationship Committee

The terms of reference of the Stakeholders' Relationship Committee is as follows:

- Considering and resolving grievances of the unitholders, including complaints related to the transfer of units, non-receipt of annual report and non-receipt of declared distributions;
- (ii) Reviewing of any litigation related to unitholders' grievances;

- (iii) Undertaking all functions in relation to protection of Unitholders' interests and resolution of any conflicts,including reviewing agreements or transactions in this regard;
- (iv) Updating unitholders on acquisition / sale of assets by IndiGrid and any change in the capital structure of the SPVs;
- (v) Reporting specific material litigation related to unitholders' grievances to the board of directors; and
- (vi) Approving report on investor grievances to be submitted to the Trustee.

#### NOMINATION AND REMUNERATION COMMITTEE

#### Composition

The Nomination and Remuneration Committee comprises of board of directors of the Investment Manager.

The chairperson of the committee is an Independent Director. The company secretary of the Investment Manager act as the secretary to the Committee. The quorum shall be at least 50% of the number of members of the Committee and subject to a minimum of two members.

The composition of the Nomination and Remuneration Committee is as follows:

| Name of Committee Members | Category    |
|---------------------------|-------------|
| Mr. Rahul Asthana         | Chairperson |
| Mr. Tarun Kataria         | Member      |
| Mr. Ashok Sethi           | Member      |
| Mr. Hardik Shah           | Member      |
| Ms. Ami Momaya            | Member      |

# Terms of reference of the Nomination and Remuneration Committee

The terms of reference of the Nomination and Remuneration Committee is as follows:

- Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the board of directors of the Investment Manager a policy relating to, the remuneration of the directors, key managerial personnel and other employees;
- (ii) Formulation of criteria for evaluation of performance of independent directors and the board of directors;
- (iii) Devising a policy on board diversity;
- (iv) Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down and recommend to the board of directors their appointment and removal and evaluation of director's performance;



- (v) Determining whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors;
- (vi) Carrying out any other function as prescribed under applicable law;
- (vii) Endeavour to appoint new key employee to replace any resigning key employee within six months from the date of receipt of notice of resignation and recommend such appointment to the Board, if necessary; and
- (viii) Performing such other activities as may be delegated by the board of directors of the Investment Manager and/or are statutorily prescribed under any law to be attended to by the Nomination and Remuneration Committee.

#### **ALLOTMENT COMMITTEE**

#### Composition

The Allotment Committee comprises of board of directors of the Investment Manager. The company secretary of the Investment Manager act as the secretary to the Committee. The quorum of the meeting shall be at least 2 members

The composition of the Allotment Committee is as follows:

| Name of Committee Members                         | Category    |
|---|-------------|
| Mr. Rahul Asthana                                 | Chairperson |
| Mr. Ashok Sethi                                   | Member      |
| Mr. Hardik Shah                                   | Member      |
| Ms. Ami Momaya                                    | Member      |
| Mr. Harsh Shah (with effect from August 30, 2022) | Member      |

#### **Terms of reference of the Allotment Committee**

The terms of reference of the Allotment Committee is as follows:

- To approve the terms of units, debentures and all types of permitted securities through preferential issue, private placement, rights issue, qualified institutional placements;
- 2. To approve issue, subscription, allotment of units, debentures and all types of permitted securities to eligible investors and/or identified investors
- To approve opening of issue, terms of issue, floor price, issue price, application form, offer document/ placement document including its addendum/ corrigendum and all the matters related thereto;
- 4. To authorize officers, agents, consultants, banks, advisors or any related person to submit, file, resubmit, modify, sign, execute, process all types of documents and information including but not limited to application, letters, clarifications, undertaking, certification, declaration to obtain all the necessary

- approvals, consents, permits, license, registration from government, regulatory, semi-government, statutory and private authorities, institutions, bodies, organizations including but not limited to RBI, SEBI, Stock Exchange, depositories;
- 5. To authorize officers, agents, consultants, banks, advisors or any related person to do all such acts, deeds and matters as may be incidental or considered necessary for giving effect to the aforesaid resolution.

#### **RISK MANAGEMENT COMMITTEE**

#### Composition

The Risk Management Committee comprises of board of directors of the Investment Manager. The company secretary of the Investment Manager act as the secretary to the Committee. The quorum of the meeting shall be at least 2 members out of which 50% shall be Independent Directors

The composition of the Risk Management Committee is as follows:

| Name of Committee Members | Category    |
|---------------------------|-------------|
| Mr. Rahul Asthana         | Chairperson |
| Mr. Tarun Kataria         | Member      |
| Mr. Ashok Sethi           | Member      |
| Mr. Hardik Shah           | Member      |
| Ms. Ami Momaya            | Member      |

#### **Terms of reference of the Risk Management Committee**

The terms of reference of the Risk Management Committee is as follows:

- To identify, assess, mitigate and monitor the existing as well as potential risks to the Trust (including risks associated with cyber security and financial risk), to recommend the strategies to the Board to overcome them and review key leading indicators in this regard;
- 2. To periodically review and approve the Risk Management framework including the risk management processes and practices of the Trust;
- 3. To evaluate significant risk exposures of the Trust and assess management's actions to mitigate the exposures in a timely manner;
- 4. To develop and implement action plans to mitigate the risks;
- 5. To coordinate its activities with the Audit Committee in instances where there is any overlap with audit activities
  - (e.g. internal or external audit issue relating to risk management policy or practice);
- To oversee at such intervals as may be necessary, the adequacy of Trust's resources to perform its risk management responsibilities and achieve its objectives;
- To review and periodically assess the Trust's performance against the identified risks of the Company;

#### INFORMATION SUPPLIED TO THE BOARD

Information is provided to the Board members on continuous basis for their review, inputs and approvals from time to time. The Board critically evaluates IndiGrid's strategic direction, management policies and their effectiveness. Additionally, specific cases of acquisitions, important managerial decisions, material positive/ negative developments and statutory matters are presented to the committees of the Board and later with recommendations of the committees to the Board.

#### **Compliance Certificate**

As per SEBI Circular No. CIR/IMD/DF/127/2016 dated November 29, 2016 and Regulation 17 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), a Compliance Certificate from the Chief Executive Officer and Chief Financial Officer, of Investment Manager of IndiGrid on the Financial Statements and other matters of IndiGrid for the period ended on September 30, 2022, was circulated to the Board of Investment Manager.

#### **Investor Complaints**

The status of complaints is reported to the Board on a quarterly basis. During the period, the investor complaints received by the Company were general in nature, which were resolved within prescribed timelines. Details of Unitholders' complaints on quarterly basis are also submitted to the Trustee, stock exchanges and published on IndiGrid's website.

Details of investor complaints received and redressed during the period ended on September 30, 2022 are as follows:

| Details of Investor<br>Complaints  | Number of<br>complaints during<br>the quarter ended on<br>June 30, 2022 | Number of<br>complaints during<br>the quarter ended on<br>September 30, 2022 |  |  |
|--|---|--|--|--|
| Number of investor<br>complaints pending at<br>the beginning of the<br>quarter | 0   | 0  |  |  |
| Number of investor complaints received during the quarter                      | 80  | 285  |  |  |
| Number of investor complaints disposed of during the quarter                   | 80  | 285  |  |  |
| Number of investor complaints pending at the end of the quarter                | 0   | 0  |  |  |

# Policies of the Board of Directors of the Investment Manager in relation to IndiGrid

In order to adhere the good governance practices the Investment Manager has adopted the following policies in relation to IndiGrid:

#### **Borrowing Policy**

The Investment Manager shall ensure that all funds borrowed in relation to IndiGrid are in compliance with the SEBI InvIT Regulations. Accordingly, the Investment Manager has formulated Borrowing Policy to outline the process for borrowing monies in relation to IndiGrid.

#### Policy on Appointment of Auditor and Valuer

The Investment Manager has adopted the Policy on Appointment of Auditor and Valuer to govern the appointment and operations of Auditor and Valuer which plays very crucial role at IndiGrid.

#### **Policy on Related Party Transactions**

To ensure proper approval, supervision and reporting of the transactions between IndiGrid and its Related Parties, the board of directors of the Investment Manager has adopted the Policy in relation to Related Party Transactions, to regulate the transactions between IndiGrid and its Related Parties.

#### **Distribution Policy**

The Investment Manager has adopted the Distribution Policy to ensure proper, accurate and timely distribution to the unitholders of IndiGrid. The Distributable Income of IndiGrid is calculated in accordance with the Distribution Policy, SEBI InvIT Regulations and any circular, notification or guidance issued thereunder.

# Code of Internal Procedures and Conduct for Regulating, Monitoring and Reporting of trading by Designated Person(s) of IndiGrid (the "UPSI Policy")

The Investment Manager has adopted the UPSI Policy to ensure that IndiGrid complies with applicable law, including the SEBI InvIT Regulations or such other laws, regulations, rules or guidelines prohibiting insider trading and governing disclosure of material, unpublished price sensitive information.

# Policy for Determining Materiality of Information for Periodic Disclosures (the "Materiality of Information Policy")

The Investment Manager has adopted the Materiality of Information Policy with an intention to outline process and procedures for determining materiality of information in relation to periodic disclosures on IndiGrid's website, to the stock exchanges and to all stakeholders at large, in relation to IndiGrid.

### **Document Archival Policy**

The Investment Manager has adopted the Document Archival Policy to provide a comprehensive policy on the preservation and conservation of the records and

documents of IndiGrid. The Document Archival Policy aims at identifying, classifying, storing, securing, retrieving, tracking and destroying or permanently preserving records.

### **Nomination and Remuneration Policy**

The Investment Manager has adopted the Nomination and Remuneration Policy with an intention to provide the underlying principles and guidelines governing the activities of the Nomination and Remuneration Committee.

#### Whistle Blower Policy / Vigil Mechanism

The Investment Manager has established a whistle blower mechanism for directors, employees, contractors and suppliers of IndiGrid. The whistle blower mechanism is widely circulated for the knowledge of directors, employees, supplies and contractors of IndiGrid.

We further confirm that no personnel has been denied access to the Chairperson of the Audit Committee of Investment Manager.

#### **Conflict of Interest Policy**

The Investment Manager has adopted the Conflict of Interest policy to protect India Grid Trust and its affiliates' interests while contemplating entering into any discussion or transaction or arrangement for potential acquisition (directly or indirectly) of power infrastructure assets or businesses that might conflict with or is similar in nature to the transaction or arrangement proposed by Sponsors, shareholders of the Investment Managers or their affiliates.

#### **Policy on Material Subsidiaries**

The Investment Manager has adopted a policy on determination of material subsidiaries of India Grid Trust in line with the Listing Regulations. The policy aims to determine the Material Subsidiaries and Material Unlisted Indian Subsidiaries of India Grid Trust and to provide the governance framework for such subsidiaries.

### **Investor Grievance Redressal Policy**

To provide efficient services to the investors and to effectively address and redress the grievances of the investors of India Grid Trust in a timely manner, the board of directors of the Investment Manager has adopted the Investor Grievance Redressal Policy.

# Disclosure of Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

Pursuant to the requirements of Section 22 of Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013 read with Rules thereunder, the Investment Manager has not received any complaint of sexual harassment during the period under review.

The Investment Manager has complied with provisions relating to the constitution of Internal Complaints Committee under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

#### **SEBI Complaints Redressal System (SCORES)**

The investor complaints are processed in a centralised web based complaints redress system.

The salient features of this system are centralised database of all complaints, online upload of Action Taken Reports (ATRs) by the concerned companies and online viewing by investors of actions taken on the complaint and its current status.

IndiGrid has been registered on SCORES and Investment Manager makes every effort to resolve all investor complaints received through SCORES or otherwise within the statutory time limit from the receipt of the complaint.

#### **Green initiative**

Investment Manager is concerned about the environment and utilises natural resources in a sustainable way.

SEBI InvIT Regulations allows IndiGrid to send official documents to their Unitholders electronically.

In terms of the InvIT Regulations, Investment Manager propose to send documents like the Notice convening the general meetings, Financial Statements, Auditor's Report and other documents to the email address of investors as provided by relevant depositories.

#### **Amendments to Material Contracts**

During the year under review, at the time of acquisition of Assets, the IndiGrid has executed amendment to the Investment Management Agreement and Project Implementation & Management Agreement.

#### SIGNIFICANT AND MATERIAL ORDERS

During the period under review, there are no significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and the IndiGrid's operations in future.

There are adequate systems and processes in the IndiGrid commensurate with the size and operations of the IndiGrid to monitor and ensure compliance with applicable laws, rules, regulations and guidelines. During the period under review, no penalty has been imposed by any stock exchange or SEBI, nor has there been any instance of non-compliance with any legal requirements, or on matters having material impact on the operations of IndiGrid.

For the half year ended on September 30, 2022, IndiGrid have complied with the provisions of the Trust Deed, InvIT Regulations, applicable provisions of LODR and Corporate Governance norms.

#### **Publications**

The information required to be disclosed to the stock exchanges (including financial results, press releases and presentations made to the investors) have been duly submitted to the NSE and BSE as well as uploaded on IndiGrid's website.

#### **Postal Ballot**

The detail of the previous postal ballots are available on our website, at https://www.indigrid.co.in/investor/agm-egm/.

#### **Communication to the Unitholders**

The IndiGrid ensures that the following filings and reports are available on its website:

- The quarterly filings/ reports, as required to be filed under various applicable provisions are posted on our website, at https://www.indigrid.co.in/investor/otherregulatory-filings/
- Quarterly and annual financial statements, standalone and consolidated, are also posted on our website, at https://www.indigrid.co.in/investor/financial-results/
- Audio recordings of Earnings calls with analysts and investors along with their transcripts are also published on the website. The AGM recording, transcripts and results are available on our website, at https://www.indigrid.co.in/investor/agm-egm/.
- The unitholders can also access the details of policies, Board committee charters, Trust Deed, financial information, unitholding information, Distribution history, FAQs, etc. on IndiGrid's website.
- Other information, such as press releases, Trustee Report and presentations made to investors and analysts, etc., is regularly updated on the IndiGrid's website.

# Corporate Governance requirements specified in Regulation 16 to 27 of Listing Regulations

IndiGrid has complied with all the applicable corporate governance requirements under the Listing Regulations and has endeavoured to comply with corporate governance requirement specified in Regulation 16 to 27 of Listing Regulations for High Value Debt Listed Entity.

### Awareness Sessions/ Workshops on Governance practices

IndiGrid as an organisation that strongly supports transparency and openness and believes in zero tolerance for unethical practices. Employees across the

Group are regularly sensitised about the various policies and governance practices of IndiGrid through various interactive tools.

#### **Statutory Auditors**

S R B C & Co LLP, Chartered Accountants (ICAI Firm Registration No.: 324982E/ E300003), having their office at C - 401, 4th Floor, Panchshil Tech Park, Yerwada (Near Don Bosco School), Pune, Maharashtra — 411006 have been appointed as the Statutory Auditors of IndiGrid for a second term of five consecutive years from conclusion of 4th Annual General Meeting till the conclusion of 9th Annual General Meeting of the IndiGrid.

#### **Internal Auditors**

KPMG Assurance and Consulting Services LLP, Chartered Accountants (Firm Registration Number-BA-62445), have been appointed as the Internal Auditors of IndiGrid for the financial year 2022–23.

#### SUCCESSION PLANNING

The nomination and remuneration committee works with the Board on the leadership succession plan to ensure orderly succession in appointments to the Board and in senior management. The Investment Manager strives to maintain an appropriate balance of skills and experience within the organization and the Board in an endeavour to introduce new perspectives while maintaining experience and continuity.

By integrating workforce planning with strategic business planning, the Investment Manager puts the necessary financial and human resources in place so that IndiGrid's objectives can be met.

The Board members bring to the table their broad and diverse skills and viewpoints to aid the Investment Manager in advancing its strategy. In addition, promoting senior management within the organization fuels the ambitions of the talent force to earn future leadership roles.

#### SELECTION OF DIRECTORS

Considering the requirement of skill sets on the Board, eminent people in their respective field / profession and who can effectively contribute to the IndiGrid's business and policy decisions are considered by the Human Resources, Nomination and Remuneration Committee, for appointment, as a Director on the Board. The Committee inter alia considers qualification, integrity, positive attributes, area of expertise and experience in relevant industry in accordance with the structure designed by Investment Manager for selection of Directors and determining Directors' independence in

case of Independent Directors. The Board considers the Committee's recommendation and takes appropriate decision. In case of Non-Executive Directors, the matter is also recommended to the Unitholders for their approval in accordance with Listing Regulations.

Every Independent Director, at the first meeting of the Board in which he / she participates as a Director and thereafter at the first meeting of the Board in every financial year, gives a declaration that he / she meets the criteria of independence as provided under the law and that he / she is not aware of any circumstance or situation, which exist or may be reasonably anticipated, that could impair or impact his / her ability to discharge his / her duties with an objective independent judgement and without any external influence.

In the opinion of the Board, the Independent Directors fulfil the conditions specified in the Companies Act, 2013 and are independent of the management.

#### **FAMILIARISATION PROGRAMMES FOR BOARD MEMBERS**

The Board members are provided with necessary documents/ brochures, reports and internal policies to enable them to familiarise with the IndiGrid's procedures and practices.

Executive director and senior management provide an overview of operations, and familiarize the new non-executive directors on matters related to IndiGrid's values and commitments. They are also introduced to the organization structure, services, Group structure and subsidiaries, constitution, Board procedures, matters reserved for the Board, major risks and risk management strategy.

Periodic presentations are made at the Board and Committee meetings on business and performance updates of the IndiGrid including Finance, M&A, overview of business operations of major subsidiaries, business strategy and risks involved. Detailed presentations or discussions on various aspects of the IndiGrid's business operations are made in separate meetings with Directors from time to time.

### **EXECUTIVE LEADERSHIP COMPENSATION**

Investment Manager's executive compensation programs encourage reward for performance. A significant portion of the executives' total rewards are tied to the delivery of long-term corporate performance goals, in order to align with the interest of the stakeholders.

The nomination and remuneration committee determines and recommends to the Board the compensation payable to the directors. Remuneration for the executive directors comprises a fixed component and a variable component, including Long Term Incentive Plan. The committee makes a periodic appraisal of the performance of executive directors based on a detailed performance matrix.

#### INDEPENDENT DIRECTORS' COMPENSATION

The compensation payable to the independent directors is limited to a fixed amount per year as determined and approved by the Board, the sum of which does not exceed 0.4% of the difference between revenue from operations and operating expenses (other than the fee of the Investment Manager) of each Special Purpose Vehicle of IndiGrid, per annum. The unitholders of IndiGrid has approved the aforesaid remuneration limit and the Board reviews the performance of independent directors on an annual basis.

The Board, while deciding the basis for determining the compensation of the independent directors, takes various things into consideration. These includes

- a. The attendance of a particular independent director
- The independent director(s) have complied with the code of conduct for independent directors as provided under Schedule IV of the Companies Act, 2013 ("Code of Conduct")
- c. Quality of contributions to the Board deliberations
- d. Strategic perspectives or inputs regarding future growth of Investment Manager, IndiGrid and its performance
- e. Providing perspectives and feedback going beyond information provided by the management
- f. Commitment to unitholders and other Stakeholders interests

#### **GENERAL UNITHOLDER INFORMATION**

#### 1) Financial Year

IndiGrid follows April-March as the financial year. To consider and approve the quarterly financial results for FY 2022-23, the meetings of the Board were held/ scheduled on the following dates/ months:

| First Quarter Ended Results                | July 26, 2022                    |
|--|----------------------------------|
| Second Quarter and Half Year Ended Results | November 10, 2022                |
| Third Quarter                              | end of January, 2022 (tentative) |
| Fourth Quarter and Full Year Ended Results | end of May, 2022 (tentative)     |

#### 2) Distribution

The details of Distribution declared by IndiGrid during FY 2022-23 are as follows

| Date of Board Meeting | Type of Distribution           | Distribution per unit | Record Date     |
|-----------------------|--------------------------------|-----------------------|-----------------|
| May 20, 2022          | Interest and Principal payment | ₹ 3.1875              | May 26, 2022    |
| July 26, 2022         | Interest and Principal payment | ₹ 3.3                 | August 01, 2022 |

# 3) Top 10 Unitholders (excluding sponsor) as on September 30, 2022

| S.<br>No. | Name   | Total No. of Units held | As a percentage of total outstanding Units (%) |
|-----------|--|-------------------------|--|
| 1         | Government of Singapore                          | 14,01,81,111            | 20.02  |
| 2         | Larsen and Toubro Limited                        | 3,85,59,059             | 5.51   |
| 3         | Schroder Asian Asset Income Fund                 | 2,41,98,426             | 3.46   |
| 4         | Schroder Asian Income                            | 2,14,98,939             | 3.07   |
| 5         | Tata AIG General Insurance Company Limited       | 1,33,19,133             | 1.90   |
| 6         | Reliance Nippon Life Insurance Co Limited        | 1,25,68,689             | 1.80   |
| 7         | Utilico Emerging Markets Trust PLC               | 1,14,61,692             | 1.64   |
| 8         | Max Life Insurance Co Ltd A/C Participating Fund | 59,75,027               | 0.85   |
| 9         | L&T Employees Welfare Foundation Pvt. Ltd.       | 54,11,739               | 0.77   |
| 10        | PNB Metlife India Insurance Company Limited      | 53,99,569               | 0.77   |
| Tota      | I  | 27,85,73,384            | 39.79  |

#### 4) Unitholding of Directors & Key Managerial Personnel of Investment Manager as on September 30, 2022

| S. No. | Name of Directors and KMPs | Number of Units held |
|--------|----------------------------|----------------------|
| 1      | Harsh Dinesh Shah          | 38,608               |

# 5) UNIT HOLDING PATTERN REPORT AS ON SEPTEMBER 30, 2022

| Category | Category of Unit holder   | No. of Units<br>Held | Total Out-<br>standing |                | No. of units<br>mandatorily held |                |                                  |  |
|----------|---|----------------------|------------------------|----------------|----------------------------------|----------------|----------------------------------|--|
|          |   |                      | Units                  | No.of<br>units | As a % of<br>total units<br>held | No.of<br>units | As a % of<br>total units<br>held |  |
| (A)      | Sponsor(s) / Investment Manager / Project<br>Manager(s) and their associates/related<br>parties |                      |                        |                |                                  |                |                                  |  |
| (1)      | Indian  |                      | 0.00                   | -              | 0.00                             | -              | 0.00                             |  |
| (a)      | Individuals / HUF   |                      | 0.00                   | -              | 0.00                             | -              | 0.00                             |  |

| Category | Category of Unit holder  | No. of Units<br>Held | As a % of<br>Total Out-<br>standing | No. of units<br>mandatorily held |                                  | Number of units<br>pledged or otherwise<br>encumbered |                                  |
|----------|--|----------------------|-------------------------------------|----------------------------------|----------------------------------|---|----------------------------------|
|          |  |                      | Units                               | No.of<br>units                   | As a % of<br>total units<br>held | No.of<br>units  | As a % of<br>total units<br>held |
| (b)      | Central/State Govt.  |                      | 0.00                                | -                                | 0.00                             | -   | 0.00                             |
| (c)      | Financial Institutions/Banks   |                      | 0.00                                | -                                | 0.00                             |   | 0.00                             |
| (d)      | Any Other (specify)  |                      | 0.00                                | -                                | 0.00                             |   | 0.00                             |
|          | STERLITE POWER TRANSMISSION<br>LIMITED                               | -                    | 0.00                                | -                                | 0.00                             |   | 0.00                             |
|          | Sub- Total (A) (1)   | -                    | 0.00                                | -                                | 0.00                             | -   | 0.00                             |
| (2)      | Foreign  |                      |                                     |                                  |                                  |   |                                  |
| (a)      | Individuals (Non Resident Indians / Foreign<br>Individuals)          |                      | 0.00                                | _                                | 0.00                             | _   | 0.00                             |
| (b)      | Foreign government   |                      | 0.00                                | -                                | 0.00                             | -   | 0.00                             |
| (c)      | Institutions   |                      | 0.00                                | -                                | 0.00                             | -   | 0.00                             |
| (d)      | Foreign Portfolio Investors  | 16,59,01,932         | 23.69                               | -                                | 0.00                             | -   | 0.00                             |
| (e)      | Any Other (specify)  |                      | 0.00                                | -                                | 0.00                             | -   | 0.00                             |
|          | Sub- Total (A) (2)   | 16,59,01,932         | 23.69                               | -                                | 0.00                             | -   | 0.00                             |
|          | Total unit holding of Sponsor & Sponsor<br>Group (A) = (A)(1)+(A)(2) | 16,59,01,932         | 23.69                               | -                                | -                                | -   | -                                |
| (B)      | Public Holding   |                      |                                     |                                  |                                  |   |                                  |
| (1)      | Institutions   |                      |                                     |                                  |                                  |   |                                  |
| (a)      | Mutual Funds   | 26,80,377            | 0.38                                |                                  |                                  |   |                                  |
| (b)      | Financial Institutions/Banks   | 87,877               | 0.01                                |                                  |                                  |   |                                  |
| (c)      | Central/State Govt.  |                      | 0.00                                |                                  |                                  |   |                                  |
| (d)      | Venture Capital Funds  |                      | 0.00                                |                                  |                                  |   |                                  |
| (e)      | Insurance Companies  | 5,14,52,180          | 7.35                                |                                  |                                  |   |                                  |
| (f)      | Provident/pension funds  | 24,28,534            | 0.35                                |                                  |                                  |   |                                  |
| (g)      | Foreign Portfolio Investors  | 20,91,95,344         | 29.88                               |                                  |                                  |   |                                  |
| (h)      | Foreign Venture Capital investors                                    |                      | 0.00                                |                                  |                                  |   |                                  |
| (i)      | Any Other (specify)  |                      |                                     |                                  |                                  |   |                                  |
|          | Alternative Investment Fund  | 1,22,472             | 0.02                                |                                  |                                  |   |                                  |
|          | Sub- Total (B) (1)   | 26,59,66,784         | 37.99                               |                                  |                                  |   |                                  |
| (2)      | Non-Institutions   |                      |                                     |                                  |                                  |   |                                  |
| (a)      | Central Government/State Governments(s)/<br>President of India       | -                    | -                                   |                                  |                                  |   |                                  |
| (b)      | Individuals  | 15,46,46,095         | 22.09                               |                                  |                                  |   |                                  |
| (c)      | NBFCs registered with RBI  | 9,55,533             | 0.14                                |                                  |                                  |   |                                  |
| (d)      | Any Other (specify)  |                      | 0.00                                |                                  |                                  |   |                                  |
|          | TRUSTS   | 5,84,898             | 0.08                                |                                  |                                  |   |                                  |
|          | NON RESIDENT INDIANS   | 76,00,568            | 1.09                                |                                  |                                  |   |                                  |
|          | CLEARING MEMBERS   | 1,63,371             | 0.02                                |                                  |                                  |   |                                  |
|          | BODIES CORPORATES  | 10,43,59,304         | 14.90                               |                                  |                                  |   |                                  |
|          | Sub- Total (B) (2)   | 26,83,09,769         | 38.32                               |                                  |                                  |   |                                  |
|          | Total Public Unit holding (B) = (B)(1)+(B)<br>(2)                    | 53,42,76,553         | 76.31                               |                                  |                                  |   |                                  |
|          | Total Units Outstanding (C) = (A) + (B)                              | 70,01,78,485         | 100.00                              |                                  |                                  |   |                                  |

# 6) Listing Details

| Name and address of the Stock exchange                | Security Type          | Scrip Code/Symbol | ISIN code    |
|---|------------------------|-------------------|--------------|
| BSE Limited (BSE)                                     | Units                  | 540565            | INE219X23014 |
| Phiroze Jeejeebhoy                                    | NCD (privately placed) | 958219            | INE219X07017 |
| Towers, Dalal Street,<br>Mumbai - 400 001             | NCD (privately placed) | 958599            | INE219X07025 |
|   | NCD (privately placed) | 958915            | INE219X07058 |
|   | NCD (privately placed) | 958939            | INE219X07066 |
|   | NCD (privately placed) | 959596            | INE219X07090 |
|   | NCD (privately placed) | 959985            | INE219X07108 |
|   | NCD (privately placed) | 960229            | INE219X07116 |
|   | NCD (privately placed) | 960381            | INE219X07124 |
|   | NCD (privately placed) | 960382            | INE219X07132 |
|   | NCD (privately placed) | 973269            | INE219X07298 |
|   | NCD (privately placed) | 973450            | INE219X07306 |
|   | NCD (privately placed) | 973766            | INE219X07330 |
|   | NCD (privately placed) | 974071            | INE219X07348 |
|   | NCD (public)           | 937519            | INE219X07173 |
|   |                        | 937521            | INE219X07181 |
|   |                        | 937523            | INE219X07199 |
|   |                        | 937525            | INE219X07207 |
|   |                        | 937527            | INE219X07215 |
|   |                        | 937529            | INE219X07223 |
|   |                        | 937531            | INE219X07231 |
|   |                        | 937533            | INE219X07249 |
|   |                        | 937535            | INE219X07256 |
|   |                        | 937537            | INE219X07264 |
|   |                        | 937539            | INE219X07272 |
|   |                        | 937541            | INE219X07280 |
| National Stock Exchange of                            | Units                  | INDIGRID          | INE219X23014 |
| India Limited (NSE)                                   | NCD(Public)            | INDIGRID/NA       | INE219X07173 |
| Exchange Plaza, Plot No.                              |                        | INDIGRID/NB       | INE219X07181 |
| C/1, G-Block, Bandra Kurla<br>Complex, Bandra (East), |                        | INDIGRID/NC       | INE219X07199 |
| Mumbai - 400 051                                      |                        | INDIGRID/ND       | INE219X07207 |
| Trial Too oo T  |                        | INDIGRID/NE       | INE219X07215 |
|   |                        | INDIGRID/NF       | INE219X07223 |
|   |                        | INDIGRID/NG       | INE219X07231 |
|   |                        | INDIGRID/NH       | INE219X07249 |
|   |                        | INDIGRID/NI       | INE219X07256 |
|   |                        | INDIGRID/NJ       | INE219X07264 |
|   |                        | INDIGRID/NK       | INE219X07272 |
|   |                        | INDIGRID/NL       | INE219X07280 |

#### 7) Address for Correspondence including Investors Grievances

# Principal Place of Business and Contact Details of the Trust:

#### **India Grid Trust**

SEBI Reg. No.-IN/InvIT/16-17/0005 Unit No. 101, First Floor, Windsor, Village KoleKalyan, off CST Road, Vidyanagari Marg, Kalina, Santacruz (East), Mumbai – 400 098

Company Secretary & Compliance Officer:

Mr. Urmil Shah Tel: +91 70284 93885

E-mail: complianceofficer@indigrid.com Website: http://www.indigrid.co.in

# Registered Office and Contact Details of the Investment Manager.

IndiGrid Investment Managers Limited CIN: U28113MH2010PLC308857 Unit No. 101, First Floor, Windsor, Village KoleKalyan, off CST Road, Vidyanagari Marg, Kalina, Santacruz (East), Mumbai – 400 098

Tel: +91 70284 93885

Email: complianceofficer@indigrid.com Contact Person: Mr. Urmil Shah

#### **Registered Office and Contact Details of RTA**

KFIN Technologies Limited (Unit: India Grid Trust)

Karvy Selenium Tower B, Plot No. 31-32, Gachibowli,

Financial District, Nanakramguda,

Hyderabad - 500 032 Tel: +91 40 3321 5205

For queries pertaining to Units of IndiGrid-E-mail: support.indiagrid@kfintech.com For queries pertaining to NCDs of IndiGrid-

E-mail: einward.ris@kfintech.com

#### **Investor Relations**

Ms. Meghana Pandit Tel: +91 70284 93885

For queries pertaining to Units of IndiGrid-E-mail: investor.relations@indigrid.com For queries pertaining to NCDs of IndiGrid-

E-mail: PublicNCD@indigrid.com

# **General Disclosures**

- Regulatory Except otherwise specified, during the period under review, there were no regulatory changes that has impacted or may impact cash flows of the underlying projects.
- Material Contracts Except otherwise specified, during the period under review, there were no changes in material contracts or any new risk in performance of any contract pertaining to the India Grid Trust.
- Legal Proceedings Except otherwise specified in this report or its Annexures, during the period under review, there were no legal proceedings which may have significant bearing on the activities or revenues or cash flows of the India Grid Trust.
- 4. Material Information and Events Except otherwise specified or disclosed to the Exchange from time to time, during the period under review, there were no material changes, events or material and price sensitive information to be disclosed for India Grid Trust.
- Material Litigation Except otherwise specified in this report or its annexures, there are no material litigation and actions by regulatory authorities, in each case against IndiGrid, the Sponsor(s) the Investment Manager, the Project Manager, or any of their

Associates and the Trustee that are currently pending. For material litigation, 5% of the consolidated revenue and/or its impact on IndiGrid's operation has been considered as the materiality threshold.

6. Issue and Buyback of Units

This is to confirm that, during the period under review, there was no buy back of any units by IndiGrid

# SUMMARY OF INDEPENDENT VALUATION

As per Securities and Exchange Board of India (Infrastructure Investment Trust), Regulations, 2014 (InvIT Regulations), IndiGrid is supposed to carry out independent valuation for its assets. Mr. S Sundararaman, Registered Valuer, has carried out yearly financial valuation of BDTCL, JTCL, MTL, RTCL, PKTCL, PTCL, NTL, OGPTL, ENICL, GPTL, JKTPL, PrKTCL, solar assets and NER-II at the enterprise level. Enterprise value is described as the total value of the equity in a business plus the value of its debt and debt related liabilities, minus any cash or cash equivalents to meet those liabilities.

#### **VALUATION APPROACH**

All assets, except JKTPL, are projects allotted under Build Own Operate and Maintain (BOOM) Model or Build Own Operate (BOO) Model and operate under PoC mechanism. The independent valuation of BDTCL, JTCL, MTL, RTCL, PKTCL, PTCL, NTL, OGPTL, ENICL, GPTL, JKTPL, PrKTCL, NER-II and Solar assets has been determined by the independent valuer using the discounted cash flow approach on the free cash flows of the assets. Kallam, being an underconstruction project, has been valued using Net Asset Value (NAV) approach

#### **Valuation Summary**

The independent valuation of the assets as of September 30, 2022 is summarized below:

|               | September 3                       | 0, 2022          | March 31                           | , 2022           | Septembe                           | mber 30, 2021 March 31, 2021 |                                    |                    | Septembe                           | r 30, 2020         | March 31, 2020                     |                    |
|---------------|-----------------------------------|------------------|------------------------------------|------------------|------------------------------------|------------------------------|------------------------------------|--------------------|------------------------------------|--------------------|------------------------------------|--------------------|
|               | Enterprise value<br>(INR billion) | WACC (%)         | Enterprise<br>Value<br>(₹ billion) | WACC<br>(%)      | Enterprise<br>Value<br>(₹ billion) | WACC<br>(%)                  | Enterprise<br>Value<br>(₹ billion) | WACC<br>(%)        | Enterprise<br>Value<br>(₹ billion) | WACC<br>(%)        | Enterprise<br>Value<br>(₹ billion) | WACC<br>(%)        |
| BDTCL         | 19.78                             | 8.00%            | 19.98                              | 7.90%            | 20.21                              | 7.92%                        | 20.40                              | 7.95%              | 19.12                              | 8.39%              | 18.56                              | 8.84%              |
| JTCL          | 16.39                             | 8.10%            | 16.23                              | 8.10%            | 16.28                              | 8.16%                        | 16.02                              | 8.19%              | 15.06                              | 8.61%              | 14.43                              | 9.09%              |
| MTL           | 6.00                              | 7.70%            | 5.98                               | 7.70%            | 5.95                               | 7.70%                        | 5.9                                | 7.73%              | 5.76                               | 8.13%              | 5.44                               | 8.61%              |
| RTCL          | 4.40                              | 7.60%            | 4.37                               | 7.60%            | 4.21                               | 7.61%                        | 4.2                                | 7.64%              | 4.15                               | 8.04%              | 4.01                               | 8.51%              |
| PKTCL         | 6.78                              | 7.60%            | 6.8                                | 7.60%            | 6.82                               | 7.61%                        | 6.83                               | 7.64%              | 6.7                                | 8.04%              | 6.44                               | 8.51%              |
| PTCL          | 2.61                              | 7.70%            | 2.61                               | 7.70%            | 2.38                               | 7.65%                        | 2.37                               | 7.69%              | 2.46                               | 8.09%              | 2.37                               | 8.56%              |
| NRSS          | 45.34                             | 7.60%            | 45.73                              | 7.60%            | 46.60                              | 7.54%                        | 46.81                              | 7.57%              | 45.36                              | 7.97%              | 43.91                              | 8.44%              |
| OGPTL         | 14.62                             | 7.80%            | 16.67                              | 7.70%            | 14.90                              | 7.68%                        | 14.79                              | 7.72%              | 14.64                              | 8.12%              | 14.10                              | 8.54%              |
| ENICL*        | 11.62                             | 8.1% to<br>11.9% | 11.8                               | 8.1% to<br>11.6% |                                    | 8.05%                        | 11.96                              | 8.09% to<br>11.28% | 11.44                              | 8.37%<br>to 11.17% | 10.95                              | 8.91% to<br>12.42% |
| GPTL          | 12.29                             | 7.70%            | 12.36                              | 7.70%            | 12.12                              | 7.58%                        | 12.22                              | 7.67%              | 11.41                              | 8.01%              |                                    |                    |
| JKTPL         | 3.11                              | 7.60%            | 3.17                               | 7.60%            | 2.98                               | 7.52%                        | 3.03                               | 7.60%              | 2.88                               | 8.43%              |                                    |                    |
| PrKTCL**      | 7.31                              | 7.90%            | 7.19                               | 7.90%            | 8.15                               | 7.82%                        | 8.56                               | 8.23%              |                                    |                    |                                    |                    |
| NER-II        | 53.96                             | 7.60%            | 53.29                              | 7.60%            | 53.73                              | 7.53%                        | 52.36                              | 7.61%              |                                    |                    |                                    |                    |
| IG - Solar I  | 3.31                              | 8.00%            | 3.38                               | 7.90%            | 3.60                               | 7.77%                        |                                    |                    |                                    |                    |                                    |                    |
| IG - Solar II | 3.60                              | 7.90%            | 3.67                               | 7.80%            | 3.79                               | 7.79%                        |                                    |                    |                                    |                    |                                    |                    |
| Kallam***     | 0.31                              | NA               | 0.21                               | NA               |                                    |                              |                                    |                    |                                    |                    |                                    |                    |
| Total         | 211.41                            |                  | 211.45                             |                  | 213.83                             | 7.73%                        | 205.46                             |                    | 139.01                             |                    | 120.21                             |                    |

#### Note

Valuation report of IndiGrid assets as on September 30, 2022 issued by. The valuation report can also be viewed on the Company's website and can be accessed via the link http://www.indigrid.co.in/download-investor.html

<sup>\*</sup>Only in case of ENICL, I have considered separate WACC for explicit period and terminal period.

<sup>\*\*</sup>PrKTCL operates under Cost Plus Mechanism where the period of services is not mentioned in TSA. I have considered a total period of 35 years of useful life based on CERC Tariff Regulations, 2019 and based on discussions with the Investment Manager

<sup>\*\*\*</sup>KTL project is currently under development. Hence due to the nascent stage of the project and considering the fact that the EPC contract for KTL is yet to be signed by KTL management, I find it appropriate to consider the Net Asset Value method for arriving at the enterprise value of KTL (comprising of the Capital WIP, Capital Advances and Net current assets as at the Valuation Date).

# **UNIT PRICE PERFORMANCE**

Units of IndiGrid were listed on June 06, 2017 on BSE and NSE. Unit price inched higher in H1 FY 2022-23, with total volume of trade at approximately 34.84 Million units. This translated to an average daily traded volume of approximately 0.28 Million units during the period. IndiGrid distributed  $\mathfrak{T} \sim \mathfrak{T}$  6.49/unit for H1 FY 2022-23.

# **Summary of Price and volume**

| Particulars   | BSE    | NSE    |
|---|--------|--------|
| Price Information (in ₹)  |        |        |
| Unit Price at the beginning of the period (Close price of April 01, 2022) | 149    | 149.38 |
| Unit Price at the close of the period (Close price of September 30, 2022) | 143.04 | 142.99 |
| Highest Unit Price (NSE & BSE-May 04, 2022)                               | 153.88 | 153.9  |
| Lowest Unit Price (NSE- June 01, 2022) (BSE- May 31, 2022)                | 135.55 | 135.50 |
| Volume Information  |        |        |
| Average Daily Volume Traded during the period (in Thousands)              | 40.82  | 236.92 |
| Total Average Daily Volume Traded (on both BSE and NSE) (in Thousands)    | 277.74 |        |

# **Summary of DPU**

| Period                  | DPU (₹/unit) |
|-------------------------|--------------|
| Q1 FY 2017-18           | 0.92         |
| Q2 FY 2017-18           | 2.75         |
| Q3 FY 2017-18           | 2.89         |
| Q4 FY 2017-18           | 3.00         |
| FY 2017-18*             | 9.56         |
| FY 2017-18 (annualised) | 11.47        |
| Q1 FY 2018-19           | 3.00         |
| Q2 FY 2018-19           | 3.00         |
| Q3 FY 2018-19           | 3.00         |
| Q4 FY 2018-19           | 3.00         |
| FY 2018-19              | 12.00        |
| Q1 FY 2019-20           | 3.00         |
| Q2 FY 2019-20           | 3.00         |
| Q3 FY 2019-20           | 3.00         |
| Q4 FY 2019-20           | 3.00         |
| FY 2019-20              | 12.00        |
| Q1 FY 2020-21           | 3.00         |
| Q2 FY 2020-21           | 3.00         |
| Q3 FY 2020-21           | 3.10         |
| Q4 FY 2020-21           | 3.10         |
| FY 2020-21              | 12.20        |
| Q1 FY 2021-22           | 3.1875       |
| Q2 FY 2021-22           | 3.1875       |
| Q3 FY 2021-22           | 3.1875       |
| Q4 FY 2021-22           | 3.1875       |
| FY 2021-22              | 12.75        |
| Q1 FY 2022-23           | 3.1875       |
| Q2 FY 2022-23           | 3.30         |

<sup>\*</sup> For an operational period of 10 months





# **CONSOLIDATED STATE MENT OF ASSETS AND LIABILITIES**

AS AT SEPTEMBER 30, 2022

|  | (All amounts in ₹ Million ur         | iess otnerwise stated)               |  |
|--|--------------------------------------|--------------------------------------|--|
|  | September 30, 2022<br>(₹ in Million) | September 30, 2021<br>(₹ in Million) |  |
| ASSETS   |                                      |                                      |  |
| Non-current assets                               |                                      |                                      |  |
| Property, plant and equipment                    | 1,64,425.98                          | 1,71,413.10                          |  |
| Intangible assets                                | 553.81                               | 9.63                                 |  |
| Capital work-in-progress                         | 96.84                                | 78.84                                |  |
| Other financial assets                           | 3,159.55                             | 3,476.58                             |  |
| Other non-current assets                         | 662.66                               | 348.21                               |  |
|  | 1,68,898.84                          | 1,75,326.36                          |  |
| Current assets                                   |                                      |                                      |  |
| Financial assets                                 |                                      |                                      |  |
| i. Investments                                   | 1,641.77                             | 4,528.05                             |  |
| ii. Trade receivables                            | 5,053.59                             | 3,897.39                             |  |
| iii. Cash and cash equivalents                   | 6,137.11                             | 5,399.78                             |  |
| iv. Bank Balances other than (iii) above         | 3,731.09                             | 1,872.08                             |  |
| v. Other financial assets                        | 2,569.18                             | 1,978.08                             |  |
| Other current assets                             | 78.56                                | 145.56                               |  |
|  | 19,211.30                            | 17,820.94                            |  |
| Total assets                                     | 1,88,110.14                          | 1,93,147.30                          |  |
| EQUITY AND LIABILITIES                           |                                      |                                      |  |
| Equity   |                                      |                                      |  |
| Unit capital                                     | 65,903.14                            | 65,903.15                            |  |
| Retained earnings/ (Accumulated deficit)         | (14,231.53)                          | (9,145.93)                           |  |
| Equity attributable to Non-controlling interests | 854.08                               | 742.91                               |  |
| Total unit holders' equity                       | 52,525.69                            | 57,500.13                            |  |
| Non-current liabilities                          |                                      |                                      |  |
| Financial liabilities                            |                                      |                                      |  |
| i. Borrowings                                    | 1,22,704.63                          | 1,18,023.98                          |  |
| ii. Leases                                       | 36.25                                | -                                    |  |
| ii. Other financial liabilities                  | 331.32                               | 384.99                               |  |
| Employee Benefit Obligations                     | 13.08                                | 0.97                                 |  |
| Deferred tax liabilities (net)                   | 1,073.58                             | 912.82                               |  |
|  | 1,24,158.86                          | 1,19,322.76                          |  |
| Current liabilities                              |                                      |                                      |  |
| Financial liabilities                            |                                      |                                      |  |
| i. Borrowings                                    | 7,044.10                             | _                                    |  |
| ii. Trade payables                               | 460.78                               | 257.59                               |  |
| iii. Other financial liabilities                 | 3,609.06                             | 15,861.27                            |  |
| Employee Benefit Obligations                     | 9.16                                 | 11.79                                |  |
| Other current liabilities                        | 302.49                               | 193.76                               |  |
|  | 11,425.59                            | 16,324.41                            |  |
| Total liabilities                                | 1,35,584.45                          | 1,35,647.17                          |  |
| Total equity and liabilities                     | 1,88,110.14                          | 1,93,147.30                          |  |

# **CONSOLIDATED STATEMENT OF PROFIT AND LOSS**

FOR THE HALF YEAR ENDED SEPTEMBER 30, 2022

| (All d  | Thearts in Civillien an                                   | css offici wise stated)                                   |  |
|---|---|---|--|
|   | April 01, 2022 to<br>September 30, 2022<br>(₹ in Million) | April 01, 2021 to<br>September 30, 2021<br>(₹ in Million) |  |
| INCOME  | ( m mmon)   | (   |  |
| Revenue from contracts with customers   | 11,419.00   | 11,018.61   |  |
| Income from investment in mutual funds  | 151.97  | 100.42  |  |
| Interest income on investment in fixed deposits   | 103.15  | 78.43   |  |
| Other finance income  | 0.53  | 1.51  |  |
| Other income  | 149.15  | 50.70   |  |
| Total income (I)  | 11,823.80   | 11,249.67   |  |
| EXPENSES  |   |   |  |
| Employee benefit expenses   | 178.10  | 132.05  |  |
| Other expenses  | 9,470.90  | 9,617.11  |  |
| Total expenses (II)   | 9,649.00  | 9,749.16  |  |
| Regulatory Deferral Income (III)  | 0.99  | 5.12  |  |
| PROFIT BEFORE TAX (I-II-III)  | 2,173.81  | 1,495.39  |  |
| Tax expense   |   |   |  |
| Current tax   | 61.83   | 18.19   |  |
| Deferred tax  | 23.13   | (13.71)   |  |
| Income tax for earlier years  | 0.16  | -   |  |
| Tax expense   | 85.12   | 4.48  |  |
| Profit for the year   | 2,088.69  | 1,490.91  |  |
| Other comprehensive income  |   |   |  |
| Other comprehensive income to be reclassified to profit or loss in subsequent periods     | -   | -   |  |
| Other comprehensive income not to be reclassified to profit or loss in subsequent periods | -   | -   |  |
| Other comprehensive income for the year   | -   | -   |  |
| Total comprehensive income for the year   | 2,088.69  | 1,490.91  |  |
| Profit for the year   | 2,088.69  | 1,490.91  |  |
| Attributable to:  |   |   |  |
| Unit holders  | 2,031.77  | 1,595.94  |  |
| Non-controlling interests   | 56.92   | (105.03)  |  |
| Other comprehensive income for the year   |   |   |  |
| Attributable to:  |   |   |  |
| Unit holders  | -   | -   |  |
| Non-controlling interests   | -   | -   |  |
| Total comprehensive income for the year   | 2,088.69  | 1,490.91  |  |
| Attributable to:  |   |   |  |
| Unit holders  | 2,031.77  | 1,595.94  |  |
| Non-controlling interests   | 56.92   | (105.03)  |  |

# **CONSOLIDATED STATEMENT OF EXPENSES**

FOR THE HALF YEAR ENDED SEPTEMBER 30, 2022

| (/1  | arriodrits in Civillion di                                | liess offierwise stated)                                  |
|--|---|---|
|  | April 01, 2022 to<br>September 30, 2022<br>(₹ in Million) | April 01, 2021 to<br>September 30, 2021<br>(₹ in Million) |
| Transmission infrastructure maintenance charges  | 176.03  | 178.22  |
| Legal and professional fees  | 49.75   | 41.41   |
| Annual Listing fees  | 11.37   | 9.79  |
| Rating fee   | 17.16   | 24.20   |
| Valuation expenses   | 3.11  | 1.80  |
| Trustee fee  | 6.00  | 2.37  |
| Payment to auditors  | 9.16  | 4.15  |
| Project manager fees   | 18.57   | 15.01   |
| Investment manager fees  | 221.19  | 215.53  |
| Rates and taxes  | 65.65   | 60.92   |
| Insurance expenses   | 102.24  | 141.84  |
| Power and fuel   | 27.03   | 21.46   |
| Vehicle hire charges   | 26.07   | 15.86   |
| Security charges   | 21.45   | 19.40   |
| Bay charges  | 70.04   | 35.83   |
| Corporate social responsibility  | 5.25  | 8.45  |
| Miscellaneous expenses   | 83.94   | 59.50   |
| Depreciation and amortisation expense  | 3,486.17  | 3,395.09  |
| Finance costs  | 5,070.72  | 5,391.86  |
| Impairment/(reversal of impairment) of property, plant and equipment and service concession receivable | -   | (25.58)   |



# **CONSOLIDATED STATEMENT OF BORROWINGS**

FOR THE HALF YEAR ENDED SEPTEMBER 30, 2022

#### A. STATEMENT OF NET ASSETS AT FAIR VALUE AS AT

| Particulars                          | IGT         | Total       |
|--------------------------------------|-------------|-------------|
| Borrowing including current maturity | 1,29,748.73 | 1,29,748.73 |

# STANDALONE STATEMENT OF ASSETS AND LIABILITIES

AS AT SEPTEMBER 30, 2022

|   | September 30, 2022<br>(₹ in Million) | September 30, 2021<br>(₹ in Million) |
|---|--------------------------------------|--------------------------------------|
| ASSETS  |                                      |                                      |
| Non-current assets  |                                      |                                      |
| Property, plant and equipment   | 0.70                                 | 1.13                                 |
| Intangible assets   | 69.81                                | 4.88                                 |
| Capital work-in-progress  | 1.18                                 | 52.50                                |
| Investment in subsidiaries  | 48,518.23                            | 49,893.41                            |
| Financial assets  |                                      |                                      |
| i. Loans  | 1,40,826.72                          | 1,28,496.60                          |
| ii. Other financial assets  | 38.90                                | 52.90                                |
| Non-current tax assets  | 36.67                                | 20.25                                |
|   | 1,89,492.21                          | 1,78,521.77                          |
| Current assets  |                                      |                                      |
| Financial assets  |                                      |                                      |
| i. Investments  | 1,289.79                             | 3,944.51                             |
| ii. Cash and cash equivalents   | 2,686.64                             | 2,162.34                             |
| iii. Bank Balances other than (iii) above   | 2,631.07                             | 1,604.40                             |
| iv. Other financial assets  | 4,376.04                             | 2,012.60                             |
| Other current assets  | 4.43                                 | -                                    |
|   | 10,987.97                            | 9,723.85                             |
| Total assets  | 2,00,480.18                          | 1,88,245.62                          |
| EQUITY AND LIABILITIES  |                                      |                                      |
| Equity  |                                      |                                      |
| Unit capital  | 65,903.15                            | 65,903.15                            |
| Retained earnings   | 2,878.43                             | 2,433.95                             |
| Total unit holders' equity  | 68,781.58                            | 68,337.10                            |
| Non-current liabilities   |                                      |                                      |
| Financial liabilities   |                                      |                                      |
| Borrowings  | 1,22,706.19                          | 1,16,059.51                          |
|   | 1,22,706.19                          | 1,16,059.51                          |
| Current liabilities   |                                      |                                      |
| Financial liabilities   |                                      |                                      |
| i. Borrowings   | 7,044.10                             | -                                    |
| ii. Trade payables  | -                                    | -                                    |
| a. Total outstanding dues of micro enterprises and small enterprises                      | -                                    | -                                    |
| b. Total outstanding dues of creditors other than micro enterprises and small enterprises | 40.97                                | -                                    |
| iii. Other financial liabilities  | 1,907.34                             | 3,799.33                             |
| Other current liabilities   |                                      | 49.68                                |
|   | 8,992.41                             | 3,849.01                             |
| Total liabilities   | 1,31,698.60                          | 1,19,908.52                          |
| Total equity and liabilities  | 2,00,480.18                          | 1,88,245.62                          |

# STANDALONE STATEMENT OF PROFIT AND LOSS

FOR THE HALF YEAR ENDED SEPTEMBER 30, 2022

| (rui c  | April 01, 2022 to  | April 01, 2021 to  |
|---|--------------------|--------------------|
|   | September 30, 2022 | September 30, 2021 |
|   | (₹ in Million)     | (₹ in Million)     |
| INCOME  |                    |                    |
| Revenue from contracts with customers   | 10,765.01          | 9,824.20           |
| Dividend Income from subsidiaries   | -                  | 282.66             |
| Income from investment in mutual funds  | 41.30              | 42.54              |
| Interest income on investment in fixed deposits   | 78.96              | 53.79              |
| Other finance income  | -                  | -                  |
| Other income  | -                  | -                  |
| Total income (I)  | 10,885.27          | 10,203.19          |
| EXPENSES  |                    |                    |
| Legal and Professional fees   | 21.35              | 12.88              |
| Annual Listing fee  | 11.37              | 9.79               |
| Rating fee  | 17.08              | 22.32              |
| Valuation expenses  | 2.78               | 1.77               |
| Trustee fee   | 4.70               | 1.18               |
| Payment to auditors   | 1.51               | 1.42               |
| Other expenses  | 15.94              | 4.93               |
| Depreciation expense  | 6.14               | 0.38               |
| Impairment of property, plant and equipment   | _                  | _                  |
| Right issue expenses reclassified   | -                  | _                  |
| Finance costs   | 4,958.58           | 4,712.38           |
| (Reversal of impairment)/ Impairment of investment in subsidiaries                        | 700.79             | 532.66             |
| Total expenses (II)   | 5,740.24           | 5,299.71           |
| PROFIT BEFORE TAX (I-II)  | 5,145.03           | 4,903.48           |
| Current tax   | 17.65              | 18.19              |
| Income tax for earlier years  | 0.08               | _                  |
| Tax expense   | 17.73              | 18.19              |
| Profit for the year   | 5,127.30           | 4,885.29           |
| Other comprehensive income  |                    |                    |
| Other comprehensive income to be reclassified to profit or loss in subsequent periods     | -                  | -                  |
| Other comprehensive income not to be reclassified to profit or loss in subsequent periods | -                  | -                  |
| Other comprehensive income for the year   |                    | _                  |
| Total comprehensive income for the year   | 5,127.30           | 4,885.29           |

# SEBI REGISTRATION NUMBER: IN/INVIT/16-17/0005

# **UNAUDITED CONSOLIDATED FINANCIAL RESULTS**

FOR THE QUARTER AND SIX MONTHS ENDED SEPTEMBER 30, 2022

|   |               |               | (,            | All amounts in <b>t</b> | Million unless oth | erwise stateu,    |
|---|---------------|---------------|---------------|-------------------------|--------------------|-------------------|
| Particulars   | Quarter ended | Quarter ended | Quarter ended | Six months ended        | Six months ended   | Year ended        |
|   | September 30, | June 30,      | September 30, | September 30,           | September 30,      | March 31,         |
|   | 2022          | 2022          | 2021          | 2022                    | 2021               | 2022<br>(Audited) |
| LINOOME   | (Unaudited)   | (Unaudited)   | (Unaudited)   | (Unaudited)             | (Unaudited)        | (Audited)         |
| I. INCOME   | E 010 1E      | E COO OE      |               | 11 410 00               | 11 010 01          | 22.221.83         |
| Revenue from contracts with customers (refer note 3 and 4)  | 5,810.15      | 5,608.85      | 5,474.73      | 11,419.00               | 11,018.61          |                   |
| Income from investment in mutual funds  | 90.14         | 61.83         | 39.42         | 151.97                  | 100.42             | 193.62            |
| Interest income on investment in fixed deposits   | 43.73         | 59.42         | 34.03         | 103.15                  | 78.43              | 146.37            |
| Other finance income  | 0.48          | 0.05          | 0.93          | 0.53                    | 1.51               | 9.48              |
| Other income  | 14.63         | 134.52        | 50.65         | 149.15                  | 50.70              | 173.11            |
| Total income (I)  | 5,959.13      | 5,864.67      | 5,599.76      | 11,823.80               | 11,249.67          | 22,744.41         |
| II. EXPENSES  |               |               |               |                         |                    |                   |
| Transmission infrastructure maintenance charges   | 86.21         | 89.82         | 93.04         | 176.03                  | 178.22             | 441.51            |
| Insurance expenses  | 49.90         | 52.34         | 72.41         | 102.24                  | 141.84             | 252.43            |
| Legal and professional fees   | 26.16         | 23.59         | 17.48         | 49.75                   | 41.41              | 176.12            |
| Rates and taxes   | 20.41         | 45.24         | 28.98         | 65.65                   | 60.92              | 96.50             |
| Investment manager fees (refer note 9)  | 113.79        | 107.40        | 107.32        | 221.19                  | 215.53             | 434.12            |
| Project manager fees (refer note 8)   | 9.57          | 9.00          | 7.70          | 18.57                   | 15.01              | 29.77             |
| Vehicle hire charges  | 14.50         | 11.57         | 7.67          | 26.07                   | 15.86              | 36.87             |
| Valuation expenses  | 0.61          | 2.50          | 1.07          | 3.11                    | 1.80               | 8.58              |
| Trustee fees  | 1.00          | 5.00          | 0.59          | 6.00                    | 2.37               | 4.63              |
| Payment to auditors (including for subsidiaries)  |               |               |               |                         |                    |                   |
| - Statutory audit   | 4.40          | 2.59          | 1.84          | 6.99                    | 3.80               | 13.98             |
| Other services (including tax audit and certifications)   | 1.05          | 1.12          | -             | 2.17                    | 0.35               | 5.72              |
| Other expenses  | 72.25         | 163.99        | 77.75         | 236.24                  | 178.63             | 354.81            |
| Employee benefit expenses   | 78.55         | 99.55         | 67.50         | 178.10                  | 132.05             | 288.35            |
| Depreciation and amortisation expense   | 1,689.78      | 1,796.39      | 1,782.71      | 3,486.17                | 3,395.09           | 6,654.86          |
| (Reversal of impairment)/Impairment of property, plant and equipment and service concession receivable (refer note 7) | -             | -             | -             | -                       | (25.58)            | (54.97)           |
| Finance costs   | 2,499.43      | 2,571.29      | 2,666.79      | 5,070.72                | 5,391.86           | 10,501.48         |
| Total expenses (II)   | 4,667.61      | 4,981.39      | 4,932.85      | 9,649.00                | 9,749.16           | 19,244.76         |
| Regulatory Deferral Expense/(Income)  | 0.48          | 0.51          | 9.11          | 0.99                    | 5.12               | 6.93              |
| Profit before tax (I-II)  | 1,291.04      | 882.77        | 657.80        | 2,173.81                | 1,495.39           | 3,492.72          |
| Tax expense:  |               |               |               |                         |                    |                   |
| - Current tax   | 29.73         | 32.10         | (22.23)       | 61.83                   | 18.19              | 43.66             |
| - Deferred tax  | 3.18          | 19.95         | (1.69)        | 23.13                   | (13.71)            | 10.97             |
| - Income tax for earlier years  | 0.16          | -             | -             | 0.16                    | -                  | 5.34              |
|   | 33.07         | 52.05         | (23.92)       | 85.12                   | 4.48               | 59.97             |
| Profit for the period / year  | 1,257.97      | 830.72        | 681.72        | 2,088.69                | 1,490.91           | 3,432.75          |
| Other comprehensive income  |               |               |               |                         |                    |                   |
| Other comprehensive income to be reclassified to profit or loss in subsequent periods                                 | -             | -             | -             | -                       | -                  | -                 |
| Other comprehensive income not to be reclassified to profit or loss in subsequent periods                             | -             | -             | -             | -                       | -                  | (0.80)            |
| Total comprehensive income  | 1,257.97      | 830.72        | 681.72        | 2,088.69                | 1,490.91           | 3,433.55          |
| Profit for the period/ year   | ,             |               |               | ,                       | ,                  | ,                 |
| Attributable to:  |               |               |               |                         |                    |                   |
| Unit holders  | 1,222.26      | 809.51        | 743.38        | 2,031.77                | 1,595.94           | 3,484.12          |
| Non-controlling interests   | 35.71         | 21.21         | (61.66)       | 56.92                   | (105.03)           | (51.37)           |



#### SEBI REGISTRATION NUMBER: IN/INVIT/16-17/0005

Unaudited consolidated financial results for the quarter and six months ended September 30, 2022 (Contd.)

| Particulars  | Quarter ended<br>September 30,<br>2022 | Quarter ended<br>June 30,<br>2022 | Quarter ended<br>September 30,<br>2021 |             | Six months ended<br>September 30,<br>2021 | Year ended<br>March 31,<br>2022 |
|--|--|-----------------------------------|--|-------------|---|---------------------------------|
|  | (Unaudited)                            | (Unaudited)                       | (Unaudited)                            | (Unaudited) | (Unaudited)                               | (Audited)                       |
| Other comprehensive income for the period/ year                            |  |                                   |  |             |   |                                 |
| Attributable to:   |  |                                   |  |             |   |                                 |
| Unit holders   | -                                      | -                                 | _                                      | -           | -   | (0.46)                          |
| Non-controlling interests  | -                                      | -                                 | _                                      | -           | -   | (0.34)                          |
| Total comprehensive income for the period/ year                            |  |                                   |  |             |   |                                 |
| Attributable to:   |  |                                   |  |             |   |                                 |
| Unit holders   | 1,222.26                               | 809.51                            | 743.38                                 | 2,031.77    | 1,595.94                                  | 3,484.58                        |
| Non-controlling interests  | 35.71                                  | 21.21                             | (61.66)                                | 56.92       | (105.03)                                  | (51.03)                         |
| Earnings per unit (₹ per unit) (refer note E under additional disclosures) |  |                                   |  |             |   |                                 |
| - Basic  | 1.71                                   | 1.19                              | 1.06                                   | 2.90        | 2.33                                      | 5.03                            |
| - Diluted  | 1.71                                   | 1.19                              | 1.06                                   | 2.90        | 2.33                                      | 5.03                            |

#### NOTES:

- 1) The above consolidated financial results for the quarter and six months ended ended September 30, 2022 has been reviewed and approved by the Audit Committee and Board of Directors of Indigrid Investment Managers Limited ('Investment Manager') at its meeting held on November 10, 2022.
- a) The unaudited consolidated interim financial information comprises of the Statement of Profit and Loss and notes thereon of India Grid Trust, for the quarters ended September 30, 2022 and September 30, 2021 ("Interim Financial Information"). The Interim financial Information has been prepared in accordance with recognition and measurement principles laid down in Indian Accounting Standard 34- Interim Financial Reporting (Ind AS 34), as presribed in Rule 2(1)(a) of the Companies (Indian Accounting Standards) Rules, 2015 (as amended) and other accounting principles generally accepted in India, to the extent not inconsistent with the Securities and Exchange Board of India (Infrastructure Investment Trusts) Regulations, 2014, as amended, including any guidelines and circulars issued thereunder ("InvIT Regulations").
- 3) On June 17, 2022, the 400kV Silchar-Misa transmission line of NER II Transmission Limited (NER) was rendered inoperable due to flooding in the Kopili river in Assam which damaged certain towers. The Company has restored damaged towers through the Emergency Restoration System (ERS) and made transmission line operable on July 23, 2022 (Ckt 1) and on September 16, 2022 (Ckt 2). The Company has claimed this event as a force majeure event under the Transmission Services Agreement. Based on availability certificates received till Q2, Company has reversed the revenue loss of ₹ 113.12 million (considered in Q1) in the current quarter. The permanent restoration work of the damaged towers is in progress and expected to be completed during Q4 of the current year. The Company has a valid insurance policy which covers the replacement cost in respect of the loss incurred and the management is confident that the claim for the loss is tenable under the said insurance policy. Company has intimated the insurance company about this incident and will file the claim when permanent restoration is done. The Company has not recognised any insurance claims in the quarter and six months ended September 30, 2022 and will recognise once the claim is approved.
- 4) a. Revenue and corresponding expenses included in the consolidated financial results for various periods may not be comparable on account of acquisitions done by the Group during the respective periods as mentioned below
  - i. The Group acquired 49% paid up equity capital of NER II Transmission Limited ("NER") with effect from March 25, 2021 from Sterlite Power Transmission Limited (SPTL) and Sterlite Grid 4 Limited ('SGL4') and as on March 31, 2021 the Trust has paid additional consideration equivalent to 25% of the total consideration as an advance which would be adjusted towards payable for acquisition of 25% of equity stake. Further in the quarter ended June 30, 2021, the Group paid additional consideration equivalent to the balance 26% of the total consideration which would be adjusted towards the balance equity stake. Considering the rights available to the Group as per SPA, the Group has concluded that it controls NER. Accordingly, the Group has consolidated NER as a wholly owned subsidiary from June 30, 2021.
  - ii. The Group acquired 100% paid up equity capital of IndiGrid Solar-I (AP) Private Limited (formerly known as FRV Andhra Pradesh Solar Farm-I Private Limited) ('ISPL1') and IndiGrid Solar-II (AP) Private Limited (formerly FRV India Solar Park-II Private Limited) ('ISPL2') with effect from 13 July 2021 from from FRV Solar Holdings XI B.V. and Fotowatio Renewable Ventures S.L. Considering the rights available to the Group as per Share Purchase Agreement, the Group has concluded that it controls ISPL1 and ISPL2. Accordingly, the Group has consolidated ISPL1 and ISPL2 as wholly owned subsidiaries from July 13, 2021. In the current quarter, the Group has concluded the acquisition accounting for these entities which was earlier done on a provisional basis as per IND AS 103 "Business Combinations" and no significant changes were made to the accounting done in the consolidated financial information as a result of this.

#### SEBI REGISTRATION NUMBER: IN/INVIT/16-17/0005

### Unaudited consolidated financial results for the quarter and six months ended September 30, 2022 (Contd.)

- b. The letter of intent for development of Kallam Transmission Limited (KTL) is awarded to consortium of IGL1 and IGL2 ("IndiGrid Consortium") by the REC Power Development and Consultancy Limited (formerly known as REC Power Distribution Company Limited) on November 30, 2021 for a 35-year period from the scheduled commercial operation date, on a Build, Own, Operate and Maintain model. IndiGrid Consortium acquired the project on December 28, 2021 pursuant to Share Purchase Agreement ("SPA"). The project is currently under development with scheduled commissioning on June 27, 2023.
- 5) Parbati Koldam Transmission Company Limited (PrKTCL), a subsidiary company, has filed a tariff petition with Central Electricity Regulatory Commission("CERC") during the previous year. Such tariff petition has been filed by PrKTCL for true up of the revenue for the financial years 2014-2015 to 2018-2019 and for determining the tariffs for the financial years 2019-2020 to 2023-2024 which is yet to be disposed off by CERC. Accordingly, revenue for the quarter and half year ended September 30, 2022 amounting to ₹ 352.41 Million (September 30, 2021 ₹ 363.89 Million) and ₹ 698.90 Million (September 30, 2021 ₹ 718.82 Million) has been recognised based on tariff petition filed by PrKTCL.
- The Code on Social Security, 2020 ('Code') relating to employee benefits during employment and post-employment benefits received Presidential assent on September 28, 2020. The Code has been published in the Gazette of India. While section 142 of the Code pertaining to mandatorily registering Aadhar by beneficiaries has come into force on May 03, 2021, however, the date on which the entire Code will come into effect has not been notified and the final rules/interpretation have not yet been issued. The Group will assess the impact of the Code when it comes into effect and will record any related impact in the period the Code becomes effective. Based on a preliminary assessment, the Group believes the impact of the change will not be significant.
- 7) The provision for impairment/(reversal) of impairment of property plant equipment and service concession is made based on the difference between the carrying amounts and the recoverable amounts. The recoverable amount of the investments in subsidiaries has been computed by external independent valuation experts based on value in use calculation for the underlying projects (based on discounted cash flow model). On a periodic basis, according to the recoverable amounts of individual portfolio assets computed by the valuation experts, the Trust tests impairment on the amounts invested in the respective subsidiary companies. The valuation exercise so carried out considers various factors including cash flow projections, changes in interest rates, discount rates, risk premium for market conditions, etc. Based on the valuation exercise so carried out, there is a net impairment of ₹ Nil for the quarter ended September 30, 2022, net impairment of ₹ Nil for the quarter ended September 30, 2021, and net impairment reversal of ₹ 54.97 Million for the year ended March 31, 2022, which is primarily on account of maturity of the SPV assets.
- 8) Pursuant to the Project Implementation and Management Agreement dated June 30, 2021 as amended, Project Manager is entitled to fees @ 7% of gross expenditure (quarter ended June 30, 2021 : 7% of gross expenditure, quarter and year ended March 31, 2022: 7% of gross expenditure) incurred by each SPV (other than Jhajjar KT Transco Private Limited ('JKTPL')) in relation to operation and maintenance costs per annum. Pursuant to the approval of Board of Directors of Investment Manager, the Group has appointed IndiGrid Limited ('IGL') as Project Manager for all Project SPVs from the quarter ended June 30, 2021. Pursuant to the Project Implementation and Management Agreement dated September 28, 2020 as amended, Project Manager (IGL) is entitled to fees basis fixed contract price for JKTPL in relation to operation and maintenance costs per annum. There are no changes in the methodology of computation of fees paid to Project Manager.
- 9) Pursuant to the Investment Management Agreement dated September 28, 2020 as amended, Investment Manager is entitled to fees @ 1.75% of difference between revenue from operations and operating expenses (other than fees of the Investment Manager) of each SPV per annum. For this purpose, operating expenses would not include depreciation, finance costs and income tax expense. There are no changes in the methodology of computation of fees paid to Investment Manager.
- 10) The Board of Directors of the Investment Manager approved a distribution of ₹ 3.30 per unit for the period July 01, 2022 to September 30, 2022 to be paid on or before 15 days from the date of declaration.
- a. The Trust offered an issue of up to 116,695,404 units of India Grid Trust ("Indigrid" and such units, the "units"), for cash at a price of ₹ 110.00 per unit (the "issue price"), aggregating to ₹ 12,836.49 Million to the eligible unitholders (as defined in the Letter of Offer) on a rights basis. The issue opened on April 06, 2021 and closed on April 13, 2021, which was extended to April 16, 2021. Issue expenses of ₹ 79.03 Million incurred in connection with issue of units have been reduced from the Unitholders capital as at March 31, 2022 in accordance with Ind AS 32 Financial Instruments: Presentation.
  - b. The Trust filed a Draft Shelf Prospectus ("DSP") on April 08, 2021, Shelf Prospectus and Tranche 1 Prospectus on April 26, 2021 for the public issue by the India Grid Trust (the "Trust") of secured, rated, listed, redeemable non-convertible debt securities of face value of ₹ 1,000 each ("NCDs") for an amount aggregating upto ₹ 1,000 Million (the "Shelf Limit"). The issue opened on April 28, 2021 and closed on April 30, 2021. The issue date of NCD was recorded as May 06, 2021. There have been no material deviations in the use of proceeds of issue of debt securities from the objects stated in the offer document.
- 12) The Group has entered into a Share Purchase Agreement with Simplex Infrastructure Limited, Patel Engineering Limited and BS Limited dated 30 July 2022 to acquire 100% paid up equity capital along with liabilities of Raichur Sholapur Transmission Company Private Limited ('RSTCPL') for an enterprise value (EV) not exceeding ₹ 2,500 millions, subject to relevant approvals and completion of contractual obligations. Pending completion of this transaction as on the reporting date, the acquisition of RSTCPL is not yet effective as at 30 September 2022. Further, on 9 November 2022 the Group has completed acquisition of 49% of paid-up capital and management control of RSTCPL and the remaining shareholding will be acquired in accordance with the terms of the agreement.

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# 13) ADDITIONAL DISCLOSURES AS REQUIRED BY PARAGRAPH 6 OF ANNEXURE A TO THE SEBI CIRCULAR NO. CIR/IMD/DF/127/2016

#### A) Statement of Net Distributable Cash Flows (NDCFs) of India Grid Trust

| Particulars   | Quarter ended<br>September 30,<br>2022 | Quarter ended<br>June 30,<br>2022 | Quarter ended<br>September 30,<br>2021 | Six months ended<br>September 30,<br>2022 | Six months ended<br>September 30,<br>2021 | Year ended<br>March 31, |
|---|--|-----------------------------------|--|---|---|-------------------------|
|   | (Unaudited)                            | (Unaudited)                       | (Unaudited)                            | (Unaudited)                               | (Unaudited)                               | 2022<br>(Audited)       |
| Cash flows received from the Portfolio  | 4,842.70                               | 3,761.85                          | 4,142.44                               | 8,604.55                                  | 8,081.34                                  | 16,885.69               |
| Assets in the form of interest  | 4,042.70                               | 3,701.03                          | 4,142.44                               | 6,004.55                                  | 0,001.34                                  | 10,005.09               |
| Cash flows received from the Portfolio  |  | -                                 | 80.76                                  | -   | 282.66                                    | 282.66                  |
| Assets in the form of dividend  |  |                                   | 00.10                                  |   | 202.00                                    | 202.00                  |
| Any other income accruing at IndiGrid   | 57.61                                  | 62.65                             | 38.44                                  | 120.26                                    | 96.33                                     | 161.96                  |
| level and not captured above, including   |  |                                   |  |   |   |                         |
| but not limited to interest/return on   |  |                                   |  |   |   |                         |
| surplus cash invested by IndiGrid   |  |                                   |  |   |   |                         |
| Cash flows received from the Portfolio  | 176.19                                 | 211.69                            | 848.01                                 | 387.88                                    | 2,570.22                                  | 4,132.52                |
| Assets towards the repayment of the debt issued to the Portfolio Assets by IndiGrid |  |                                   |  |   |   |                         |
| Proceeds from the Portfolio Assets for a  | -                                      | -                                 | -                                      | -   | -   |                         |
| capital reduction by way of a buy back or   |  |                                   |  |   |   |                         |
| any other means as permitted, subject to applicable law                             |  |                                   |  |   |   |                         |
| Proceeds from sale of assets of the   | -                                      | -                                 | -                                      | -   | -   | -                       |
| Portfolio Asset not distributed pursuant  |  |                                   |  |   |   |                         |
| to an earlier plan to re-invest, or if such   |  |                                   |  |   |   |                         |
| proceeds are not intended to be invested subsequently                               |  |                                   |  |   |   |                         |
| Total cash inflow at the IndiGrid level (A)   | 5,076.50                               | 4,036.19                          | 5,109.65                               | 9,112.69                                  | 11,030.55                                 | 21,462.83               |
| Less: Any payment of fees, interest   | (2,470.77)                             | (2,552.25)                        | (2,903.99)                             | (5,023.02)                                | (4,650.22)                                | (9,371.42)              |
| and expense incurred at IndiGrid level,   | (2,410.11)                             | (2,002.20)                        | (2,300.33)                             | (0,020.02)                                | (4,030.22)                                | (3,311.42)              |
| including but not limited to the fees of the  |  |                                   |  |   |   |                         |
| Investment Manager and Trustee (refer   |  |                                   |  |   |   |                         |
| note i and ii)  |  |                                   |  |   |   |                         |
| Less: Costs/retention associated with   | -                                      | -                                 | -                                      | -   | -   | -                       |
| sale of assets of the Portfolio Assets:   |  |                                   |  |   |   |                         |
| - related debts settled or due to   | -                                      | -                                 | -                                      | -   | -   | -                       |
| be settled from sale proceeds of  |  |                                   |  |   |   |                         |
| Portfolio Assets;   |  |                                   |  |   |   |                         |
| - transaction costs paid on sale of the assets of the Portfolio Assets; and         | -                                      | -                                 | -                                      | -   | -   | -                       |
| - capital gains taxes on sale of assets/  |  |                                   |  |   |   |                         |
| shares in Portfolio Assets/ other   | -                                      | -                                 | _                                      | -   | -   | -                       |
| investments.  |  |                                   |  |   |   |                         |
| Less: Proceeds reinvested or planned  |  | -                                 |  | -   |   |                         |
| to be reinvested in accordance with   |  |                                   |  |   |   |                         |
| Regulation 18(7)(a) of the InvIT  |  |                                   |  |   |   |                         |
| Regulations   |  |                                   |  |   |   |                         |
| Less: Repayment of external debt at the   | -                                      | -                                 | -                                      | -   | -   | -                       |
| IndiGrid level and at the level of any of   |  |                                   |  |   |   |                         |
| the underlying portfolio assets/special   |  |                                   |  |   |   |                         |
| purpose vehicles (Excluding refinancing)  | (7.0.7.0)                              | ·                                 |  | (4 )                                      | (4.0.4.0)                                 | (00.00)                 |
| Less: Income tax (if applicable) at the standalone IndiGrid level                   | (10.12)                                | (7.61)                            | (9.34)                                 | (17.73)                                   | (18.19)                                   | (23.62)                 |
| Less: Amount invested in any of the   | (31.41)                                | (109.51)                          | 44.87                                  | (140.92)                                  | (1,889.12)                                | (2,609.64)              |
| Portfolio Assets for service of debt or interest                                    |  |                                   |  |   |   |                         |
| Less: Repair work in relation to the  | -                                      | -                                 | -                                      |   | -   | (35.00)                 |
| projects undertaken by any of the   |  |                                   |  |   |   | ()                      |
| Portfolio Assets  |  |                                   |  |   |   |                         |
| Total cash outflows / retention at<br>IndiGrid level (B)                            | (2,512.30)                             | (2,669.37)                        | (2,868.46)                             | (5,181.67)                                | (6,557.53)                                | (12,039.68)             |
| Net Distributable Cash Flows (C) = (A+B)  | 2,564.20                               | 1,366.82                          | 2,241.19                               | 3,931.02                                  | 4,473.02                                  | 9,423.15                |

Notes :

<sup>.</sup> Does not include interest accrued but not due for quarter and six months ended September 30, 2022 of ₹ Nil Million (quarter ended June 30, 2022 of ₹ Nil Million, quarter ended September 30, 2021 of ₹ 57.72 Million, six months ended September 30, 2021 of ₹ 164.58 Million and year ended March 31, 2022: ₹ Nil Million) related to market linked non convertible debentures ('MLDs') which was payable on maturity of these MLDs from 2022 to 2024.

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# B) Statement of Net Distributable Cash Flows (NDCFs) of underlying Holdcos and SPVs

# (i) IndiGrid Limited (formerly known as Sterlite Grid 1 Limited) (Holdco)

| Particulars  | Quarter ended<br>September 30,<br>2022 | Quarter ended<br>June 30,<br>2022 | Quarter ended<br>September 30,<br>2021 | Six months ended<br>September 30,<br>2022 | Six months ended<br>September 30,<br>2021 | Year ended<br>March 31,<br>2022 |
|--|--|-----------------------------------|--|---|---|---------------------------------|
|  | (Unaudited)                            | (Unaudited)                       | (Unaudited)                            | (Unaudited)                               | (Unaudited)                               | (Audited)                       |
| Profit/(loss) after tax as per profit and loss account (A)   | (106.47)                               | (55.06)                           | (149.95)                               | (161.53)                                  | (330.44)                                  | (960.78)                        |
| Add: Depreciation, impairment and amortisation   | 9.94                                   | 7.95                              | 5.87                                   | 17.89                                     | 10.73                                     | 25.16                           |
| Add/Less: Decrease/(increase) in working capital   | 92.42                                  | (152.24)                          | (38.98)                                | (59.82)                                   | (79.58)                                   | (31.28)                         |
| Add: Interest accrued on loan/non-<br>convertible debentures issued to IndiGrid  | 128.50                                 | 119.52                            | 132.18                                 | 248.02                                    | 308.96                                    | 537.24                          |
| Add/less: Loss/gain on sale of infrastructure assets   | -                                      | -                                 | -                                      | -   | -   | -                               |
| Add: Proceeds 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<br>reinvested as per Regulation 18(7)(a)<br>of the InvIT Regulations  | -                                      | -                                 | -                                      | -   | -   | -                               |
| Add: Proceeds 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  | -                                      | -                                 | 10.12                                  | -   | -   | -                               |
| Add/less: Any other item of non-cash expense / non cash income (net of actual cash flows for these items)  | -                                      | -                                 | -                                      | -   | -   | -                               |
| <ul> <li>any decrease/increase in carrying<br/>amount of an asset or a liability<br/>recognised in profit and loss account<br/>on measurement of the asset or the<br/>liability at fair value;</li> </ul>                                  | -                                      | -                                 | -                                      | -   | -   | _                               |
| <ul> <li>interest cost as per effective interest<br/>rate method (difference between<br/>accrued and actual paid);</li> </ul>  | -                                      | -                                 | -                                      | -   | -   | -                               |
| - deferred tax;  | (24.65)                                | (24.32)                           | (29.17)                                | (48.97)                                   | (69.98)                                   | 187.60                          |
| <ul> <li>unwinding of Interest cost on Non<br/>convertible debentures issued at<br/>interest rate lower than market rate of<br/>interest</li> </ul>  | -                                      | -                                 | _                                      | -   | -   | -                               |
| <ul> <li>portion reserve for major<br/>maintenance which has not been<br/>accounted for in profit and loss<br/>statement;</li> </ul>   | -                                      | -                                 | -                                      | -   | -   | -                               |
| <ul> <li>reserve for debenture/ loan<br/>redemption (Excluding any reserve<br/>required by any law or as per lender's<br/>agreement)</li> </ul>  | -                                      | -                                 | -                                      | -   | -   | -                               |
| Amortisation of Upfront fees   | -                                      | -                                 | -                                      | -   | -   | -                               |
| Less: Repayment of external debt<br>(principal) / redeemable preference<br>shares / debentures, etc. (Excluding<br>refinancing) / net cash set aside to<br>comply with DSRA requirement under<br>loan agreements                           | -                                      | -                                 | -                                      | _   | -   | _                               |
| Total Adjustments (B)  | 206.21                                 | (49.09)                           | 80.02                                  | 157.12                                    | 170.13                                    | 718.72                          |
| Net Distributable Cash Flows (C) = (A+B)   | 99.74                                  | (104.15)                          | (69.93)                                | (4.41)                                    | (160.31)                                  | (242.06)                        |

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# (ii) Bhopal Dhule Transmission Company Limited (BDTCL) (SPV)

| Particulars  | Quarter ended<br>September 30,<br>2022 | Quarter ended<br>June 30,<br>2022 | Quarter ended<br>September 30,<br>2021 | Six months ended<br>September 30,<br>2022 | Six months ended<br>September 30,<br>2021 | Year ended<br>March 31,<br>2022 |
|--|--|-----------------------------------|--|---|---|---------------------------------|
|  | (Unaudited)                            | (Unaudited)                       | (Unaudited)                            | (Unaudited)                               | (Unaudited)                               | (Audited)                       |
| Profit/(loss) after tax as per profit and loss account (A)   | (188.84)                               | (168.86)                          | (22.03)                                | (357.70)                                  | (83.09)                                   | (157.55)                        |
| Add: Depreciation, impairment and amortisation   | 180.12                                 | 177.96                            | 178.30                                 | 358.08                                    | 354.32                                    | 709.21                          |
| Add/Less: Decrease/(increase) in working capital   | (31.19)                                | (178.07)                          | 37.90                                  | (209.26)                                  | (103.58)                                  | (79.66)                         |
| Add: Interest accrued on loan/non-<br>convertible debentures issued to IndiGrid  | 573.34                                 | 554.26                            | 308.78                                 | 1,127.60                                  | 620.40                                    | 1,239.73                        |
| Add/less: Loss/gain on sale of infrastructure assets   | -                                      | -                                 | -                                      | -   | -   |                                 |
| Add: Proceeds from sale of infrastructure assets adjusted for the following:   | -                                      | -                                 | -                                      | -   | -   | -                               |
| <ul> <li>related debts settled or due to be<br/>settled from sale proceeds;</li> </ul>   | -                                      | -                                 | -                                      | -   | -   | -                               |
| - directly attributable transaction costs;   | -                                      | -                                 | -                                      | -   | -   | -                               |
| <ul> <li>proceeds reinvested or planned to be<br/>reinvested as per Regulation 18(7)(a)<br/>of the InvIT Regulations</li> </ul>  | -                                      | -                                 | -                                      |   | -   | -                               |
| Add: Proceeds 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  | (42.46)                                | (26.35)                           | (10.21)                                | (68.81)                                   | (23.25)                                   | (66.97)                         |
| Add/less: Any other item of non-cash expense / non cash income (net of actual cash flows for these items)  | -                                      | -                                 | -                                      |   | Ì   | -                               |
| <ul> <li>any decrease/increase in carrying<br/>amount of an asset or a liability<br/>recognised in profit and loss account<br/>on measurement of the asset or the<br/>liability at fair value;</li> </ul>                                  | -                                      | -                                 | -                                      |   |   | -                               |
| <ul> <li>interest cost as per effective interest<br/>rate method (difference between<br/>accrued and actual paid);</li> </ul>  | -                                      | -                                 | -                                      |   |   | -                               |
| - deferred tax;  | -                                      | -                                 | _                                      | _   |   | -                               |
| <ul> <li>unwinding of Interest cost on interest free loan or other debentures;</li> </ul>  | -                                      | -                                 | -                                      |   |   | -                               |
| <ul> <li>portion reserve for major<br/>maintenance which has not been<br/>accounted for in profit and loss<br/>statement;</li> </ul>   | -                                      | -                                 | -                                      | -   |   | -                               |
| <ul> <li>reserve for debenture/ loan<br/>redemption (Excluding any reserve<br/>required by any law or as per lender's<br/>agreement)</li> </ul>  | -                                      | -                                 | -                                      | -   |   | -                               |
| Amortisation of Upfront fees   | 11.67                                  | 0.79                              | 0.86                                   | 12.46                                     | 1.74                                      | 3.39                            |
| Loss on account of MTM of F/W & ECB  | 121.61                                 | 30.36                             | 24.15                                  | 151.97                                    | 64.86                                     | (116.66)                        |
| Non Cash Income - Reversal of<br>Prepayment penalty  | -                                      | -                                 | -                                      | -   | †   | -                               |
| Less: Repayment of external debt<br>(principal) / redeemable preference<br>shares / debentures, etc. (Excluding<br>refinancing) / net cash set aside to<br>comply with DSRA requirement under  | -                                      | -                                 | _                                      | -   |   |                                 |
| loan agreements  |  |                                   |  |   |   |                                 |
| Total Adjustments (B)  | 813.09                                 | 558.95                            | 539.78                                 | 1,372.04                                  | 914.49                                    | 1,689.04                        |
| Net Distributable Cash Flows (C) = (A+B)   | 624.25                                 | 390.09                            | 517.75                                 | 1,014.34                                  | 831.40                                    | 1,531.49                        |

Note: During the period, amount being at least 90% has already been distributed to IndiGrid.

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# (iii) Jabalpur Transmission Company Limited (JTCL) (SPV)

| Particulars  | Quarter ended<br>September 30,<br>2022 | Quarter ended<br>June 30,<br>2022 | Quarter ended<br>September 30,<br>2021 | Six months ended<br>September 30,<br>2022 | Six months ended<br>September 30,<br>2021 | Year ended<br>March 31,<br>2022 |
|--|--|-----------------------------------|--|---|---|---------------------------------|
|  | (Unaudited)                            | (Unaudited)                       | (Unaudited)                            | (Unaudited)                               | (Unaudited)                               | (Audited)                       |
| Profit/(loss) after tax as per profit and loss account (A)   | (517.03)                               | (509.07)                          | (496.44)                               | (1,026.10)                                | (999.53)                                  | (1,815.28)                      |
| Add: Depreciation, impairment and amortisation   | 155.95                                 | 154.26                            | 155.55                                 | 310.21                                    | 309.38                                    | 410.58                          |
| Add/Less: Decrease/(increase) in working capital   | (20.84)                                | (92.72)                           | 6.27                                   | (113.56)                                  | (82.63)                                   | (65.80)                         |
| Add: Interest accrued on loan/non-<br>convertible debentures issued to IndiGrid  | 728.81                                 | 716.83                            | 719.88                                 | 1,445.64                                  | 1,423.10                                  | 2,856.80                        |
| Add/less: Loss/gain on sale of infrastructure assets   | -                                      | -                                 | -                                      | -   |   | -                               |
| Add: Proceeds from sale of infrastructure assets adjusted for the following:   | -                                      | -                                 | -                                      | -   |   | -                               |
| <ul> <li>related debts settled or due to be<br/>settled from sale proceeds;</li> </ul>   | -                                      | -                                 | -                                      | -   |   | -                               |
| - directly attributable transaction costs;   | -                                      | -                                 | -                                      | -   |   | -                               |
| <ul> <li>proceeds reinvested or planned to be<br/>reinvested as per Regulation 18(7)(a)<br/>of the InvIT Regulations</li> </ul>  | -                                      | -                                 | -                                      |   |   | -                               |
| Add: Proceeds 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  | 3.87                                   | (8.49)                            | (1.08)                                 | (4.62)                                    | (0.01)                                    | 26.91                           |
| Add/less: Any other item of non-cash expense / non cash income (net of actual cash flows for these items)  | -                                      | -                                 | -                                      | -   | -   | -                               |
| <ul> <li>any decrease/increase in carrying<br/>amount of an asset or a liability<br/>recognised in profit and loss account<br/>on measurement of the asset or the<br/>liability at fair value;</li> </ul>                                  | -                                      | -                                 | -                                      | -   | -   | -                               |
| <ul> <li>interest cost as per effective interest<br/>rate method (difference between<br/>accrued and actual paid);</li> </ul>  | -                                      | -                                 | -                                      | -   | -   | -                               |
| - deferred tax;  | -                                      | -                                 | _                                      | -   | -   | -                               |
| <ul> <li>unwinding of Interest cost on Non<br/>convertible debentures issued at<br/>interest rate lower than market rate of<br/>interest</li> </ul>  | -                                      | -                                 | -                                      | -   | -   | -                               |
| <ul> <li>portion reserve for major<br/>maintenance which has not been<br/>accounted for in profit and loss<br/>statement;</li> </ul>   | -                                      | -                                 | -                                      | -   | -   | -                               |
| <ul> <li>reserve for debenture/ loan<br/>redemption (Excluding any reserve<br/>required by any law or as per lender's<br/>agreement)</li> </ul>  | -                                      | -                                 | _                                      | -   | -   | -                               |
| Amortisation of Upfront fees   | -                                      | -                                 |  | -   | -   | -                               |
| Less: Repayment of external debt<br>(principal) / redeemable preference<br>shares / debentures, etc. (Excluding<br>refinancing) / net cash set aside to<br>comply with DSRA requirement under<br>loan agreements                           | -                                      | -                                 | _                                      | -   | -   | -                               |
| Total Adjustments (B)  | 867.79                                 | 769.88                            | 880.62                                 | 1,637.67                                  | 1,649.84                                  | 3,228.49                        |
| Net Distributable Cash Flows (C) = (A+B)   | 350.76                                 | 260.81                            | 384.18                                 | 611.57                                    | 650.31                                    | 1,413.21                        |

Note: During the period, amount being at least 90% has already been distributed to IndiGrid.  $\frac{1}{2} \left( \frac{1}{2} \right) = \frac{1}{2} \left( \frac{1}{2} \right) \left( \frac{1}{2} \right)$ 

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# (iv) Maheshwaram Transmission Limited (MTL) (SPV)

| Particulars  | Quarter ended<br>September 30, | Quarter ended<br>June 30, | Quarter ended<br>September 30, | Six months ended<br>September 30, | Six months ended<br>September 30, | Year ended<br>March 31, |
|--|--------------------------------|---------------------------|--------------------------------|-----------------------------------|-----------------------------------|-------------------------|
|  | 2022                           | 2022                      | 2021                           | 2022                              | 2021                              | 2022                    |
|  | (Unaudited)                    | (Unaudited)               | (Unaudited)                    | (Unaudited)                       | (Unaudited)                       | (Audited)               |
| Profit/(loss) after tax as per profit and loss account (A)   | (45.06)                        | (44.98)                   | (44.44)                        | (90.04)                           | (87.42)                           | (177.74)                |
| Add: Depreciation, impairment and amortisation   | 30.70                          | 30.35                     | 30.71                          | 61.05                             | 61.05                             | 121.75                  |
| Add/Less: Decrease/(increase) in<br>working capital  | 2.86                           | (35.50)                   | 10.61                          | (32.64)                           | (19.62)                           | (7.62)                  |
| Add: Interest accrued on loan/non-<br>convertible debentures issued to IndiGrid  | 149.11                         | 147.49                    | 149.14                         | 296.60                            | 295.00                            | 589.97                  |
| Add/less: Loss/gain on sale of infrastructure assets   | -                              | -                         | -                              | -                                 | -                                 | -                       |
| Add: Proceeds from sale of infrastructure assets adjusted for the following:   | -                              | -                         | -                              | -                                 | -                                 | -                       |
| <ul> <li>related debts settled or due to be<br/>settled from sale proceeds;</li> </ul>   | -                              | -                         | -                              | -                                 | -                                 | -                       |
| - directly attributable transaction costs;   | -                              | -                         | -                              | -                                 | -                                 |                         |
| <ul> <li>proceeds reinvested or planned to be<br/>reinvested as per Regulation 18(7)(a)<br/>of the InvIT Regulations</li> </ul>  | -                              | -                         | -                              | -                                 | -                                 | -                       |
| Add: Proceeds 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  | (0.69)                         | (0.25)                    | _                              | (0.94)                            | (0.20)                            | (0.02)                  |
| Add/less: Any other item of non-cash<br>expense / non cash income (net of actual<br>cash flows for these items)  | -                              | -                         | -                              | -                                 | -                                 | -                       |
| <ul> <li>any decrease/increase in carrying<br/>amount of an asset or a liability<br/>recognised in profit and loss account<br/>on measurement of the asset or the<br/>liability at fair value;</li> </ul>                                  | -                              | -                         | -                              | -                                 | -                                 | -                       |
| <ul> <li>interest cost as per effective interest<br/>rate method (difference between<br/>accrued and actual paid);</li> </ul>  | -                              | -                         | -                              | -                                 | -                                 | -                       |
| - deferred tax;  | -                              | -                         | -                              | -                                 | -                                 |                         |
| <ul> <li>unwinding of Interest cost on Non<br/>convertible debentures issued at<br/>interest rate lower than market rate of<br/>interest</li> </ul>  | -                              | -                         | -                              | -                                 | -                                 | -                       |
| <ul> <li>portion reserve for major<br/>maintenance which has not been<br/>accounted for in profit and loss<br/>statement;</li> </ul>   | -                              | -                         | -                              | -                                 | -                                 | -                       |
| <ul> <li>reserve for debenture/ loan<br/>redemption (Excluding any reserve<br/>required by any law or as per lender's<br/>agreement)</li> </ul>  | -                              | -                         | _                              | -                                 | -                                 | -                       |
| Amortisation of Upfront fees   | -                              | -                         | _                              | -                                 | -                                 | _                       |
| Less: Repayment of external debt<br>(principal) / redeemable preference<br>shares / debentures, etc. (Excluding<br>refinancing) / net cash set aside to<br>comply with DSRA requirement under<br>loan agreements                           | -                              | -                         | _                              | -                                 | -                                 | -                       |
| Total Adjustments (B)  | 181.98                         | 142.09                    | 190.46                         | 324.07                            | 336.23                            | 704.08                  |
| Net Distributable Cash Flows (C) = (A+B)   | 136.92                         | 97.11                     | 146.02                         | 234.03                            | 248.81                            | 526.34                  |

Note: During the period, amount being at least 90% has already been distributed to IndiGrid.

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Unaudited consolidated financial results for the quarter and six months ended September 30, 2022 (Contd.)

# (v) RAPP Transmission Company Limited (RTCL) (SPV)

| Particulars  | Quarter ended<br>September 30,<br>2022 | Quarter ended<br>June 30,<br>2022 | Quarter ended<br>September 30,<br>2021 | Six months ended<br>September 30,<br>2022 | Six months ended<br>September 30,<br>2021 | Year ended<br>March 31,<br>2022 |
|--|--|-----------------------------------|--|---|---|---------------------------------|
|  | (Unaudited)                            | (Unaudited)                       | (Unaudited)                            | (Unaudited)                               | (Unaudited)                               | (Audited)                       |
| Profit/(loss) after tax as per profit and loss account (A)   | 18.14                                  | (3.78)                            | 5.30                                   | 14.36                                     | 9.31                                      | 20.22                           |
| Add: Depreciation, impairment and amortisation   | 21.69                                  | 21.45                             | 21.65                                  | 43.14                                     | 43.07                                     | 85.93                           |
| Add/Less: Decrease/(increase) in working capital   | (125.19)                               | 6.53                              | 7.36                                   | (118.66)                                  | (18.08)                                   | 1.80                            |
| Add: Interest accrued on loan/non-<br>convertible debentures issued to IndiGrid  | 76.74                                  | 76.85                             | 81.26                                  | 153.59                                    | 161.54                                    | 318.60                          |
| Add/less: Loss/gain on sale of infrastructure assets   | -                                      | -                                 | -                                      | -   | -   | -                               |
| Add: Proceeds from sale of infrastructure assets adjusted for the following:   | -                                      | -                                 | -                                      | -   | -   | -                               |
| <ul> <li>related debts settled or due to be<br/>settled from sale proceeds;</li> </ul>   | -                                      | -                                 | -                                      | -   | -   | -                               |
| - directly attributable transaction costs;   | -                                      | -                                 | -                                      | -   | -   | -                               |
| <ul> <li>proceeds reinvested or planned to be<br/>reinvested as per Regulation 18(7)(a)<br/>of the InvIT Regulations</li> </ul>  | -                                      | -                                 | -                                      | -   | -   | -                               |
| Add: Proceeds 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  | 75.62                                  | (0.49)                            | (0.01)                                 | 75.13                                     | (0.02)                                    | 0.07                            |
| Add/less: Any other item of non-cash expense / non cash income (net of actual cash flows for these items)  | -                                      | -                                 | -                                      | -   | -   | -                               |
| <ul> <li>any decrease/increase in carrying<br/>amount of an asset or a liability<br/>recognised in profit and loss account<br/>on measurement of the asset or the<br/>liability at fair value;</li> </ul>                                  | -                                      | -                                 | -                                      | -   | -   | -                               |
| <ul> <li>interest cost as per effective interest<br/>rate method (difference between<br/>accrued and actual paid);</li> </ul>  | -                                      | -                                 | -                                      | -   | -   | -                               |
| - deferred tax;  | -                                      | -                                 | -                                      | -   | -   | -                               |
| <ul> <li>unwinding of Interest cost on Non<br/>convertible debentures issued at<br/>interest rate lower than market rate of<br/>interest</li> </ul>  | -                                      | -                                 | -                                      | -   | -   | -                               |
| <ul> <li>portion reserve for major<br/>maintenance which has not been<br/>accounted for in profit and loss<br/>statement;</li> </ul>   | -                                      | -                                 | -                                      | -   | -   | -                               |
| <ul> <li>reserve for debenture/ loan<br/>redemption (Excluding any reserve<br/>required by any law or as per lender's<br/>agreement)</li> </ul>  | -                                      | -                                 | -                                      | -   | -   | -                               |
| Amortisation of Upfront fees   | -                                      | -                                 | -                                      | -   | -   | -                               |
| Less: Repayment of external debt<br>(principal) / redeemable preference<br>shares / debentures, etc. (Excluding<br>refinancing) / net cash set aside to<br>comply with DSRA requirement under<br>loan agreements                           | -                                      | -                                 |  | -   | -   |                                 |
| Total Adjustments (B)  | 48.86                                  | 104.34                            | 110.26                                 | 153.20                                    | 186.51                                    | 406.40                          |
| Net Distributable Cash Flows (C) = (A+B)   | 67.00                                  | 100.56                            | 115.56                                 | 167.56                                    | 195.82                                    | 426.62                          |

Note: During the period, amount being at least 90% has already been distributed to IndiGrid.  $\frac{1}{2} \left( \frac{1}{2} \right) = \frac{1}{2} \left( \frac{1}{2} \right) \left( \frac{1}{2} \right)$ 

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Unaudited consolidated financial results for the quarter and six months ended September 30, 2022 (Contd.)

# (vi) Purulia & Kharagpur Transmission Company Limited (PKTCL) (SPV)

| Particulars  | Quarter ended<br>September 30,<br>2022 | Quarter ended<br>June 30,<br>2022 | Quarter ended<br>September 30,<br>2021 | Six months ended<br>September 30,<br>2022 | Six months ended<br>September 30,<br>2021 | Year ended<br>March 31,<br>2022 |
|--|--|-----------------------------------|--|---|---|---------------------------------|
|  | (Unaudited)                            | (Unaudited)                       | (Unaudited)                            | (Unaudited)                               | (Unaudited)                               | (Audited)                       |
| Profit/(loss) after tax as per profit and loss account (A)   | 5.08                                   | 1.67                              | 48.05                                  | 6.75                                      | 44.22                                     | 47.46                           |
| Add: Depreciation, impairment and amortisation   | 36.08                                  | 35.66                             | 36.05                                  | 71.74                                     | 71.69                                     | 143.03                          |
| Add/Less: Decrease/(increase) in working capital   | (0.35)                                 | (45.37)                           | 11.65                                  | (45.72)                                   | (31.54)                                   | (18.24)                         |
| Add: Interest accrued on loan/non-<br>convertible debentures issued to IndiGrid  | 136.58                                 | 135.10                            | 142.88                                 | 271.68                                    | 283.67                                    | 557.65                          |
| Add/less: Loss/gain on sale of infrastructure assets   | -                                      | -                                 | -                                      | -   | -   | -                               |
| Add: Proceeds from sale of infrastructure assets adjusted for the following:   | -                                      | -                                 | -                                      | -   | -   | -                               |
| <ul> <li>related debts settled or due to be<br/>settled from sale proceeds;</li> </ul>   | -                                      | -                                 | -                                      | -   | -   | -                               |
| - directly attributable transaction costs;   | -                                      | -                                 | -                                      | -   | -   | -                               |
| <ul> <li>proceeds reinvested or planned to be<br/>reinvested as per Regulation 18(7)(a)<br/>of the InvIT Regulations</li> </ul>  | -                                      | -                                 | -                                      |   | -   | -                               |
| Add: Proceeds 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  | 0.01                                   | (2.44)                            | (0.14)                                 | (2.43)                                    | (0.58)                                    | (0.65)                          |
| Add/less: Any other item of non-cash expense / non cash income (net of actual cash flows for these items)  | -                                      | -                                 | -                                      |   | -   | -                               |
| <ul> <li>any decrease/increase in carrying<br/>amount of an asset or a liability<br/>recognised in profit and loss account<br/>on measurement of the asset or the<br/>liability at fair value;</li> </ul>                                  | -                                      | -                                 | -                                      |   | -   | -                               |
| <ul> <li>interest cost as per effective interest<br/>rate method (difference between<br/>accrued and actual paid);</li> </ul>  | -                                      | -                                 | -                                      |   | -   | -                               |
| - deferred tax;  | (0.30)                                 | 0.71                              | _                                      | 0.41                                      | -   | 1.26                            |
| <ul> <li>unwinding of Interest cost on Non<br/>convertible debentures issued at<br/>interest rate lower than market rate of<br/>interest</li> </ul>  | -                                      | -                                 | -                                      | -   | -   | -                               |
| <ul> <li>portion reserve for major<br/>maintenance which has not been<br/>accounted for in profit and loss<br/>statement;</li> </ul>   | -                                      | -                                 | -                                      | -   | -   | -                               |
| <ul> <li>reserve for debenture/ loan<br/>redemption (Excluding any reserve<br/>required by any law or as per lender's<br/>agreement)</li> </ul>  | -                                      | -                                 | -                                      | -   | -   | -                               |
| Amortisation of Upfront fees   |  |                                   |  | _   | -   |                                 |
| Less: Repayment of external debt (principal) / redeemable preference shares / debentures, etc. (Excluding refinancing) / net cash set aside to comply with DSRA requirement under loan agreements  | -                                      | -                                 | -                                      | -   | -   | -                               |
| Total Adjustments (B)  | 172.02                                 | 123.66                            | 190.44                                 | 295.68                                    | 323.24                                    | 683.05                          |
| Net Distributable Cash Flows (C) = (A+B)   | 177.10                                 | 125.33                            | 238.49                                 | 302.43                                    | 367.46                                    | 730.51                          |

Note: During the period, amount being at least 90% has already been distributed to IndiGrid.

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Unaudited consolidated financial results for the quarter and six months ended September 30, 2022 (Contd.)

# (vii) Patran Transmission Company Limited (PTCL) (SPV)

| Particulars  | Quarter ended<br>September 30,<br>2022 | Quarter ended<br>June 30,<br>2022 | Quarter ended<br>September 30,<br>2021 | Six months ended<br>September 30,<br>2022 | Six months ended<br>September 30,<br>2021 | Year ended<br>March 31,<br>2022 |
|--|--|-----------------------------------|--|---|---|---------------------------------|
|  | (Unaudited)                            | (Unaudited)                       | (Unaudited)                            | (Unaudited)                               | (Unaudited)                               | (Audited)                       |
| Profit/(loss) after tax as per profit and loss account (A)   | (20.95)                                | (23.09)                           | (30.98)                                | (44.04)                                   | (62.84)                                   | (115.32)                        |
| Add: Depreciation, impairment and amortisation   | 35.66                                  | 35.28                             | 40.20                                  | 70.94                                     | 79.97                                     | 159.75                          |
| Add/Less: Decrease/(increase) in working capital   | (0.11)                                 | (29.27)                           | 8.51                                   | (29.38)                                   | (11.77)                                   | (3.88)                          |
| Add: Interest accrued on loan/non-<br>convertible debentures issued to IndiGrid  | 59.43                                  | 58.78                             | 65.74                                  | 118.21                                    | 130.42                                    | 249.67                          |
| Add/less: Loss/gain on sale of infrastructure assets   | -                                      | -                                 | -                                      | -   | -   | -                               |
| Add: Proceeds from sale of infrastructure assets adjusted for the following:   | -                                      | -                                 | -                                      | -   | -   | -                               |
| <ul> <li>related debts settled or due to be<br/>settled from sale proceeds;</li> </ul>   | -                                      | -                                 | -                                      | -   | -   | -                               |
| - directly attributable transaction costs;   | -                                      | -                                 | _                                      | -   | -   | -                               |
| <ul> <li>proceeds reinvested or planned to be<br/>reinvested as per Regulation 18(7)(a)<br/>of the InvIT Regulations</li> </ul>  | -                                      | -                                 | -                                      | -   | -   | -                               |
| Add: Proceeds 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  | (0.84)                                 | 0.03                              | (0.52)                                 | (0.81)                                    | (0.36)                                    | (6.13)                          |
| Add/less: Any other item of non-cash expense / non cash income (net of actual cash flows for these items)  | -                                      | -                                 | -                                      | -   | -   | -                               |
| <ul> <li>any decrease/increase in carrying<br/>amount of an asset or a liability<br/>recognised in profit and loss account<br/>on measurement of the asset or the<br/>liability at fair value;</li> </ul>                                  | -                                      | -                                 | -                                      |   | -   | -                               |
| <ul> <li>interest cost as per effective interest<br/>rate method (difference between<br/>accrued and actual paid);</li> </ul>  | -                                      | -                                 | -                                      | -   | -   | -                               |
| - deferred tax;  | -                                      | -                                 | -                                      | -   | -   | -                               |
| <ul> <li>unwinding of Interest cost on Non<br/>convertible debentures issued at<br/>interest rate lower than market rate of<br/>interest</li> </ul>  | -                                      | -                                 | -                                      | -   | -   | -                               |
| <ul> <li>portion reserve for major<br/>maintenance which has not been<br/>accounted for in profit and loss<br/>statement;</li> </ul>   | -                                      | -                                 | -                                      | -   | -   | -                               |
| <ul> <li>reserve for debenture/ loan<br/>redemption (Excluding any reserve<br/>required by any law or as per lender's<br/>agreement)</li> </ul>  | -                                      | -                                 | -                                      | -   | -   | -                               |
| Amortisation of Upfront fees   | -                                      | _                                 | _                                      | -   | -   | -                               |
| Less: Repayment of external debt<br>(principal) / redeemable preference<br>shares / debentures, etc. (Excluding<br>refinancing) / net cash set aside to<br>comply with DSRA requirement under<br>loan agreements                           | -                                      | -                                 | -                                      | -   | -   | -                               |
| Total Adjustments (B)  | 94.14                                  | 64.82                             | 113.93                                 | 158.96                                    | 198.26                                    | 399.41                          |
| Net Distributable Cash Flows (C) = (A+B)   | 73.19                                  | 41.73                             | 82.95                                  | 114.92                                    | 135.42                                    | 284.09                          |

Note: During the period, amount being at least 90% has already been distributed to IndiGrid.  $\frac{1}{2} \left( \frac{1}{2} \right) = \frac{1}{2} \left( \frac{1}{2} \right) \left( \frac{1}{2} \right)$ 

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Unaudited consolidated financial results for the quarter and six months ended September 30, 2022 (Contd.)

# (viii) IndiGrid 1 Limited (formerly known as Sterlite Grid 2 Limited) (Holdco)

| Particulars  | Quarter ended         | Quarter ended    | Quarter ended         | Six months ended      | Six months ended      | Year ended        |
|--|-----------------------|------------------|-----------------------|-----------------------|-----------------------|-------------------|
|  | September 30,<br>2022 | June 30,<br>2022 | September 30,<br>2021 | September 30,<br>2022 | September 30,<br>2021 | March 31,<br>2022 |
|  | (Unaudited)           | (Unaudited)      | (Unaudited)           | (Unaudited)           | (Unaudited)           | (Audited          |
| Profit/(loss) after tax as per profit and<br>loss account (A)  | (11.14)               | (4.31)           | (7.30)                | (15.45)               | (9.65)                | (18.78)           |
| Add: Depreciation, impairment and amortisation   | -                     | -                | -                     | -                     | -                     | -                 |
| Add/Less: Decrease/(increase) in working capital   | (1.54)                | (2.47)           | (1.75)                | (4.01)                | (2.49)                | (2.63)            |
| Add: Interest accrued on loan/non-<br>convertible debentures issued to IndiGrid  | 11.04                 | 4.37             | 0.14                  | 15.41                 | 0.14                  | 4.75              |
| Add/less: Loss/gain on sale of infrastructure assets   | -                     | -                | -                     | -                     | -                     | -                 |
| Add: Proceeds from sale of infrastructure assets adjusted for the following:   | -                     | -                | -                     | -                     | -                     | -                 |
| <ul> <li>related debts settled or due to be<br/>settled from sale proceeds;</li> </ul>   | -                     | -                | -                     | -                     | -                     | -                 |
| - directly attributable transaction costs;   | -                     | -                | -                     | -                     | -                     |                   |
| <ul> <li>proceeds reinvested or planned to be<br/>reinvested as per Regulation 18(7)(a)<br/>of the InvIT Regulations</li> </ul>  | -                     | -                | -                     | -                     | -                     | -                 |
| Add: Proceeds 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  | -                     | -                | -                     | -                     | -                     | (0.35)            |
| Add/less: Any other item of non-cash<br>expense / non cash income (net of actual<br>cash flows for these items)  | -                     | -                | -                     | -                     | -                     | -                 |
| <ul> <li>any decrease/increase in carrying<br/>amount of an asset or a liability<br/>recognised in profit and loss account<br/>on measurement of the asset or the<br/>liability at fair value;</li> </ul>                                  | -                     | -                | -                     | -                     | -                     | -                 |
| <ul> <li>interest cost as per effective interest<br/>rate method (difference between<br/>accrued and actual paid);</li> </ul>  | -                     |                  |                       |                       |                       |                   |
| - deferred tax;  | -                     | -                | -                     | -                     | -                     |                   |
| <ul> <li>unwinding of Interest cost on Non<br/>convertible debentures issued at<br/>interest rate lower than market rate of<br/>interest</li> </ul>  | -                     | -                | -                     | -                     | -                     | -                 |
| <ul> <li>portion reserve for major<br/>maintenance which has not been<br/>accounted for in profit and loss<br/>statement;</li> </ul>   | -                     | -                | -                     | -                     | -                     | -                 |
| <ul> <li>reserve for debenture/ loan<br/>redemption (Excluding any reserve<br/>required by any law or as per lender's<br/>agreement)</li> </ul>  | -                     | -                | -                     | -                     | -                     | -                 |
| Amortisation of Upfront fees   | -                     | -                |                       | -                     | -                     |                   |
| Less: Repayment of external debt (principal) / redeemable preference shares / debentures, etc. (Excluding refinancing) / net cash set aside to comply with DSRA requirement under loan agreements  | -                     | -                | -                     | -                     | -                     | -                 |
| Total Adjustments (B)  | 9.50                  | 1.90             | (1.61)                | 11.40                 | (2.35)                | 1.77              |
| Net Distributable Cash Flows (C) = (A+B)   | (1.64)                | (2.41)           | (8.91)                | (4.05)                | (12.00)               | (17.01)           |

Note: During the period, amount being at least 100% has already been distributed to IndiGrid.

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Unaudited consolidated financial results for the quarter and six months ended September 30, 2022 (Contd.)

# (ix) NRSS XXIX Transmission Limited (NRSS) (SPV)

| Particulars  | Quarter ended<br>September 30,<br>2022 | Quarter ended<br>June 30,<br>2022 | Quarter ended<br>September 30,<br>2021 | Six months ended<br>September 30,<br>2022 | Six months ended<br>September 30,<br>2021 | Year ended<br>March 31,<br>2022 |
|--|--|-----------------------------------|--|---|---|---------------------------------|
|  | (Unaudited)                            | (Unaudited)                       | (Unaudited)                            | (Unaudited)                               | (Unaudited)                               | (Audited)                       |
| Profit/(loss) after tax as per profit and loss account (A)   | 40.78                                  | 45.00                             | 47.06                                  | 85.78                                     | 65.04                                     | 102.42                          |
| Add: Depreciation, impairment and amortisation   | 208.98                                 | 206.69                            | 208.70                                 | 415.67                                    | 415.14                                    | 828.28                          |
| Add/Less: Decrease/(increase) in working capital   | (71.12)                                | (332.01)                          | (165.58)                               | (403.13)                                  | 38.89                                     | 85.47                           |
| Add: Interest accrued on loan/non-<br>convertible debentures issued to IndiGrid  | 964.98                                 | 953.72                            | 992.39                                 | 1,918.70                                  | 1,994.78                                  | 3,920.38                        |
| Add/less: Loss/gain on sale of infrastructure assets   | -                                      | -                                 | -                                      | -   | -   | -                               |
| Add: Proceeds from sale of infrastructure assets adjusted for the following:   | -                                      | -                                 | -                                      | -   | -   | -                               |
| <ul> <li>related debts settled or due to be<br/>settled from sale proceeds;</li> </ul>   | -                                      | -                                 | -                                      | -   | -   | -                               |
| - directly attributable transaction costs;   | -                                      | -                                 | -                                      | -   | -   | -                               |
| - proceeds reinvested or planned to be<br>reinvested as per Regulation 18(7)(a)<br>of the InvIT Regulations  | -                                      | -                                 | -                                      | -   | -   | -                               |
| Add: Proceeds 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  | (1.57)                                 | 3.94                              | (3.15)                                 | 2.37                                      | (7.94)                                    | (19.82)                         |
| Add/less: Any other item of non-cash expense / non cash income (net of actual cash flows for these items)  | -                                      | -                                 | -                                      | -   | -   | -                               |
| <ul> <li>any decrease/increase in carrying<br/>amount of an asset or a liability<br/>recognised in profit and loss account<br/>on measurement of the asset or the<br/>liability at fair value;</li> </ul>                                  | -                                      | -                                 | -                                      | -   | -   | -                               |
| <ul> <li>interest cost as per effective interest<br/>rate method (difference between<br/>accrued and actual paid);</li> </ul>  | -                                      | -                                 | -                                      | -   | -   | -                               |
| - deferred tax;  | 11.61                                  | 17.98                             | 17.58                                  | 29.59                                     | 23.40                                     | 16.45                           |
| <ul> <li>unwinding of Interest cost on Non<br/>convertible debentures issued at<br/>interest rate lower than market rate of<br/>interest</li> </ul>  | -                                      | -                                 | -                                      |   | -   | -                               |
| <ul> <li>portion reserve for major<br/>maintenance which has not been<br/>accounted for in profit and loss<br/>statement;</li> </ul>   | -                                      | -                                 | -                                      | -   | -   | -                               |
| <ul> <li>reserve for debenture/ loan<br/>redemption (Excluding any reserve<br/>required by any law or as per lender's<br/>agreement)</li> </ul>  | -                                      | -                                 | -                                      | -   | -   | -                               |
| Amortisation of Upfront fees   | -                                      |                                   | -                                      | -   | -   |                                 |
| Less: Repayment of external debt (principal) / redeemable preference shares / debentures, etc. (Excluding refinancing) / net cash set aside to comply with DSRA requirement under loan agreements  | -                                      | -                                 | -                                      | -   | -   | -                               |
| Total Adjustments (B)  | 1,112.88                               | 850.32                            | 1,049.94                               | 1,963.20                                  | 2,464.27                                  | 4,830.76                        |
| Net Distributable Cash Flows (C) = (A+B)   | 1,153.66                               | 895.32                            | 1,097.00                               | 2,048.98                                  | 2,529.31                                  | 4,933.18                        |

Note: During the period, amount being at least 90% has already been distributed to IndiGrid.  $\frac{1}{2} \left( \frac{1}{2} \right) = \frac{1}{2} \left( \frac{1}{2} \right) \left( \frac{1}{2} \right)$ 



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Unaudited consolidated financial results for the quarter and six months ended September 30, 2022 (Contd.)

# (x) IndiGrid 2 Limited (formerly known as Sterlite Grid 3 Limited) (Holdco)

| Particulars  | Quarter ended<br>September 30,<br>2022 | Quarter ended<br>June 30,<br>2022 | Quarter ended<br>September 30,<br>2021 | Six months ended<br>September 30,<br>2022 | Six months ended<br>September 30,<br>2021 | Year ended<br>March 31,<br>2022 |
|--|--|-----------------------------------|--|---|---|---------------------------------|
|  | (Unaudited)                            | (Unaudited)                       | (Unaudited)                            | (Unaudited)                               | (Unaudited)                               | (Audited)                       |
| Profit/(loss) after tax as per profit and loss account (A)   | (23.50)                                | (23.94)                           | (27.36)                                | (47.44)                                   | (50.42)                                   | (99.13)                         |
| Add: Depreciation, impairment and amortisation   | -                                      | -                                 | -                                      | -   | -   | -                               |
| Add/Less: Decrease/(increase) in working capital   | (1.45)                                 | (0.25)                            | (0.79)                                 | (1.70)                                    | (1.24)                                    | 0.30                            |
| Add: Interest accrued on loan/non-<br>convertible debentures issued to IndiGrid  | 23.44                                  | 23.15                             | 22.81                                  | 46.59                                     | 45.31                                     | 91.22                           |
| Add/less: Loss/gain on sale of infrastructure assets   | -                                      | -                                 | -                                      | -   | -   | -                               |
| Add: Proceeds from sale of infrastructure assets adjusted for the following:   | -                                      | -                                 | -                                      | -   | -   | -                               |
| - related debts settled or due to be settled from sale proceeds;   | -                                      | -                                 | -                                      | -   | -   | -                               |
| - directly attributable transaction costs;   | -                                      | -                                 | _                                      | -   | -   | -                               |
| <ul> <li>proceeds reinvested or planned to be<br/>reinvested as per Regulation 18(7)(a)<br/>of the InvIT Regulations</li> </ul>  | -                                      | -                                 | -                                      |   | -   | -                               |
| Add: Proceeds 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  | -                                      | -                                 | -                                      | -   | -   | (0.15)                          |
| Add/less: Any other item of non-cash expense / non cash income (net of actual cash flows for these items)  | -                                      | -                                 | -                                      | -   | -   | -                               |
| <ul> <li>any decrease/increase in carrying<br/>amount of an asset or a liability<br/>recognised in profit and loss account<br/>on measurement of the asset or the<br/>liability at fair value;</li> </ul>                                  | -                                      | -                                 | _                                      | _   | -   | _                               |
| <ul> <li>interest cost as per effective interest<br/>rate method (difference between<br/>accrued and actual paid);</li> </ul>  | -                                      | -                                 | -                                      | -   | -   | -                               |
| - deferred tax;  | -                                      | -                                 | -                                      | -   | -   | -                               |
| <ul> <li>unwinding of Interest cost on Non<br/>convertible debentures issued at<br/>interest rate lower than market rate of<br/>interest</li> </ul>  | -                                      | -                                 | _                                      | -   | -   | _                               |
| portion reserve for major     maintenance which has not been     accounted for in profit and loss     statement;   | -                                      | -                                 | -                                      | -   | -   | -                               |
| <ul> <li>reserve for debenture/ loan<br/>redemption (Excluding any reserve<br/>required by any law or as per lender's<br/>agreement)</li> </ul>  | -                                      | -                                 | -                                      | -   | -   | -                               |
| Amortisation of Upfront fees   | -                                      | -                                 | _                                      | -   | -   |                                 |
| Less: Repayment of external debt<br>(principal) / redeemable preference<br>shares / debentures, etc. (Excluding<br>refinancing) / net cash set aside to<br>comply with DSRA requirement under<br>loan agreements                           | -                                      | -                                 | _                                      | -   | -   | _                               |
| Total Adjustments (B)  | 21.99                                  | 22.90                             | 22.02                                  | 44.89                                     | 44.07                                     | 91.37                           |
| Net Distributable Cash Flows (C) = (A+B)   | (1.51)                                 | (1.04)                            | (5.34)                                 | (2.55)                                    | (6.35)                                    | (7.76)                          |

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Unaudited consolidated financial results for the quarter and six months ended September 30, 2022 (Contd.)

# (xi) Odisha Generation Phase-II Transmission Limited (OGPTL) (SPV)

| Particulars  | Quarter ended<br>September 30,<br>2022 | Quarter ended<br>June 30,<br>2022 | Quarter ended<br>September 30,<br>2021 | Six months ended<br>September 30,<br>2022 | Six months ended<br>September 30,<br>2021 | Year ended<br>March 31,<br>2022 |
|--|--|-----------------------------------|--|---|---|---------------------------------|
|  | (Unaudited)                            | (Unaudited)                       | (Unaudited)                            | (Unaudited)                               | (Unaudited)                               | (Audited)                       |
| Profit/(loss) after tax as per profit and loss account (A)   | (131.08)                               | (132.35)                          | (111.01)                               | (263.43)                                  | (201.18)                                  | (439.85)                        |
| Add: Depreciation, impairment and amortisation   | 99.06                                  | 97.98                             | 100.54                                 | 197.04                                    | 199.95                                    | 398.84                          |
| Add/Less: Decrease/(increase) in working capital   | 1.80                                   | (91.98)                           | 35.93                                  | (90.18)                                   | (131.01)                                  | (97.69)                         |
| Add: Interest accrued on loan/non-<br>convertible debentures issued to IndiGrid  | 414.04                                 | 409.55                            | 417.94                                 | 823.59                                    | 734.84                                    | 1,559.59                        |
| Add/less: Loss/gain on sale of infrastructure assets   | -                                      | -                                 | -                                      | -   | -   | -                               |
| Add: Proceeds from sale of infrastructure assets adjusted for the following:   | -                                      | -                                 | -                                      | -   | -   | -                               |
| <ul> <li>related debts settled or due to be<br/>settled from sale proceeds;</li> </ul>   | -                                      | -                                 | -                                      | -   | -   | -                               |
| <ul> <li>directly attributable transaction costs;</li> </ul>   | -                                      | -                                 | _                                      | -   | -   |                                 |
| <ul> <li>proceeds reinvested or planned to be<br/>reinvested as per Regulation 18(7)(a)<br/>of the InvIT Regulations</li> </ul>  | -                                      | -                                 | -                                      | -   | -   | -                               |
| Add: Proceeds 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  | 0.93                                   | (1.58)                            | (0.21)                                 | (0.65)                                    | 0.19                                      | (8.67)                          |
| Add/less: Any other item of non-cash expense / non cash income (net of actual cash flows for these items)  | -                                      | -                                 | -                                      |   | -   | -                               |
| <ul> <li>any decrease/increase in carrying<br/>amount of an asset or a liability<br/>recognised in profit and loss account<br/>on measurement of the asset or the<br/>liability at fair value;</li> </ul>                                  | -                                      | -                                 | -                                      |   | -   | -                               |
| <ul> <li>interest cost as per effective interest<br/>rate method (difference between<br/>accrued and actual paid);</li> </ul>  | -                                      | -                                 | -                                      | -   | -   | -                               |
| - deferred tax;  | -                                      | -                                 | -                                      | -   | -   | -                               |
| <ul> <li>unwinding of Interest cost on Non<br/>convertible debentures issued at<br/>interest rate lower than market rate of<br/>interest</li> </ul>  | -                                      | -                                 | -                                      | -   | -   | -                               |
| <ul> <li>portion reserve for major<br/>maintenance which has not been<br/>accounted for in profit and loss<br/>statement;</li> </ul>   | -                                      | -                                 | -                                      | -   | -   | -                               |
| <ul> <li>reserve for debenture/ loan<br/>redemption (Excluding any reserve<br/>required by any law or as per lender's<br/>agreement)</li> </ul>  | -                                      | -                                 | -                                      | -   | -   | -                               |
| Amortisation of Upfront fees   | -                                      | -                                 | 0.01                                   | -   | 12.20                                     | 12.19                           |
| Less: Repayment of external debt<br>(principal) / redeemable preference<br>shares / debentures, etc. (Excluding<br>refinancing) / net cash set aside to<br>comply with DSRA requirement under<br>loan agreements                           | -                                      | -                                 | _                                      | -   | -   | -                               |
| Total Adjustments (B)  | 515.83                                 | 413.97                            | 554.21                                 | 929.80                                    | 816.17                                    | 1,864.26                        |
| Net Distributable Cash Flows (C) = (A+B)   | 384.75                                 | 281.62                            | 443.20                                 | 666.37                                    | 614.99                                    | 1,424.41                        |

Note: During the period, amount being at least 90% has already been distributed to IndiGrid.  $\frac{1}{2} \left( \frac{1}{2} \right) = \frac{1}{2} \left( \frac{1}{2} \right) \left( \frac{1}{2} \right)$ 

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Unaudited consolidated financial results for the quarter and six months ended September 30, 2022 (Contd.)

# (xii) East-North Interconnection Company Limited (ENICL)(SPV)

| Particulars  | Quarter ended<br>September 30,<br>2022<br>(Unaudited) | Quarter ended<br>June 30,<br>2022<br>(Unaudited) | Quarter ended<br>September 30,<br>2021<br>(Unaudited) | Six months ended<br>September 30,<br>2022<br>(Unaudited) | Six months ended<br>September 30,<br>2021<br>(Unaudited) | Year ended<br>March 31,<br>2022<br>(Audited) |  |          |         |          |          |          |         |
|--|---|--|---|--|--|--|--|----------|---------|----------|----------|----------|---------|
|  |   |  |   |  |  |  | Profit/(loss) after tax as per profit and loss account (A) | (118.70) | (95.92) | (129.51) | (214.62) | (275.09) | (466.85 |
|  |   |  |   |  |  |  | Add: Depreciation, impairment and amortisation             | 142.47   | 140.90  | 142.37   | 283.37   | 283.14   | 564.83  |
| Add/Less: Decrease/(increase) in<br>working capital  | 12.26   | (115.18)   | 9.17  | (102.92)   | (46.62)  | 33.2   |  |          |         |          |          |          |         |
| Add: Interest accrued on loan/non-<br>convertible debentures issued to IndiGrid  | 318.00  | 314.55   | 331.47  | 632.55   | 669.07   | 1,304.78                                     |  |          |         |          |          |          |         |
| Add/less: Loss/gain on sale of infrastructure assets   | -   | -  | -   | -  | -  |  |  |          |         |          |          |          |         |
| Add: Proceeds from sale of infrastructure assets adjusted for the following:   | -   | -  | -   | -  | -  | -  |  |          |         |          |          |          |         |
| <ul> <li>related debts settled or due to be<br/>settled from sale proceeds;</li> </ul>   | -   | -  | -   | -  | -  | -  |  |          |         |          |          |          |         |
| - directly attributable transaction costs;   | -   | -  | -   | -  | -  | -  |  |          |         |          |          |          |         |
| <ul> <li>proceeds reinvested or planned to be<br/>reinvested as per Regulation 18(7)(a)<br/>of the InvIT Regulations</li> </ul>  | -   | -  | -   | -  | -  | -  |  |          |         |          |          |          |         |
| Add: Proceeds 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  | (4.54)  | (0.98)   | (4.02)  | (5.52)   | (7.46)   | (5.59)                                       |  |          |         |          |          |          |         |
| Add/less: Any other item of non-cash expense / non cash income (net of actual cash flows for these items)  | -   | -  | -   | -  | -  | -  |  |          |         |          |          |          |         |
| <ul> <li>any decrease/increase in carrying<br/>amount of an asset or a liability<br/>recognised in profit and loss account<br/>on measurement of the asset or the<br/>liability at fair value;</li> </ul>                                  | -   | -  | -   | -  | -  | -  |  |          |         |          |          |          |         |
| <ul> <li>interest cost as per effective interest<br/>rate method (difference between<br/>accrued and actual paid);</li> </ul>  | -   | -  | -   | -  | -  | -  |  |          |         |          |          |          |         |
| - deferred tax;  | -   | -  | -   | -  | -  | -  |  |          |         |          |          |          |         |
| <ul> <li>unwinding of Interest cost on Non<br/>convertible debentures issued at<br/>interest rate lower than market rate of<br/>interest</li> </ul>  | -   | -  | -   | -  | -  | -  |  |          |         |          |          |          |         |
| <ul> <li>portion reserve for major<br/>maintenance which has not been<br/>accounted for in profit and loss<br/>statement;</li> </ul>   | -   | -  | -   | -  | -  | -  |  |          |         |          |          |          |         |
| <ul> <li>reserve for debenture/ loan<br/>redemption (Excluding any reserve<br/>required by any law or as per lender's<br/>agreement)</li> </ul>  | -   | -  | -   | -  | -  | -  |  |          |         |          |          |          |         |
| Amortisation of Upfront fees   | -   | -  | _   | -  | -  | -  |  |          |         |          |          |          |         |
| Less: Repayment of external debt<br>(principal) / redeemable preference<br>shares / debentures, etc. (Excluding<br>refinancing) / net cash set aside to<br>comply with DSRA requirement under<br>loan agreements                           | -   |  | _   | -  |  | -  |  |          |         |          |          |          |         |
| Total Adjustments (B)  | 468.19  | 339.29   | 478.99  | 807.48   | 898.13   | 1,897.23                                     |  |          |         |          |          |          |         |
| Net Distributable Cash Flows (C) = (A+B)   | 349.49  | 243.37   | 349.48  | 592.86   | 623.04   | 1,430.38                                     |  |          |         |          |          |          |         |

Note: During the period, amount being at least 90% has already been distributed to IndiGrid.



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Unaudited consolidated financial results for the quarter and six months ended September 30, 2022 (Contd.)

### (xiii) Gurgaon-Palwal Transmission Limited (GPTL) (SPV)

| Particulars  | Quarter ended<br>September 30,<br>2022 | Quarter ended<br>June 30,<br>2022 | Quarter ended<br>September 30,<br>2021 | Six months ended<br>September 30,<br>2022 | Six months ended<br>September 30,<br>2021 | Year ended<br>March 31,<br>2022 |
|--|--|-----------------------------------|--|---|---|---------------------------------|
|  | (Unaudited)                            | (Unaudited)                       | (Unaudited)                            | (Unaudited)                               | (Unaudited)                               | (Audited)                       |
| Profit/(loss) after tax as per profit and  | (132.84)                               | (130.17)                          | (100.21)                               | (263.01)                                  | (176.01)                                  | (414.53)                        |
| loss account (A)   | (132.04)                               | (130.11)                          | (100.21)                               | (203.01)                                  | (110.01)                                  | (414.55)                        |
| (pertaining to period post acquisition by IndiGrid)  |  |                                   |  |   |   |                                 |
| Add: Depreciation, impairment and amortisation   | 91.34                                  | 90.32                             | 89.92                                  | 181.66                                    | 178.85                                    | 358.42                          |
| Add/Less: Decrease/(increase) in working capital   | 11.68                                  | (107.71)                          | 11.45                                  | (96.03)                                   | (28.37)                                   | (4.31)                          |
| Add: Interest accrued on loan/non-<br>convertible debentures issued to IndiGrid  | 369.89                                 | 365.87                            | 376.47                                 | 735.76                                    | 705.99                                    | 1,437.73                        |
| Add/less: Loss/gain on sale of infrastructure assets   | -                                      | -                                 | _                                      | _   | -   | -                               |
| Add: Proceeds from sale of infrastructure assets adjusted for the following:   | -                                      | -                                 | -                                      | -   | -   | -                               |
| <ul> <li>related debts settled or due to be<br/>settled from sale proceeds;</li> </ul>   | -                                      | -                                 | -                                      | -   | -   | -                               |
| - directly attributable transaction costs;   | -                                      | -                                 | _                                      |   |   |                                 |
| <ul> <li>proceeds reinvested or planned to be<br/>reinvested as per Regulation 18(7)(a)<br/>of the InvIT Regulations</li> </ul>  | -                                      | -                                 | -                                      | -   | -   | -                               |
| Add: Proceeds from sale of infrastructure assets not distributed pursuant to an earlier plan to re-invest, if such   | -                                      | -                                 | -                                      | -   | -   | -                               |
| subsequently, net of any profit / (loss) recognised in profit and loss account   |  |                                   |  |   |   |                                 |
| Less: Capital expenditure, if any  | (2.28)                                 | (0.56)                            | (4.92)                                 | (2.84)                                    | (39.04)                                   | (70.25)                         |
| Add/less: Any other item of non-cash expense / non cash income (net of actual cash flows for these items)  | -                                      | -                                 | -                                      | -   | -   | -                               |
| any decrease/increase in carrying<br>amount of an asset or a liability<br>recognised in profit and loss account<br>on measurement of the asset or the<br>liability at fair value;                                | -                                      | -                                 | -                                      | -   | -   | -                               |
| interest cost as per effective interest<br>rate method (difference between<br>accrued and actual paid);  | -                                      | -                                 | -                                      | -   | -   | -                               |
| - deferred tax;  | -                                      | -                                 | (13.10)                                | -   | (37.60)                                   | (37.60)                         |
| <ul> <li>unwinding of Interest cost on Non<br/>convertible debentures issued at<br/>interest rate lower than market rate of<br/>interest</li> </ul>  | -                                      | -                                 | -                                      | -   | -   | -                               |
| <ul> <li>portion reserve for major<br/>maintenance which has not been<br/>accounted for in profit and loss<br/>statement;</li> </ul>   | -                                      | -                                 | -                                      | -   | -   | -                               |
| <ul> <li>reserve for debenture/ loan<br/>redemption (Excluding any reserve<br/>required by any law or as per lender's<br/>agreement)</li> </ul>  | -                                      | -                                 | -                                      | -   | -   | -                               |
| Amortisation of Upfront fees   | -                                      | -                                 | -                                      | -   | -   |                                 |
| Less: Repayment of external debt<br>(principal) / redeemable preference<br>shares / debentures, etc. (Excluding<br>refinancing) / net cash set aside to<br>comply with DSRA requirement under<br>loan agreements | -                                      | -                                 |  | _   | -   |                                 |
| Total Adjustments (B)  | 470.63                                 | 347.92                            | 459.82                                 | 818.55                                    | 779.83                                    | 1,683.99                        |
| Net Distributable Cash Flows (C) = (A+B)   | 337.79                                 | 217.75                            | 359.61                                 | 555.54                                    | 603.82                                    | 1,269.46                        |

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Unaudited consolidated financial results for the quarter and six months ended September 30, 2022 (Contd.)

### (xiv) Jhajjar KT Transco Private Limited (JKTPL) (SPV)

| Particulars  | Quarter ended<br>September 30,<br>2022 | Quarter ended<br>June 30,<br>2022 | Quarter ended<br>September 30,<br>2021 | Six months ended<br>September 30,<br>2022 | Six months ended<br>September 30,<br>2021 | Year ended<br>March 31,<br>2022 |
|--|--|-----------------------------------|--|---|---|---------------------------------|
|  | (Unaudited)                            | (Unaudited)                       | (Unaudited)                            | (Unaudited)                               | (Unaudited)                               | (Audited)                       |
| Profit/(loss) after tax as per profit and loss account (A) (pertaining to period post acquisition by IndiGrid)   | 0.05                                   | 3.25                              | 9.35                                   | 3.30                                      | 5.17                                      | 10.23                           |
| Add: Depreciation, impairment and amortisation   | 0.10                                   | 0.06                              | 0.05                                   | 0.16                                      | 0.09                                      | 0.18                            |
| Add/Less: Decrease/(increase) in working capital   | 25.75                                  | 36.00                             | 49.78                                  | 61.75                                     | 75.90                                     | 145.23                          |
| Add: Interest accrued on loan/non-<br>convertible debentures issued to IndiGrid  | 57.04                                  | 57.96                             | 62.45                                  | 115.00                                    | 125.93                                    | 246.67                          |
| Add/less: Loss/gain on sale of infrastructure assets   | -                                      | -                                 | -                                      | -   | -   | -                               |
| Add: Proceeds from sale of infrastructure assets adjusted for the following:   | -                                      | -                                 | -                                      | -   | -   | -                               |
| <ul> <li>related debts settled or due to be<br/>settled from sale proceeds;</li> </ul>   | -                                      | -                                 | -                                      | -   | -   | -                               |
| - directly attributable transaction costs;   | -                                      | -                                 |  |   | -   | -                               |
| - proceeds reinvested or planned to be<br>reinvested as per Regulation 18(7)(a)<br>of the InvIT Regulations  | -                                      | -                                 | -                                      | -   | -   | -                               |
| Add: Proceeds 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  | (0.83)                                 | 0.01                              | -                                      | (0.82)                                    | -   | 0.80                            |
| Add/less: Any other item of non-cash expense / non cash income (net of actual cash flows for these items)  | -                                      | -                                 | -                                      | -   | -   | -                               |
| <ul> <li>any decrease/increase in carrying<br/>amount of an asset or a liability<br/>recognised in profit and loss account<br/>on measurement of the asset or the<br/>liability at fair value;</li> </ul>                                  | -                                      | -                                 | -                                      | -   | -   | -                               |
| <ul> <li>interest cost as per effective interest<br/>rate method (difference between<br/>accrued and actual paid);</li> </ul>  | -                                      | -                                 | -                                      | -   | -   | -                               |
| - deferred tax;  | 2.36                                   | 1.77                              | 3.75                                   | 4.13                                      | 3.02                                      | (1.15)                          |
| <ul> <li>unwinding of Interest cost on Non<br/>convertible debentures issued at<br/>interest rate lower than market rate of<br/>interest</li> </ul>  | -                                      | -                                 | -                                      | -   | -   | -                               |
| <ul> <li>portion reserve for major<br/>maintenance which has not been<br/>accounted for in profit and loss<br/>statement;</li> </ul>   | -                                      | -                                 | -                                      | -   | -   | _                               |
| <ul> <li>reserve for debenture/ loan<br/>redemption (Excluding any reserve<br/>required by any law or as per lender's<br/>agreement)</li> </ul>  | -                                      | -                                 | -                                      | -   | -   | -                               |
| Amortisation of Upfront fees   | -                                      | -                                 | -                                      | -   | -   | -                               |
| Less: Repayment of external debt<br>(principal) / redeemable preference<br>shares / debentures, etc. (Excluding<br>refinancing) / net cash set aside to<br>comply with DSRA requirement under<br>loan agreements                           | -                                      | -                                 | -                                      |   | -   | -                               |
| Total Adjustments (B)  | 84.42                                  | 95.80                             | 116.03                                 | 180.22                                    | 204.94                                    | 391.73                          |
| Net Distributable Cash Flows (C) = (A+B)   | 84.47                                  | 99.05                             | 125.38                                 | 183.52                                    | 210.11                                    | 401.96                          |

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Unaudited consolidated financial results for the quarter and six months ended September 30, 2022 (Contd.)

### (xv) Parbati Koldam Transmission Company Limited (PrKTCL) (SPV)

| Particulars  | Quarter ended<br>September 30,<br>2022 | Quarter ended<br>June 30,<br>2022 | Quarter ended<br>September 30,<br>2021 | Six months ended<br>September 30,<br>2022 | Six months ended<br>September 30,<br>2021 | Year ended<br>March 31,<br>2022 |
|--|--|-----------------------------------|--|---|---|---------------------------------|
|  | (Unaudited)                            | (Unaudited)                       | (Unaudited)                            | (Unaudited)                               | (Unaudited)                               | (Audited)                       |
| Profit/(loss) after tax as per profit and loss account (A)   | 71.01                                  | 60.01                             | (175.52)                               | 131.02                                    | (71.74)                                   | 75.19                           |
| (pertaining to period post acquisition by IndiGrid)  |  |                                   |  |   |   |                                 |
| Add: Depreciation, impairment and amortisation   | 109.76                                 | 108.58                            | 98.75                                  | 218.34                                    | 196.38                                    | 391.82                          |
| Add/Less: Decrease/(increase) in<br>working capital  | (15.02)                                | (156.61)                          | 260.40                                 | (171.63)                                  | 205.05                                    | 175.92                          |
| Add: Interest accrued on loan/non-<br>convertible debentures issued to IndiGrid  | 52.80                                  | 54.52                             | -                                      | 107.32                                    | -   | 108.02                          |
| Add/less: Loss/gain on sale of infrastructure assets   | -                                      | -                                 | -                                      | -   | -   | -                               |
| Add: Proceeds 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: Proceeds 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  | (0.14)                                 | (0.37)                            | (1.58)                                 | (0.51)                                    | (1.82)                                    | (4.25)                          |
| Add/less: Any other item of non-cash expense / non cash income (net of actual cash flows for these items)  | -                                      | -                                 | -                                      | -   | -   | -                               |
| <ul> <li>any decrease/increase in carrying<br/>amount of an asset or a liability<br/>recognised in profit and loss account<br/>on measurement of the asset or the<br/>liability at fair value;</li> </ul>                                  | -                                      | -                                 | -                                      | -   | -   | -                               |
| <ul> <li>interest cost as per effective interest<br/>rate method (difference between<br/>accrued and actual paid);</li> </ul>  | -                                      | -                                 | -                                      | -   | -   | -                               |
| - deferred tax;  | (2.65)                                 | (1.89)                            | (2.50)                                 | (4.54)                                    | (3.79)                                    | (7.59)                          |
| <ul> <li>unwinding of Interest cost on Non<br/>convertible debentures issued at<br/>interest rate lower than market rate of<br/>interest</li> </ul>  | -                                      | -                                 | -                                      | -   | -   | -                               |
| <ul> <li>portion reserve for major<br/>maintenance which has not been<br/>accounted for in profit and loss<br/>statement;</li> </ul>   | -                                      | -                                 | -                                      | -   | -   | -                               |
| <ul> <li>reserve for debenture/ loan<br/>redemption (Excluding any reserve<br/>required by any law or as per lender's<br/>agreement)</li> </ul>  | -                                      | -                                 | -                                      | -   | -   | -                               |
| Amortisation of Upfront fees   | -                                      | -                                 | -                                      | -   | -   | 23.22                           |
| Less: Repayment of external debt<br>(principal) / redeemable preference<br>shares / debentures, etc. (Excluding<br>refinancing) / net cash set aside to<br>comply with DSRA requirement under<br>loan agreements                           | -                                      | -                                 | (89.63)                                | -   | (180.68)                                  | (186.68)                        |
| Total Adjustments (B)  | 144.75                                 | 4.23                              | 265.44                                 | 148.98                                    | 215.14                                    | 500.46                          |
| Net Distributable Cash Flows (C) = (A+B)   | 215.76                                 | 64.24                             | 89.92                                  | 280.00                                    | 143.40                                    | 575.65                          |

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Unaudited consolidated financial results for the quarter and six months ended September 30, 2022 (Contd.)

### (xvi) NER II Transmission Limited (NER) (SPV)

| Particulars  | Quarter ended<br>September 30,<br>2022 | Quarter ended<br>June 30,<br>2022 | Quarter ended<br>September 30,<br>2021 | Six months ended<br>September 30,<br>2022 | Six months ended<br>September 30,<br>2021 | Year ended<br>March 31,<br>2022 |
|--|--|-----------------------------------|--|---|---|---------------------------------|
|  | (Unaudited)                            | (Unaudited)                       | (Unaudited)                            | (Unaudited)                               | (Unaudited)                               | (Audited)                       |
| Profit/(loss) after tax as per profit and loss account (A) (pertaining to period post acquisition by IndiGrid)   | (240.88)                               | (394.47)                          | (306.65)                               | (635.35)                                  | (613.71)                                  | (1,258.63)                      |
| Add: Depreciation, impairment and amortisation   | 248.04                                 | 245.32                            | 247.70                                 | 493.36                                    | 492.71                                    | 983.03                          |
| Add/Less: Decrease/(increase) in working capital   | (97.80)                                | (203.26)                          | 20.60                                  | (301.06)                                  | (671.33)                                  | (471.21)                        |
| Add: Interest accrued on loan/non-<br>convertible debentures issued to IndiGrid  | 1,062.62                               | 1,051.08                          | 1,058.85                               | 2,113.70                                  | 2,083.18                                  | 4,180.04                        |
| Add/less: Loss/gain on sale of infrastructure assets   | -                                      | -                                 | -                                      | -   | -   | -                               |
| Add: Proceeds from sale of infrastructure assets adjusted for the following:   | -                                      | -                                 | _                                      | -   | -   | -                               |
| <ul> <li>related debts settled or due to be<br/>settled from sale proceeds;</li> </ul>   | -                                      | -                                 | -                                      | -   | -   | -                               |
| - directly attributable transaction costs;   | -                                      | -                                 | -                                      | -   | -   |                                 |
| <ul> <li>proceeds reinvested or planned to be<br/>reinvested as per Regulation 18(7)(a)<br/>of the InvIT Regulations</li> </ul>  | -                                      | -                                 | -                                      | -   | -   | -                               |
| Add: Proceeds 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  | (8.95)                                 | (17.86)                           | 1.75                                   | (26.81)                                   | 1.75                                      | _                               |
| Add/less: Any other item of non-cash expense / non cash income (net of actual cash flows for these items)  | -                                      | -                                 | -                                      | -   | -   | -                               |
| <ul> <li>any decrease/increase in carrying<br/>amount of an asset or a liability<br/>recognised in profit and loss account<br/>on measurement of the asset or the<br/>liability at fair value;</li> </ul>                                  | -                                      | -                                 | -                                      | -   | -   | -                               |
| <ul> <li>interest cost as per effective interest<br/>rate method (difference between<br/>accrued and actual paid);</li> </ul>  | -                                      | -                                 | -                                      | -   | -   | -                               |
| - deferred tax;  | -                                      | -                                 | -                                      | -   | -   |                                 |
| <ul> <li>unwinding of Interest cost on Non<br/>convertible debentures issued at<br/>interest rate lower than market rate of<br/>interest</li> </ul>  | -                                      | -                                 | _                                      | -   | -   | <u>-</u>                        |
| <ul> <li>portion reserve for major<br/>maintenance which has not been<br/>accounted for in profit and loss<br/>statement;</li> </ul>   | -                                      | -                                 | _                                      | -   | -   | <u>-</u>                        |
| <ul> <li>reserve for debenture/ loan<br/>redemption (Excluding any reserve<br/>required by any law or as per lender's<br/>agreement)</li> </ul>  | -                                      | -                                 | -                                      | -   | -   | -                               |
| Amortisation of Upfront fees   | -                                      | -                                 | -                                      | -   | -   | _                               |
| Less: Repayment of external debt<br>(principal) / redeemable preference<br>shares / debentures, etc. (Excluding<br>refinancing) / net cash set aside to<br>comply with DSRA requirement under<br>loan agreements                           | -                                      | -                                 | -                                      |   | -   |                                 |
| Total Adjustments (B)  | 1,203.91                               | 1,075.28                          | 1,328.90                               | 2,279.19                                  | 1,906.31                                  | 4,691.86                        |
| Net Distributable Cash Flows (C) = (A+B)   | 963.03                                 | 680.81                            | 1,022.25                               |   | 1,292.60                                  | 3,433.23                        |

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Unaudited consolidated financial results for the quarter and six months ended September 30, 2022 (Contd.)

# (xvii) IndiGrid Solar-I (AP) Private Limited (formerly known as FRV Andhra Pradesh Solar Farm-I Private Limited) (ISPL1) (SPV)

| Particulars  | Quarter ended<br>September 30,<br>2022 | Quarter ended<br>June 30,<br>2022 | Quarter ended<br>September 30,<br>2021 | Six months ended<br>September 30,<br>2022 | Six months ended<br>September 30,<br>2021 | Year ended<br>March 31,<br>2022 |
|--|--|-----------------------------------|--|---|---|---------------------------------|
|  | (Unaudited)                            | (Unaudited)                       | (Unaudited)                            | (Unaudited)                               | (Unaudited)                               | (Audited)                       |
| Profit/(loss) after tax as per profit and loss account (A)   | (183.34)                               | (98.12)                           | (90.22)                                | (281.46)                                  | (90.22)                                   | (262.81)                        |
| (pertaining to period post acquisition by IndiGrid)  |  |                                   |  |   |   |                                 |
| Add: Depreciation, impairment and amortisation   | 43.49                                  | 42.99                             | 37.74                                  | 86.48                                     | 37.74                                     | 122.69                          |
| Add/Less: Decrease/(increase) in working capital   | (8.37)                                 | 31.33                             | 32.50                                  | 22.96                                     | 32.50                                     | 21.13                           |
| Add: Interest accrued on loan/non-<br>convertible debentures issued to IndiGrid  | 224.21                                 | 145.35                            | 134.30                                 | 369.56                                    | 134.30                                    | 403.20                          |
| Add/less: Loss/gain on sale of infrastructure assets   | -                                      | -                                 | -                                      | -   | -   | -                               |
| Add: Proceeds from sale of infrastructure assets adjusted for the following:   | -                                      | -                                 | -                                      | -   | -   | -                               |
| <ul> <li>related debts settled or due to be<br/>settled from sale proceeds;</li> </ul>   | -                                      | -                                 | -                                      | -   | -   | -                               |
| - directly attributable transaction costs;   | -                                      | -                                 | -                                      |   | -   | -                               |
| <ul> <li>proceeds reinvested or planned to be<br/>reinvested as per Regulation 18(7)(a)<br/>of the InvIT Regulations</li> </ul>  | -                                      | -                                 | -                                      | -   | -   | -                               |
| Add: Proceeds 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  | 0.12                                   | (0.25)                            |  | (0.13)                                    |   | (1.76)                          |
| Add/less: Any other item of non-cash   | 0.12                                   | (0.20)                            |  | (0.10)                                    |   | (1.10)                          |
| expense / non cash income (net of actual cash flows for these items)   |  |                                   |  |   |   |                                 |
| <ul> <li>any decrease/increase in carrying<br/>amount of an asset or a liability<br/>recognised in profit and loss account<br/>on measurement of the asset or the<br/>liability at fair value;</li> </ul>                                  | -                                      | -                                 | -                                      | -   | -   | -                               |
| <ul> <li>interest cost as per effective interest<br/>rate method (difference between<br/>accrued and actual paid);</li> </ul>  | -                                      | -                                 | -                                      | -   | -   | -                               |
| - deferred tax;  | 22.53                                  | (6.35)                            |  | 16.18                                     |   | 22.20                           |
| <ul> <li>unwinding of Interest cost on Non<br/>convertible debentures issued at<br/>interest rate lower than market rate of<br/>interest</li> </ul>  | -                                      | -                                 | -                                      | -   | -   | _                               |
| <ul> <li>portion reserve for major<br/>maintenance which has not been<br/>accounted for in profit and loss<br/>statement;</li> </ul>   | -                                      | -                                 | -                                      | -   | -   | -                               |
| <ul> <li>reserve for debenture/ loan<br/>redemption (Excluding any reserve<br/>required by any law or as per lender's<br/>agreement)</li> </ul>  | -                                      | -                                 | -                                      | -   | -   | -                               |
| Amortisation of Upfront fees   |  | -                                 | -                                      | -   | -   | -                               |
| Less: Repayment of external debt (principal) / redeemable preference shares / debentures, etc. (Excluding refinancing) / net cash set aside to comply with DSRA requirement under loan agreements  | -                                      | -                                 | -                                      | -   | -   | -                               |
| Total Adjustments (B)  | 281.98                                 | 213.07                            | 204.54                                 | 495.05                                    | 204.54                                    | 567.46                          |
| Net Distributable Cash Flows (C) = (A+B)   | 98.64                                  | 114.95                            | 114.32                                 | 213.59                                    | 114.32                                    | 304.65                          |

<sup>\*</sup> Being the date of acquisition by IndiGrid consortium.

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Unaudited consolidated financial results for the quarter and six months ended September 30, 2022 (Contd.)

### (xviii) IndiGrid Solar-II (AP) Private Limited (formerly FRV India Solar Park-II Private Limited) (ISPL2) (SPV)

| Particulars  | Quarter ended<br>September 30,<br>2022 | Quarter ended<br>June 30, | Quarter ended<br>September 30, | Six months ended<br>September 30,<br>2022 | Six months ended<br>September 30, | Year ended<br>March 31, |
|--|--|---------------------------|--------------------------------|---|-----------------------------------|-------------------------|
|  | (Unaudited)                            | 2022                      | (Unaudited)                    | (Unaudited)                               | 2021<br>(Unaudited)               | 2022                    |
| Droft/(loca) offer toy on now norft and  | (Onaudited)<br>(180.74)                | (Unaudited)               |                                | ·   |                                   | (Audited                |
| Profit/(loss) after tax as per profit and loss account (A)   | (180.74)                               | (90.29)                   | (86.73)                        | (271.03)                                  | (86.73)                           | (242.16                 |
| (pertaining to period post acquisition by IndiGrid)  |  |                           |                                |   |                                   |                         |
| Add: Depreciation, impairment and amortisation   | 43.80                                  | 43.28                     | 38.01                          | 87.08                                     | 38.01                             | 123.57                  |
| Add/Less: Decrease/(increase) in working capital   | (5.01)                                 | 55.27                     | 32.58                          | 50.26                                     | 32.58                             | (2.73)                  |
| Add: Interest accrued on loan/non-<br>convertible debentures issued to IndiGrid  | 226.22                                 | 141.73                    | 131.67                         | 367.95                                    | 131.67                            | 395.63                  |
| Add/less: Loss/gain on sale of infrastructure assets   | -                                      | -                         | -                              | _   | -                                 |                         |
| Add: Proceeds from sale of infrastructure assets adjusted for the following:   | -                                      | -                         | _                              | _   | -                                 |                         |
| <ul> <li>related debts settled or due to be<br/>settled from sale proceeds;</li> </ul>   | -                                      | -                         | -                              | -   | -                                 | -                       |
| - directly attributable transaction costs;   | -                                      | -                         | -                              |   | -                                 | -                       |
| <ul> <li>proceeds reinvested or planned to be<br/>reinvested as per Regulation 18(7)(a)<br/>of the InvIT Regulations</li> </ul>  | -                                      | -                         | -                              | -   | -                                 | -                       |
| Add: Proceeds 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  |  |                           |                                |   |                                   |                         |
|  | (0.12)                                 | (O.E.1)                   |                                | (0.00)                                    |                                   | (1 E0)                  |
| Less: Capital expenditure, if any<br>Add/less: Any other item of non-cash  | (0.12)                                 | (0.51)                    |                                | (0.63)                                    | -                                 | (1.53)                  |
| expense / non cash income (net of actual cash flows for these items)   | -                                      |                           |                                | -   |                                   |                         |
| <ul> <li>any decrease/increase in carrying<br/>amount of an asset or a liability<br/>recognised in profit and loss account<br/>on measurement of the asset or the<br/>liability at fair value;</li> </ul>        | -                                      | -                         | -                              | -   | -                                 | -                       |
| interest cost as per effective interest<br>rate method (difference between<br>accrued and actual paid);  | -                                      | -                         | -                              | -   | -                                 | -                       |
| - deferred tax:  | 23.05                                  | (5.21)                    | -                              | 17.84                                     | -                                 | 21.58                   |
| - unwinding of Interest cost on Non<br>convertible debentures issued at<br>interest rate lower than market rate of<br>interest   | -                                      | -                         | -                              | -   | -                                 | -                       |
| <ul> <li>portion reserve for major<br/>maintenance which has not been<br/>accounted for in profit and loss<br/>statement;</li> </ul>   | -                                      | -                         | -                              | -   | -                                 | -                       |
| <ul> <li>reserve for debenture/ loan<br/>redemption (Excluding any reserve<br/>required by any law or as per lender's<br/>agreement)</li> </ul>  | -                                      | -                         | -                              | -   | -                                 |                         |
| Amortisation of Upfront fees   | -                                      | -                         | -                              | _   | -                                 |                         |
| Less: Repayment of external debt<br>(principal) / redeemable preference<br>shares / debentures, etc. (Excluding<br>refinancing) / net cash set aside to<br>comply with DSRA requirement under<br>loan agreements | -                                      | -                         | _                              | _   | -                                 |                         |
| Total Adjustments (B)  | 287.94                                 | 234.56                    | 202.26                         | 522.50                                    | 202.26                            | 536.52                  |
|  | 281.94                                 | 234.36                    | 202.26                         | 522.50                                    | 202.20                            | 230.52                  |

<sup>\*</sup> Being the date of acquisition by IndiGrid consortium.

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Unaudited consolidated financial results for the quarter and six months ended September 30, 2022 (Contd.)

### (xix) Kallam Transmission Limited (KTL) (SPV)

| Particulars  | Quarter ended<br>September 30, | Quarter ended<br>June 30,<br>2022 | Quarter ended<br>September 30,<br>2021 | Six months ended<br>September 30, | Six months ended<br>September 30, | Year ended<br>March 31, |
|--|--------------------------------|-----------------------------------|--|-----------------------------------|-----------------------------------|-------------------------|
|  | 2022<br>(Unaudited)            | (Unaudited)                       | (Unaudited)                            | 2022<br>(Unaudited)               | 2021<br>(Unaudited)               | 2022<br>(Audited        |
| Profit/(loss) after tax as per profit and                                      | (Onaudited)                    | (Onaudited)                       | (Onaudited)                            | (Unaudited)                       | (Onaudited)                       | (Audited                |
| loss account (A)   | -                              | -                                 | -                                      | -                                 |                                   |                         |
| (pertaining to period post acquisition by                                      |                                |                                   |  |                                   |                                   |                         |
| IndiGrid)  |                                |                                   |  |                                   |                                   |                         |
| Add: Depreciation, impairment and amortisation                                 | -                              | -                                 | -                                      | -                                 |                                   |                         |
| Add/Less: Decrease/(increase) in   | -                              | -                                 | -                                      | -                                 |                                   |                         |
| working capital  |                                |                                   |  |                                   |                                   |                         |
| Add: Interest accrued on loan/non-   | -                              | -                                 | -                                      | -                                 |                                   |                         |
| convertible debentures issued to IndiGrid                                      |                                |                                   |  |                                   |                                   |                         |
| Add/less: Loss/gain on sale of infrastructure assets                           | -                              | -                                 | -                                      | -                                 |                                   |                         |
| Add: Proceeds 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)<br>of the InvIT Regulations              |                                |                                   |  |                                   |                                   |                         |
| Add: Proceeds 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  |                                |                                   | -                                      | _                                 |                                   |                         |
| Add/less: Any other item of non-cash   |                                | -                                 | -                                      | _                                 |                                   |                         |
| expense / non cash income (net of actual                                       |                                |                                   |  |                                   |                                   |                         |
| cash flows for these items)  |                                |                                   |  |                                   |                                   |                         |
| - any decrease/increase in carrying  | -                              | -                                 | -                                      | -                                 |                                   |                         |
| amount of an asset or a liability  |                                |                                   |  |                                   |                                   |                         |
| recognised in profit and loss account on measurement of the asset or the       |                                |                                   |  |                                   |                                   |                         |
| liability at fair value;   |                                |                                   |  |                                   |                                   |                         |
| - interest cost as per effective interest                                      |                                |                                   |  | -                                 |                                   |                         |
| rate method (difference between  |                                |                                   |  |                                   |                                   |                         |
| accrued and actual paid);  |                                |                                   |  |                                   |                                   |                         |
| - deferred tax;  |                                | -                                 | -                                      | _                                 |                                   |                         |
| - unwinding of Interest cost on Non  | -                              | -                                 | -                                      | -                                 |                                   |                         |
| convertible debentures issued at   |                                |                                   |  |                                   |                                   |                         |
| interest rate lower than market rate of  |                                |                                   |  |                                   |                                   |                         |
| interest   |                                |                                   |  |                                   |                                   |                         |
| - portion reserve for major maintenance which has not been                     | -                              | -                                 | -                                      | -                                 |                                   |                         |
| accounted for in profit and loss   |                                |                                   |  |                                   |                                   |                         |
| statement;   |                                |                                   |  |                                   |                                   |                         |
| - reserve for debenture/ loan  | -                              | -                                 | -                                      | -                                 |                                   |                         |
| redemption (Excluding any reserve  |                                |                                   |  |                                   |                                   |                         |
| required by any law or as per lender's   |                                |                                   |  |                                   |                                   |                         |
| agreement)   |                                |                                   |  |                                   |                                   |                         |
| Amortisation of Upfront fees   | -                              | -                                 | -                                      | -                                 |                                   |                         |
| Less: Repayment of external debt   | -                              | -                                 | -                                      | -                                 |                                   |                         |
| (principal) / redeemable preference<br>shares / debentures, etc. (Excluding    |                                |                                   |  |                                   |                                   |                         |
| refinancing) / net cash set aside to   |                                |                                   |  |                                   |                                   |                         |
| comply with DSRA requirement under   |                                |                                   |  |                                   |                                   |                         |
| loan agreements  |                                |                                   |  |                                   |                                   |                         |
| Total Adjustments (B)  | -                              | -                                 | -                                      | -                                 |                                   |                         |
| Net Distributable Cash Flows (C) = (A+B)                                       | _                              | _                                 | _                                      | _                                 |                                   |                         |

\* Being the date of acquisition by IndiGrid consortium.

Kallam Transmission Limited is under construction project and hence project shall not generate any NDCF. KTL shall generate NDCF post Commercial operation.



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### C) Contingent liabilities

| Particulars                             | As at<br>September 30,<br>2022 | As at<br>June 30,<br>2022 | As at<br>March 31,<br>2022 | As at<br>September 30,<br>2021 |
|---|--------------------------------|---------------------------|----------------------------|--------------------------------|
|   | (Unaudited)                    | (Unaudited)               | (Audited)                  | (Unaudited)                    |
| - ENTRY TAX DEMAND (REFER NOTE A BELOW) | 432.59                         | 432.59                    | 432.59                     | 432.59                         |
| - Sales tax demand (refer note B below) | 23.69                          | 23.69                     | 23.69                      | 33.52                          |
| - Other Demands (refer note C below)    | 406.18                         | 406.18                    | 406.18                     | 461.90                         |
| Total                                   | 862.46                         | 862.46                    | 862.46                     | 928.01                         |

- A 1. Entry tax cases includes disputes pertaining to demand of entry tax on movement of capital goods in the state of Madhya Pradesh. Out of the total demand ₹ 138.75 Million (June 30, 2022: ₹ 138.75 Million; March 31, 2022: ₹ 138.75 Million; September 30, 2021: ₹ 138.75 Million) pertains to Jabalpur Transmission Company Limited ('JTCL'), ₹ 165.80 Million (June 30, 2022: ₹ 165.80 Million; March 31, 2022: ₹ 165.80 Million) pertains to Bhopal Dhule Transmission Company Limited ('BDTCL') and ₹ 13.30 Million (June 30, 2022: ₹ 13.30 Million; March 31, 2022: ₹ 13.30 Million; September 30, 2021: ₹ 13.30 Million) pertains to RAPP Transmission Company Limited ('RTCL') which is pending with High Court, Jabalpur.
  - 2. Entry tax cases includes disputes pertaining to demand of entry tax on movement of capital goods in the state of Madhya Pradesh. The total demand ₹ 1.33 Million (June 30, 2022: ₹ 1.33 Million; March 31, 2022: ₹ 1.33 Million; September 30, 2021: ₹ 1.33 Million) pertains to Bhopal Dhule Transmission Company Limited ('BDTCL') which is pending with Commissioner (Appeals).
  - 3. Entry tax cases includes disputes pertaining to demand of entry tax on movement of capital goods in the state of Chhattisgarh. The total demand ₹ 113.41 Million (June 30, 2022: ₹ 113.41 Million; March 31, 2022: ₹ 113.41 Million; September 30, 2021: ₹ 113.41 Million) pertains to Jabalpur Transmission Company Limited ('JTCL') out of which ₹ 51.55 Million (June 30, 2022: ₹ 51.55 Million; March 31, 2022: ₹ 51.55 Million; September 30, 2021: ₹ 51.55 Million) is pending with the Chhattisgarh High Court, ₹ 40.50 Million (June 30, 2022: ₹ 40.50 Million; March 31, 2022: ₹ 40.50 Million; September 30, 2021: ₹ 40.50 Million) is pending with Chairman Chhattisgarh Commercial tax Tribunal, Raipur (C.G.) and ₹ 21.36 Million (June 30, 2022: ₹ 21.36 Million; March 31, 2022: ₹ 21.36 Million; September 30, 2021: ₹ 21.36 Million) the notice for assessment has been received in the month of October 2020 for which the Group has applied for a certified copy of the Assessment Order on October 29, 2020 and is still awaiting a copy of the same.
- B 1. Sales tax demand of ₹ 17.99 Million (June 30, 2022: ₹ 17.99 Million; March 31, 2022: ₹ 17.99 Million; September 30, 2021: ₹ 17.99 Million) for Indigrid Limited (IGL) pertains to demand under Delhi VAT Act, 2004 for non-submission of C Forms, ₹ 24.66 Million pertains to 2014-15 has been settled during the previous year; ₹ 17.99 Million pertains to demand under Delhi VAT Act, 2004 for non-submission of C Forms for 2015-16. The Group has filed an objection against the order with Assistant Commissioner of Delhi VAT Authorities.
  - 2. VAT demand notice of ₹ 5.70 Million (June 30, 2022: ₹ 5.70 Million; March 31, 2022: ₹ 5.70 Million; September 30, 2021: ₹ 5.70 Million) for Purulia & Kharagpur Transmission Company Limited (PKTCL) pertains to Jharkhand VAT Act, 2005. The Group has received the notice for assessment in the month of January 2020 and various submissions along with the requisite details and documents were made to the officer. The Group further applied for a certified copy of the Assessment Order on October 01, 2020 and is still awaiting a copy of the same.
  - 3. VAT demand notice of ₹ Nil (June 30, 2022: ₹ Nil; March 31, 2022: ₹ Nil; September 30, 2021: ₹ 9.83 Million) for Jabalpur Transmission Company Limited (JTCL) pertains to Chhattisgarh, VAT Act, 2005. The Group has received the notice for assessment in the month of October 2020. The Group further applied for a certified copy of the Assessment Order on October 29, 2020 and is still awaiting a copy of the same.
- During the financial year 2019-20, land owners have filed a case with the District Court, Jhajjar, Haryana towards compensation and interest thereon for the value of land over which the transmission line is passing. The Group is of the view that required amount of compensation to these landowners have already been paid and no further compensation is payable. Further, these litigations are barred by limitations. Based on the legal advice, the Group does not anticipate any liability against the same and has disclosed a contingent liability of ₹ 20.12 Million (June 30, 2022: ₹ 20.12 Million; March 31, 2022: ₹ 20.12 Million; September 30, 2021: ₹ 20.12 Million). It also includes an amount of ₹ 173.39 Million (June 30, 2022: ₹ 173.39 Million; March 31, 2022: ₹ 173.39 Million; September 30, 2021: ₹ 229.11 Million) for claims from farmers for additional Right of Way (RoW) compensation made against one of the subsidiaries.

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Unaudited consolidated financial results for the quarter and six months ended September 30, 2022 (Contd.)

Further it includes an amount of ₹ 212.67 Million (June 30, 2022: 212.67 Million; March 31, 2022: 212.67 Million; September 30, 2021: ₹ 212.67 Million) for claims from one of the erstwhile EPC contract vendor against two of the subsidiaries.

The Group has not provided for disputed liabilities disclosed above arising from entry tax demands which are pending with different authorities mentioned above for its decision. The Group is contesting the demands and the Group management, including its legal advisors, believe that its position will likely be upheld in the appellate process. No liability has been accrued in the consolidated financial statements for the demands raised. The Group management believes that the ultimate outcome of these proceedings will not have a material adverse effect on the Group's financial position.

### Others

The total contingent liability (except ROW and GST claim against FRV-1 and FRV-2) is recoverable as per share purchase agreement from Selling Shareholders.

\*Sterlite Power Grid Ventures Limited ('SPGVL') has been merged with Sterlite Power Transmission Limited ('SPTL') wef November 15, 2020

# Sterlite Grid 4 Limited (SGL4) has been merged with Sterlite Power Transmission Limited ('SPTL') wef February 17, 2022.

### D) Statement of Commitments

- (a) The Group has entered into a Framework agreement on April 30, 2019 with Sterlite Power Grid Ventures Limited ('SPGVL')\* for acquisition of Khargone Transmission Limited ('KgTL').
- (b) The Group has entered into transmission services agreement (TSA) with long term transmission customers pursuant to which the Group has to transmit power of contracted capacity and ensure minimum availability of transmission line over the period of the TSA. The TSA contains provision for disincentives and penalties in case of certain defaults.
- (c) The Group has taken office building on lease which has lease term of 5 years with lock-in-period of 3 years
- (d) The Group has entered into Power Purchase Agreement ('PPA') with Solar Energy Corporation of India Limited ('SECI'), where IndiGrid Solar-I (AP) Private Limited (formerly known as FRV Andhra Pradesh Solar Farm-I Private Limited) and IndiGrid Solar-II (AP) Private Limited (formerly FRV India Solar Park-II Private Limited) is required to sell power at a pre-fixed tariff of ₹ 4.43/kWh for a period of 25 years from the Commercial operation date to SECI.
- (e) The Group has entered into an Implementation and Support Agreement with Andhra Pradesh Solar Power Corporation Private Limited (APSPCL). Annual O&M charges are payable for the period of 25 years from the commercial operation date to APSPCL.
- (f) The letter of intent for development of Kallam Transmission Limited (KTL) is awarded to consortium of IGL1 and IGL2 ("IndiGrid Consortium") by the REC Power Development and Consultancy Limited (formerly known as REC Power Distribution Company Limited) on November 30, 2021 for a 35-year period from the scheduled commercial operation date, on a Build, Own, Operate and Maintain model. IndiGrid Consortium acquired the project on December 28, 2021 pursuant to Share Purchase Agreement ("SPA"). The project is currently under development with scheduled commissioning on June 27, 2023.
- (g) The Group has entered into a Share Purchase Agreement with Simplex Infrastructure Limited, Patel Engineering Limited and BS Limited dated 30 July 2022 to acquire 100% paid up equity capital along with liabilities of Raichur Sholapur Transmission Company Private Limited for an enterprise value (EV) not exceeding ₹ 2,500 Millions, subject to relevant approvals and completion of contractual obligations.

### E) Statement of Earnings per unit:

Basic EPU amounts are calculated by dividing the profit for the year/period attributable to Unit holders by the weighted average number of units outstanding during the year/period.

Diluted EPU amounts are calculated by dividing the profit attributable to unit holders by the weighted average number of units outstanding during the year plus the weighted average number of units that would be issued on conversion of all the dilutive potential units into unit capital.



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### The following reflects the profit and unit data used in the basic and diluted EPU computation:

| Particulars  | Quarter ended<br>September 30,<br>2022 | Quarter ended<br>June 30,<br>2022 | Quarter ended<br>September 30,<br>2021 | Six months ended<br>September 30,<br>2022 | Six months ended<br>September 30,<br>2021 | Year ended<br>March 31,<br>2022 |
|--|--|-----------------------------------|--|---|---|---------------------------------|
|  | (Unaudited)                            | (Unaudited)                       | (Unaudited)                            | (Unaudited)                               | (Unaudited)                               | (Audited)                       |
| Profit after tax for calculating basic and diluted EPU attributable to unitholder      | 1,201.05                               | 830.72                            | 743.38                                 | 2,031.77                                  | 1,595.94                                  | 3,484.12                        |
| Weighted average number of units in calculating basic and diluted EPU (No. in Million) | 700.18                                 | 700.18                            | 700.18                                 | 700.18                                    | 686.15                                    | 693.14                          |
| Earnings Per Unit (not annualised except for the year ended March 31, 2022)            |  |                                   |  |   |   |                                 |
| Basic (Rupees/unit)  | 1.71                                   | 1.19                              | 1.06                                   | 2.90                                      | 2.33                                      | 5.03                            |
| Diluted (Rupees/unit)  | 1.71                                   | 1.19                              | 1.06                                   | 2.90                                      | 2.33                                      | 5.03                            |

### F) Statement of Related Party Transactions:

### I. List of related parties as per the requirements of Ind-AS 24 - Related Party Disclosures

### (a) Entity with significant influence over the Trust

Esoteric II Pte. Limited (from May 04, 2019) - Sponsor w.e.f September 28, 2020

Sterlite Power Grid Ventures Limited (SPGVL)^ - Sponsor and Project manager of IndiGrid - upto November 15, 2020

Sterlite Power Transmission Limited (SPTL) - Sponsor of IndiGrid - w.e.f. November 15, 2020

Sterlite Grid 4 Limited (SGL4) - Subsidiary of Sponsor (SPTL)

Indigrid Investment Managers Limited (formerly known as Sterlite Investment Managers Limited) (IIML) - Investment manager of IndiGrid

### II. List of related parties as per Regulation 2(1)(zv) of the InvIT Regulations

### (a) Parties to IndiGrid

Esoteric II Pte. Limited (EPL) - Sponsor (w.e.f September 28, 2020)

Sterlite Power Transmission Limited (SPTL) - Project manager of IndiGrid (upto June 30, 2021 for all SPV other than NER)

Indigrid Investment Managers Limited (formerly known as Sterlite Investment Managers Limited) (IIML) - Investment manager of IndiGrid

Axis Trustee Services Limited (ATSL) - Trustee of IndiGrid

### (b) Promoters of the parties to IndiGrid specified in (a) above

Twin Star Overseas Limited - Promoter of SPTL

Electron IM Pte. Limited - Promoter of IIML

Axis Bank Limited - Promoter of ATSL

KKR Ingrid Co-Invest L.P.-Cayman Island - Promoter of EPL

### (c) Directors of the parties to IndiGrid specified in (a) above

### (i) Directors of SPTL:

Pravin Agarwal

Pratik Agarwal

A. R. Narayanaswamy

Zhao Haixia

Anoop Seth

Manish Agarwal (from December 17, 2021)

Arun Lalchand Todarwal (till July 24, 2021)

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### (ii) Directors of IIML:

Harsh Shah (CEO & Whole-time director) (till June 30, 2022 and rejoined from August 30, 2022)

Jyoti Kumar Agarwal (till September 30, 2022)

Tarun Kataria

Rahul Asthana

Ashok Sethi

Hardik Shah (from November 30, 2021)

Jayashree Vaidhyanthan (from November 30, 2021)

Ami Momaya (from January 27, 2022)

Pratik Agarwal (till January 14, 2022)

Sanjay Omprakash Nayar (till January 27, 2022)

### (iii) Key Managerial Personnel of IIML:

Harsh Shah (CEO & Whole-time director) (till June 30, 2022 and rejoined from August 30, 2022)

Swapnil Patil (Company Secretary) (till July 31, 2022)

Jyoti Kumar Agarwal (CFO) (till June 30, 2022)

Jyoti Kumar Agarwal (CEO & Whole-time director) (from July 01, 2022 till September 30, 2022)

Divya Bedi Verma (CFO) (from July 01, 2022)

Urmil Shah (Company Secretary) (from August 01, 2022)

### (iv) Directors of ATSL:

Rajesh Kumar Dahiya

Ganesh Sankaran

Deepa Rath (from May 01, 2021)

Sanjay Sinha (till April 30, 2021)

### (v) Directors of Esoteric II Pte. Limited:

Tang Jin Rong (from February 19, 2021)

Madhura Narawane (from January 26, 2022)

Velasco Azonos Cecilio Francisco (till January 26, 2022)

### (vi) Relative of directors mentioned above:

Sonakshi Agarwal

Jyoti Agarwal

Sujata Asthana

Mala Todarwal (till July 24, 2021)

'Sterlite Power Grid Ventures Limited ('SPGVL') has been merged with Sterlite Power Transmission Limited ('SPTL') wef November 15, 2020.

# Sterlite Grid 4 Limited (SGL4) has been merged with Sterlite Power Transmission Limited ('SPTL') wef February 17, 2022



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Unaudited consolidated financial results for the quarter and six months ended September 30, 2022 (Contd.)

### III. Transactions with related parties during the period

| Sr.<br>No. | Particulars  | Quarter ended<br>September 30,<br>2022 | Quarter ended<br>June 30,<br>2022 | Quarter ended<br>September 30,<br>2021 | Six months ended<br>September 30,<br>2022 | Six months ended<br>September 30,<br>2021 | Year ended<br>March 31,<br>2022 |
|------------|--|--|-----------------------------------|--|---|---|---------------------------------|
|            |  | (Unaudited)                            | (Unaudited)                       | (Unaudited)                            | (Unaudited)                               | (Unaudited)                               | (Audited)                       |
| 1          | DEPOSIT GIVEN  |  |                                   |  |   |   |                                 |
|            | Sterlite Power Transmission<br>Limited   | -                                      | -                                 | -                                      | -   | -   | 36.00                           |
| 2          | Adjusment in consideration<br>for equity shares of PKTCL on<br>account of events mentioned in<br>SPA               |  |                                   |  |   |   |                                 |
|            | Sterlite Power Grid Ventures<br>Limited*   | -                                      | -                                 | -                                      | -   | -   | 50.00                           |
| 3          | Purchase of equity shares of<br>Indigrid 1 Limited   |  |                                   |  |   |   |                                 |
|            | Sterlite Power Grid Ventures<br>Limited*   | -                                      | -                                 | -                                      | -   | -   | -                               |
| 4          | Adjustment in consideration for<br>equity shares of GPTL on account<br>of events mentioned in SPA                  |  |                                   |  |   |   |                                 |
|            | Sterlite Power Transmission<br>Limited   | -                                      | -                                 | -                                      | -   | -   | (0.57)                          |
| 5          | Adjustment in consideration<br>for equity shares of Indigrid 1<br>Limited on account of events<br>mentioned in SPA |  |                                   |  |   |   |                                 |
|            | Sterlite Power Transmission<br>Limited   | -                                      | -                                 | _                                      | _   | -   | (0.58)                          |
| 6          | Additional consideration for<br>equity shares of Indigrid 2 Limted<br>on account of events mentioned<br>in SPA     |  |                                   |  |   |   |                                 |
|            | Sterlite Power Grid Ventures<br>Limited*   | -                                      | -                                 | -                                      | -   | -   | 18.53                           |
| 7          | Purchase of equity shares of ENICL   |  |                                   |  |   |   |                                 |
|            | Sterlite Power Grid Ventures<br>Limited*   | -                                      | -                                 | -                                      | -   | -   | -                               |
|            | Sterlite Power Transmission<br>Limited   |  |                                   |  |   |   |                                 |
| 8          | Adjustment in consideration<br>for equity shares of ENICL on<br>account of events mentioned in<br>SPA              |  |                                   |  |   |   |                                 |
|            | Sterlite Power Grid Ventures<br>Limited*   | -                                      | -                                 | -                                      | -   | -   | (4.46)                          |
|            | Sterlite Power Transmission<br>Limited   |  | -                                 |  | -   | -   |                                 |
| 9          | Purchase of equity shares of<br>GPTL   |  |                                   |  |   |   |                                 |
|            | Sterlite Grid 4 Limited  | -                                      | -                                 | -                                      | -   | -   | _                               |
| 10         | Consideration for equity shares of GPTL on account of events mentioned in SPA                                      |  |                                   |  |   |   |                                 |
|            | Sterlite Grid 4 Limited  | -                                      | -                                 | -                                      | -   | -   | -                               |
| 11         | Purchase of Ioan to GPTL   |  |                                   |  |   |   |                                 |
|            | Sterlite Grid 4 Limited  | -                                      | -                                 | -                                      | -   | -   | -                               |
| 12         | Purchase of equity shares of NER   |  |                                   |  |   |   |                                 |
|            | Sterlite Grid 4 Limited  | -                                      | -                                 | 9.60                                   | -   | 5,179.33                                  | 5,179.33                        |
| 13         | Consideration for equity shares of NER on account of events mentioned in SPA                                       |  |                                   |  |   |   |                                 |
|            | Sterlite Grid 4 Limited  |  | -                                 | -                                      | -   | -   | 10.85                           |

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| Sr.<br>No. | Particulars  | Quarter ended<br>September 30, | Quarter ended<br>June 30, | Quarter ended<br>September 30, | Six months ended<br>September 30, | Six months ended<br>September 30, | Year ended<br>March 31, |
|------------|--|--------------------------------|---------------------------|--------------------------------|-----------------------------------|-----------------------------------|-------------------------|
|            |  | 2022                           | 2022                      | 2021                           | 2022                              |                                   | 2022                    |
|            |  | (Unaudited)                    | (Unaudited)               | (Unaudited)                    | (Unaudited)                       | (Unaudited)                       | (Audited)               |
| 14         | Adjustment in consideration for<br>equity shares of NER on account<br>of events mentioned in SPA       |                                |                           |                                |                                   |                                   |                         |
|            | Sterlite Grid 4 Limited*   | 281.10                         | (38.90)                   | -                              | 242.20                            | -                                 | -                       |
| 15         | Transfer of Employee related liability   |                                |                           |                                |                                   |                                   |                         |
|            | Indigrid Investment Managers<br>Limited  | -                              | 4.58                      | -                              | 4.58                              | -                                 | -                       |
| 16         | Earn Out Expenses  |                                |                           |                                |                                   |                                   |                         |
|            | Sterlite Power Grid Ventures<br>Limited*   | -                              |                           | -                              | -                                 | -                                 | -                       |
| 17         | Rights Issue of unit capital   |                                |                           |                                |                                   |                                   |                         |
|            | Esoteric II Pte. Limited   | -                              |                           | -                              | -                                 | 3,285.28                          | 3,285.28                |
|            | Sterlite Power Transmission<br>Limited #   | -                              | -                         | -                              | -                                 | 44.72                             | 44.72                   |
| 18         | Distribution to unit holders   |                                |                           |                                |                                   |                                   |                         |
|            | Sterlite Power Grid Ventures<br>Limited*/Sterlite Power<br>Transmission Limited#                       | -                              | -                         | 6.50                           | -                                 | 14.09                             | 14.09                   |
|            | Indigrid Investment Managers<br>Limited (formerly known as<br>Sterlite Investment Managers<br>Limited) | 1.84                           | 1.76                      | 1.76                           | 3.60                              | 3.03                              | 6.55                    |
|            | Esoteric II Pte. Limited   | 547.48                         | 528.81                    | 528.81                         | 1,076.29                          | 1,043.11                          | 2,100.73                |
|            | Pratik Agarwal   | -                              |                           | 0.53                           | -                                 | 1.05                              | 1.05                    |
|            | Harsh Shah   | 0.13                           |                           | 0.04                           | 0.13                              | 0.09                              | 0.18                    |
|            | Swapnil Patil  | 0.02                           | 0.02                      | 0.02                           | 0.04                              | 0.04                              | 0.06                    |
|            | Sonakshi Agarwal   | 0.06                           | 0.06                      | 0.06                           | 0.12                              | 0.12                              | 0.24                    |
|            | Jyoti Agarwal  | -                              | 0.08                      | 0.08                           | 0.08                              | 0.15                              | 0.30                    |
|            | Sujata Asthana   | 0.40                           | 0.39                      | 0.39                           | 0.79                              | 0.77                              | 1.55                    |
|            | Arun Todarwal  | -                              | 0.03                      |                                | 0.03                              | 0.01                              | 0.05                    |
|            | A. R. Narayanaswamy  | 0.06                           | 0.06                      | 0.07                           | 0.12                              | 0.13                              | 0.25                    |
| 10         | Mala Todarwal  | -                              | 0.02                      | -                              | 0.02                              | 0.01                              | 0.05                    |
| 19         | Trustee fee  |                                | 0.16                      | 0.50                           | 0.16                              | 1.10                              |                         |
|            | Axis Trustee Services Limited (ATSL)   | -                              | 2.16                      | 0.59                           | 2.16                              | 1.18                              | 3.32                    |
| 20         | Project management fees  | 0.00                           | 0.05                      |                                | 0.71                              |                                   | 1.00                    |
|            | Sterlite Power Transmission<br>Limited   | 0.36                           | 0.35                      | -                              | 0.71                              | -                                 | 1.06                    |
| 21         | Investment management fees   |                                |                           |                                |                                   |                                   |                         |
|            | Indigrid Investment Managers<br>Limited (formerly Sterlite<br>Investment Managers Limited)             | 113.79                         | 107.40                    | 107.32                         | 221.19                            | 215.53                            | 434.12                  |
| 22         | Purchase of Project stores   |                                |                           |                                |                                   |                                   |                         |
|            | Sterlite Power Transmission<br>Limited   | -                              | 5.53                      | -                              | 5.53                              | -                                 | -                       |
| 23         | Advance given for stores   |                                |                           |                                |                                   |                                   |                         |
|            | Sterlite Power Transmission<br>Limited   | -                              | 7.29                      | -                              | 7.29                              | -                                 | -                       |
| 24         | Indemnification income (NER)   |                                |                           |                                |                                   |                                   |                         |
|            | Sterlite Grid 4 Limited  | -                              | 34.70                     | -                              | 34.70                             | -                                 | -                       |
| 25         | Directors sitting fees   |                                |                           |                                |                                   |                                   |                         |
|            | Prabhakar Singh  | 1.40                           | 1.20                      | -                              | 2.60                              | -                                 |                         |

<sup>\*</sup> Sterlite Power Grid Ventures Limited ('SPGVL') has been merged with Sterlite Power Transmission Limited ('SPTL') wef November 15, 2020

<sup>#</sup> Sterlite Power Transmission Limited had subscribed to rights issue of the Trust and allotted 0.41 Million units Subsequently, SPTL has disinvested 0.25 Million units on June 09, 2021 and 0.16 Million units on June 10, 2021. Further SPTL has disinvested remaining 2.04 Million units on September 07, 2021.



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### IV. Outstanding balances are as follows:

| Sr.<br>No. | Particulars  | As at September 30, 2022 | As at<br>June 30,<br>2022 | As at September 30, 2021 | As at<br>March 31,<br>2022 |
|------------|--|--------------------------|---------------------------|--------------------------|----------------------------|
|            |  | (Unaudited)              | (Unaudited)               | (Unaudited)              | (Audited)                  |
| 1          | PROJECT MANAGER FEES PAYABLE   |                          |                           |                          |                            |
|            | Sterlite Power Grid Ventures Limited*/Sterlite Power Transmission<br>Limited                         | 1.68                     | 1.58                      | 20.38                    | 1.22                       |
| 2          | Investment Manager fees payable  |                          |                           |                          |                            |
|            | Indigrid Investment Managers Limited (formerly Sterlite Investment<br>Managers Limited)              | 113.79                   | 107.40                    | 107.28                   | 96.75                      |
| 3          | Payable towards project acquired   |                          |                           |                          |                            |
|            | Sterlite Power Grid Ventures Limited*/Sterlite Power Transmission<br>Limited/Sterlite Grid 4 Limited | 1,036.13                 | 1,225.28                  | 1,421.41                 | 1,180.70                   |
| 4          | Management fees payable  |                          |                           |                          |                            |
|            | Sterlite Power Grid Ventures Limited*/Sterlite Power Transmission<br>Limited                         | 0.16                     | 0.16                      | 0.16                     | 0.16                       |
| 5          | Deposits given   |                          |                           |                          |                            |
|            | Sterlite Power Grid Ventures Limited*/Sterlite Power Transmission<br>Limited                         | 36.00                    | 36.00                     | -                        | 36.00                      |
| 6          | Other payables (net)   |                          |                           |                          |                            |
|            | Sterlite Power Transmission Limited  | -                        | 2.52                      | -                        | -                          |

<sup>#</sup> Sterlite Grid 4 Limited (SGL4) has been merged with Sterlite Power Transmission Limited ('SPTL') wef February 17, 2022

Details in respect of related party transactions involving acquisition of InvIT assets as required by Para 4.4(b)(iv) of Section A of Annexure A to SEBI Circular dated October 20, 2016 are as follows:

### For the quarter and half year ended September 30, 2022:

No acquisition during the quarter and half year.

For the year ended March 31, 2022:

No acquisitions during the year ended March 31, 2022.

### 14) Changes in Accounting policies

Place: Noida

Date: November 10, 2022

There is no change in the Accounting policy of the Group for the quarter and half year ended September 30, 2022.

For and behalf of the Board of Directors of Indigrid Investment Managers Limited (as Investment Manager of India Grid Trust)

**Harsh Shah** 

CEO and Whole Time Director

DIN: 02496122

### SEBI REGISTRATION NUMBER: IN/INVIT/16-17/0005

# **UNAUDITED STANDALONE FINANCIAL RESULTS**

FOR THE QUARTER AND SIX MONTHS ENDED SEPTEMBER 30, 2022

(All amounts in ₹ Million unless otherwise stated)

| Particulars   | Quarter ended         | Quarter ended | Quarter ended         | Six months                     | Six months                     | Year ended        |
|---|-----------------------|---------------|-----------------------|--------------------------------|--------------------------------|-------------------|
|   | September 30,<br>2022 | June 30, 2022 | September 30,<br>2021 | ended<br>September 30,<br>2022 | ended<br>September 30,<br>2021 | March 31,<br>2022 |
|   | (Unaudited)           | (Unaudited)   | (Unaudited)           | (Unaudited)                    | (Unaudited)                    | (Audited)         |
| I. INCOME   | ,                     | ,             | ,                     | ,                              | ,                              |                   |
| Revenue from operations (refer note 3 and 7)  | 5,424.63              | 5,340.38      | 5,104.25              | 10,765.01                      | 9,824.20                       | 20,025.39         |
| Dividend income from subsidiary (refer note 10)   | -                     | -             | 80.76                 | -                              | 282.66                         | 282.66            |
| Income from investment in mutual funds  | 27.38                 | 13.92         | 14.95                 | 41.30                          | 42.54                          | 55.26             |
| Interest income on investment in fixed deposits   | 30.23                 | 48.73         | 23.49                 | 78.96                          | 53.79                          | 106.52            |
| Other income  | -                     | -             | -                     | -                              | -                              | 19.03             |
| Total income (I)  | 5,482.24              | 5,403.03      | 5,223.45              | 10,885.27                      | 10,203.19                      | 20,488.86         |
| II. EXPENSES  |                       |               |                       |                                |                                |                   |
| Legal and professional fees   | 10.95                 | 10.40         | 5.04                  | 21.35                          | 12.88                          | 71.69             |
| Annual listing fee  | -                     | 11.37         | =                     | 11.37                          | 9.79                           | 9.83              |
| Rating fee  | -                     | 17.08         | 0.19                  | 17.08                          | 22.32                          | 28.36             |
| Valuation expenses  | 0.31                  | 2.47          | 1.04                  | 2.78                           | 1.77                           | 8.25              |
| Trustee fees  | 0.59                  | 4.11          | 0.59                  | 4.70                           | 1.18                           | 3.32              |
| Payment to auditors   |                       |               |                       |                                |                                |                   |
| - Statutory audit   | 0.71                  | 0.71          | 0.71                  | 1.42                           | 1.42                           | 5.43              |
| - Other services (including tax audit and certifications)                                 | 0.09                  | -             | -                     | 0.09                           | -                              | 0.64              |
| Other expenses  | 8.29                  | 7.65          | 4.14                  | 15.94                          | 4.93                           | 21.79             |
| Impairment of investments in subsidiaries (refer note 8)                                  | 700.79                | -             | -                     | 700.79                         | 532.66                         | 1,672.75          |
| Finance costs   | 2,450.03              | 2,508.55      | 2,384.87              | 4,958.58                       | 4,712.38                       | 9,432.83          |
| Depreciation expenses   | 0.10                  | 0.11          | 0.38                  | 0.21                           | 0.38                           | 0.37              |
| Amortisation of intangible assets   | 2.98                  | 2.95          | _                     | 5.93                           | -                              | 1.38              |
| Total expenses (II)   | 3,174.84              | 2,565.40      | 2,396.96              | 5,740.24                       | 5,299.71                       | 11,256.64         |
| Profit before tax (I-II)  | 2,307.40              | 2,837.63      | 2,826.49              | 5,145.03                       | 4,903.48                       | 9,232.22          |
| Tax expense:  |                       |               |                       |                                |                                |                   |
| - Current tax   | 10.04                 | 7.61          | 9.34                  | 17.65                          | 18.19                          | 23.62             |
| - Income tax for earlier years  | 0.08                  | _             | _                     | 0.08                           | -                              | -                 |
| - Deferred tax  | -                     | -             | -                     | -                              | -                              | -                 |
|   | 10.12                 | 7.61          | 9.34                  | 17.73                          | 18.19                          | 23.62             |
| Profit for the period / year  | 2,297.28              | 2,830.02      | 2,817.15              | 5,127.30                       | 4,885.29                       | 9,208.60          |
| Other comprehensive income  |                       |               |                       |                                |                                |                   |
| Other comprehensive income to be reclassified to profit or loss in subsequent periods     | -                     | -             | -                     | -                              | -                              | -                 |
| Other comprehensive income not to be reclassified to profit or loss in subsequent periods | -                     | -             | -                     | -                              | -                              | -                 |
| Total comprehensive income  | 2,297.28              | 2,830.02      | 2,817.15              | 5,127.30                       | 4,885.29                       | 9,208.60          |



SEBI REGISTRATION NUMBER: IN/INVIT/16-17/0005

Unaudited standalone financial results for the quarter and six months ended September 30, 2022 (Contd.)

| Particulars  | Quarter ended<br>September 30,<br>2022 | Quarter ended<br>June 30, 2022 | Quarter ended<br>September 30,<br>2021 | Six months<br>ended<br>September 30,<br>2022 | Six months<br>ended<br>September 30,<br>2021 | Year ended<br>March 31,<br>2022 |
|--|--|--------------------------------|--|--|--|---------------------------------|
|  | (Unaudited)                            | (Unaudited)                    | (Unaudited)                            | (Unaudited)                                  | (Unaudited)                                  | (Audited)                       |
| Earnings per unit (₹ per unit) (refer note C under additional disclosures) |  |                                |  |  |  |                                 |
| - Basic  | 3.28                                   | 4.04                           | 4.02                                   | 7.32   | 7.12   | 13.29                           |
| - Diluted  | 3.28                                   | 4.04                           | 4.02                                   | 7.32   | 7.12   | 13.29                           |
| Unit capital (net of issue expenses)                                       | 65,903.15                              | 65,903.15                      | 65,903.15                              | 65,903.15                                    | 65,903.15                                    | 65,903.15                       |
| Paid-up debt capital [refer note 4(a)]                                     | 1,29,750.29                            | 1,25,393.49                    | 1,17,160.76                            | 1,29,750.29                                  | 1,17,160.76                                  | 1,24,701.94                     |
| Retained earnings  | 2,878.43                               | 2,891.74                       | 2,433.95                               | 2,878.43                                     | 2,433.95                                     | 2,293.62                        |
| Debt equity ratio [refer note 4(b)]  | 1.89                                   | 1.82                           | 1.71                                   | 1.89   | 1.71   | 1.83                            |
| Debt service coverage ratio [refer note 4(c)]                              | 1.92                                   | 1.86                           | 1.93                                   | 1.89   | 1.89   | 1.73                            |
| Interest coverage ratio [refer note 4(d)]                                  | 2.19                                   | 2.09                           | 2.14                                   | 2.14   | 2.09   | 2.11                            |
| Asset cover ratio [refer note 4(e)]  | 3.56                                   | 3.70                           | 2.90                                   | 3.56   | 2.90   | 2.92                            |

### NOTES:

- 1) The above standalone financial results for the quarter and six months ended September 30, 2022 has been reviewed and approved by the Board of Directors and Audit Committee of Indigrid Investment Managers Limited ('Investment Manager') at its meeting held on November 10, 2022.
- 2) The unaudited standalone interim financial information comprises of the Statement of Profit and Loss and notes thereon of India Grid Trust, for the quarter and six months ended September 30, 2022 ("Interim Financial Information"). The Interim Financial Information has been prepared in accordance with recognition and measurement principles laid down in Indian Accounting Standard 34- Interim Financial Reporting (Ind AS 34), as presribed in Rule 2(1)(a) of the Companies (Indian Accounting Standards) Rules, 2015 (as amended) and other accounting principles generally accepted in India, to the extent not inconsistent with the Securities and Exchange Board of India (Infrastructure Investment Trusts) Regulations, 2014, as amended, including any guidelines and circulars issued thereunder ("InvIT Regulations").
- 3) a. Revenue and corresponding expenses included in the standalone financial results for various periods may not be comparable on account of acquisitions done by the Trust during the respective periods as mentioned below
  - i. The Trust acquired 49% paid up equity capital of NER II Transmission Limited ("NER") with effect from March 25, 2021 from Sterlite Power Transmission Limited (SPTL) and Sterlite Grid 4 Limited ('SGL4') and balance 51% of equity stake was acquired during the quarter ended June 30, 2021. Considering the rights available to the Trust as per SPA, the Trust has concluded that it controls NER, and have considered NER as a wholly owned subsidiary from June 30, 2021.
  - ii. The Trust also acquired 100% of paid up equity capital of IndiGrid Solar-I (AP) Private Limited (formerly known as FRV Andhra Pradesh Solar Farm-I Private Limited) ('ISPL1') and IndiGrid Solar-II (AP) Private Limited (formerly FRV India Solar Park-II Private Limited) ('ISPL2') with effect from July 13, 2021 from FRV Solar Holdings XI B.V. and Fotowatio Renewable Ventures S.L (together referred as "the Selling Shareholders") pursuant to Share Purchase Agreement dated December 18, 2020 ("SPA").
  - b. The letter of intent for development of Kallam Transmission Limited (KTL) is awarded to consortium of IGL1 and IGL2 ("IndiGrid Consortium") by the REC Power Development and Consultancy Limited (formerly known as REC Power Distribution Company Limited) on November 30, 2021 for a 35-year period from the scheduled commercial operation date, on a Build, Own, Operate and Maintain model. IndiGrid Consortium acquired the project on December 28, 2021 pursuant to Share Purchase Agreement ("SPA"). The project is currently under development with scheduled commissioning on June 27, 2023.

### SEBI REGISTRATION NUMBER: IN/INVIT/16-17/0005

Unaudited standalone financial results for the quarter and six months ended September 30, 2022 (Contd.)

- 4) Formulae for computation of ratios are as follows:
  - (a) Paid up debt capital = Total borrowings as on reporting date
  - (b) Debt equity ratio = Total borrowings / (Unitholders' Equity+Retained Earnings)
  - (c) Debt Service Coverage Ratio= Earnings before Interest and Tax\* / (Interest Expense + Principal Repayments made during the period/year)
  - (d) Interest Service Coverage Ratio= Earnings before Interest and Tax\*/ Interest Expense
  - (e) Asset cover ratio = (Total investments in subsidiaries + Loan to subsidiaries) / Liability in respect of Secured Non-convertible debentures at amortised cost under Ind-AS as at balance sheet date and Secured market linked debentures.
  - \*Earnings before Interest and Tax excludes impairment/(reversal) of impairment of investments or loans to subsidiaries and finance income on Non-Convertible Debentures ('NCD') issued by subsidiary on effective interest rate basis.

### 5) Details of non-convertible debentures are as follows:

| Particulars  |           |           |                    | Next Due Date      |                   |  |
|--|-----------|-----------|--------------------|--------------------|-------------------|--|
|  | Unsecured | Principal | Interest           | Principal          | Interest          |  |
| 8.60% Non-convertible debentures (refer note (a) below)    | Secured   | -         | September 30, 2022 | August 31, 2028    | December 31, 2022 |  |
| 7.11% Non-convertible debentures (refer note (a) below)    | Secured   | -         | August 14, 2022    | February 14, 2029  | November 14, 2022 |  |
| 8.85% Non-convertible debentures (refer note (a) below)    | Secured   | _         | August 31-Aug-22   | November 02, 2022  | November 02, 2022 |  |
| 9.10% Non-convertible debentures (refer note (a) below)    | Secured   | _         | August 31, 2022    | July 29, 2024      | November 30, 2022 |  |
| 8.40% Non-convertible debentures (refer note (a) below)    | Secured   | -         | August 31, 2022    | June 14, 2023      | November 30, 2022 |  |
| 8.50% Non-convertible debentures (refer note (a) below)    | Secured   | -         | August 31, 2022    | March 01, 2024     | November 30, 2022 |  |
| 7.00% Non-convertible debentures (refer note (a) below)    | Secured   | -         | October 31, 2021   | June 28, 2024      | October 31, 2022  |  |
| 7.25% Non-convertible debentures (refer note (a) below)    | Secured   | -         | December 31, 2021  | June 27, 2025      | December 31, 2022 |  |
| 7.40% Non-convertible debentures (refer note (a) below)    | Secured   | -         | December 31, 2021  | December 26, 2025  | December 31, 2022 |  |
| 7.32% Non-convertible debentures (refer note (a) below)    | Secured   | _         | August 31, 2022    | June 27, 2031      | November 30, 2022 |  |
| 6.72% Non-convertible debentures (refer note (a) below)    | Secured   | -         | September 30, 2022 | September 14, 2026 | December 31, 2022 |  |
| 6.52% Non-convertible debentures (refer note (a) below)    | Secured   | -         | September 30, 2022 | April 07, 2025     | December 31, 2022 |  |
| 7.53% Non-convertible debentures (refer note (a) below)    | Secured   | -         | -                  | August 05, 2025    | October 31, 2022  |  |
| 6.65% Non-convertible debentures (refer note (a) below)    | Secured   | -         | May 06, 2022       | May 06, 2024       | May 06, 2023      |  |
| 6.75% Non-convertible debentures (refer note (a) below)    | Secured   | -         | May 06, 2022       | May 06, 2024       | May 06, 2023      |  |
| 7.45% Non-convertible debentures (refer note (a) below)    | Secured   | -         | May 06, 2022       | May 06, 2026       | May 06, 2023      |  |
| 7.6% Non-convertible debentures (refer note (a) below)     | Secured   | -         | May 06, 2022       | May 06, 2026       | May 06, 2023      |  |
| 7.7% Non-convertible debentures (refer note (a) below)     | Secured   | =         | May 06, 2022       | May 06, 2028       | May 06, 2023      |  |
| 7.9% Non-convertible debentures (refer note (a) below)     | Secured   | =         | May 06, 2022       | May 06, 2028       | May 06, 2023      |  |
| 7.95% Non-convertible debentures<br>(refer note (a) below) | Secured   | =         | May 06, 2022       | May 06, 2031       | May 06, 2023      |  |



### SEBI REGISTRATION NUMBER: IN/INVIT/16-17/0005

Unaudited standalone financial results for the quarter and six months ended September 30, 2022 (Contd.)

| Particulars   | Secured/  | Previo    | ous Due Date    | Next Due Date |                   |  |
|---|-----------|-----------|-----------------|---------------|-------------------|--|
|   | Unsecured | Principal | Interest        | Principal     | Interest          |  |
| 8.2% Non-convertible debentures (refer note (a) below)  | Secured   | -         | May 06, 2022    | May 06, 2031  | May 06, 2023      |  |
| 7.49% Non-convertible debentures (refer note (a) below) | Secured   | -         | August 06, 2022 | May 06, 2028  | November 06, 2022 |  |
| 7.69% Non-convertible debentures (refer note (a) below) | Secured   | -         | August 06, 2022 | May 06, 2028  | November 06, 2022 |  |
| 7.72% Non-convertible debentures (refer note (a) below) | Secured   | -         | August 06, 2022 | May 06, 2031  | November 06, 2022 |  |
| 7.97% Non-convertible debentures (refer note (a) below) | Secured   | -         | August 06, 2022 | May 06, 2031  | November 06, 2022 |  |

Note (a):

Non convertible debentures are secured by:

- (i) first pari passu charge on entire current assets including loans and advances, any receivables accrued/realised from those loans and advances extended by the Trust/HoldCos to its subsidiaries (direct or indirect) including loans to all project SPVs and future SPVs;
- (ii) First pari-passu charge on Escrow account of the Trust
- (iii) Pledge over share capital of specified SPVs.
- 6) The Trust retained its credit ratings of "CRISIL AAA/Stable" from CRISIL on August 26, 2022, "ICRA AAA/Stable" from ICRA on July 20, 2022 and "IND AAA/Stable" from India Ratings on July 20, 2022.
- 7) Revenue from operations comprise of interest income on NCDs/loans to subsidiaries and includes interest on 0.01% Non Convertible Debentures (NCD) issued by Indigrid Limited (wholly owned subsidiary of IndiGrid) which is the difference between market rate of interest and rate of interest on the NCD (accounted for under EIR method).
- 8) The provision for impairment of investments in subsidiaries is made based on the difference between the carrying amounts and the recoverable amounts. The recoverable amount of the investments in subsidiaries has been computed by external independent valuation experts based on value in use calculation for the underlying projects (based on discounted cash flow model). On a periodic basis, according to the recoverable amounts of individual portfolio assets computed by the valuation experts, the Trust tests impairment on the amounts invested in the respective subsidiary companies. The valuation exercise so carried out considers various factors including cash flow projections, changes in interest rates, discount rates, risk premium for market conditions, etc. Based on the valuation exercise so carried out, there is a net impairment of ₹ 700.79 Million for the quarter and six months ended September 30, 2022, net impairment of ₹ Nil for the quarter ended September 30, 2021, ₹ 532.66 Million for the six months ended September 30, 2021 and net impairment of ₹ 1,672.75 Million for the year ended March 31, 2022, which is primarily on account of maturity of the SPV assets.
- 9) a. The Trust offered an issue of up to 116,695,404 units of India Grid Trust ("Indigrid" and such units, the "units"), for cash at a price of ₹ 110.00 per unit (the "issue price"), aggregating to ₹ 12,836.49 Million to the eligible unitholders (as defined in the Letter of Offer) on a rights basis. The issue opened on April 06, 2021 and closed on April 13, 2021, which was extended to April 16, 2021.
  - Issue expenses of ₹ 79.03 Million incurred in connection with issue of units have been reduced from the Unitholders capital in accordance with Ind AS 32 Financial Instruments: Presentation.
  - b. The Trust filed a Draft Shelf Prospectus ("DSP") on April 08, 2021, Shelf Prospectus and Tranche 1 Prospectus on April 26, 2021 for the public issue by the India Grid Trust (the "Trust") of secured, rated, listed, redeemable non-convertible debt securities of face value of ₹ 1,000 each ("NCDs") for an amount aggregating upto ₹ 1,000 Million (the "Shelf Limit"). The issue opened on April 28, 2021 and closed on April 30, 2021. The issue date of NCD was recorded as May 06, 2021. There have been no material deviations in the use of proceeds of issue of debt securities from the objects stated in the offer document.
- 10) During the quarter ended June 30, 2021, the trust had received dividend from its subsidiary Parbati Koldam Transmission Company Limited amounting to ₹ 201.90 Million as approved in its board meeting on May 17, 2021. Further during the quarter ended September 30, 2021, the trust had received dividend from its subsidiary Parbati Koldam Transmission

SEBI REGISTRATION NUMBER: IN/INVIT/16-17/0005

Unaudited standalone financial results for the quarter and six months ended September 30, 2022 (Contd.)

Company Limited amounting to ₹ 80.76 Million as approved in its board meeting on 23 July 2021.

- 11) The Trust has entered into a Share Purchase Agreement with Simplex Infrastructure Limited, Patel Engineering Limited and BS Limited dated 30 July 2022 to acquire 100% paid up equity capital along with liabilities of Raichur Sholapur Transmission Company Private Limited ('RSTCPL') for an enterprise value (EV) not exceeding ₹ 2,500 millions, subject to relevant approvals and completion of contractual obligations. Pending completion of this transaction as on the reporting date, the acquisition of RSTCPL is not yet effective as at 30 September 2022. Further, on 9 November 2022 the Trust has completed acquisition of 49% of paid-up capital and management control of RSTCPL and the remaining shareholding will be acquired in accordance with the terms of the agreement.
- 12) The Board of Directors of the Investment Manager approved a distribution of ₹ 3.30 per unit for the period July 01, 2022 to September 30, 2022 to be paid on or before 15 days from the date of declaration.

### 13) ADDITIONAL DISCLOSURES AS REQUIRED BY PARAGRAPH 6 OF ANNEXURE A TO THE SEBI CIRCULAR NO. CIR/IMD/ DF/127/2016

### A) Statement of Net Distributable Cash Flows (NDCFs) of India Grid Trust

| Description  | Quarter<br>ended<br>September<br>30, 2022 | Quarter<br>ended<br>June 30,<br>2022 | Quarter<br>ended<br>September<br>30, 2021 | 30, 2022    | Six months<br>ended<br>September<br>30, 2021 | Year ended<br>March 31,<br>2022 |
|--|---|--------------------------------------|---|-------------|--|---------------------------------|
|  | (Unaudited)                               | (Unaudited)                          | (Unaudited)                               | (Unaudited) | (Unaudited)                                  | (Audited)                       |
| Cash flows received from the Portfolio<br>Assets in the form of interest   | 4,842.70                                  | 3,761.85                             | 4,142.44                                  | 8,604.55    | 8,081.34                                     | 16,885.69                       |
| Cash flows received from the Portfolio<br>Assets in the form of dividend   | -   | -                                    | 80.76                                     |             | 282.66                                       | 282.66                          |
| Any other income accruing at IndiGrid level and not captured above, including but not limited to interest/return on surplus cash invested by IndiGrid                                      | 57.61                                     | 62.65                                | 38.44                                     | 120.26      | 96.33  | 161.96                          |
| Cash flows received from the Portfolio<br>Assets towards the repayment of the<br>debt issued to the Portfolio Assets by<br>IndiGrid  | 176.19                                    | 211.69                               | 848.01                                    | 387.88      | 2,570.22                                     | 4,132.52                        |
| Proceeds from the Portfolio Assets<br>for a capital reduction by way of a buy<br>back or any other means as permitted,<br>subject to applicable law  | -   | -                                    | -   |             | -  | -                               |
| Proceeds from sale of assets of<br>the Portfolio Asset not distributed<br>pursuant to an earlier plan to re-invest,<br>or if such proceeds are not intended to<br>be invested subsequently | -   | -                                    | -   |             | -  | -                               |
| Total cash inflow at the<br>IndiGrid level (A)   | 5,076.50                                  | 4,036.19                             | 5,109.65                                  | 9,112.69    | 11,030.55                                    | 21,462.83                       |
| Less: Any payment of fees, interest<br>and expense incurred at IndiGrid level,<br>including but not limited to the fees of<br>the Investment Manager and Trustee<br>(refer note i and ii)  | (2,470.77)                                | (2,552.25)                           | (2,903.99)                                | (5,023.02)  | (4,650.22)                                   | (9,371.42)                      |
| Less: Costs/retention associated with sale of assets of the Portfolio Assets:  | _   | -                                    | -   |             | -  | _                               |
| <ul> <li>related debts settled or due to<br/>be settled from sale proceeds of<br/>Portfolio Assets;</li> </ul>   | -   | _                                    | -   |             | -  | _                               |



SEBI REGISTRATION NUMBER: IN/INVIT/16-17/0005

Unaudited standalone financial results for the quarter and six months ended September 30, 2022 (Contd.)

| Description   | Quarter<br>ended<br>September<br>30, 2022 | Quarter<br>ended<br>June 30,<br>2022 | Quarter<br>ended<br>September<br>30, 2021 | Six months<br>ended<br>September<br>30, 2022 | Six months<br>ended<br>September<br>30, 2021 | Year ended<br>March 31,<br>2022 |
|---|---|--------------------------------------|---|--|--|---------------------------------|
|   | (Unaudited)                               | (Unaudited)                          | (Unaudited)                               | (Unaudited)                                  | (Unaudited)                                  | (Audited)                       |
| <ul> <li>transaction costs paid on sale of<br/>the assets of the Portfolio Assets;<br/>and</li> </ul>   | -   | -                                    | -   |  | -  | -                               |
| - capital gains taxes on sale of<br>assets/ shares in Portfolio Assets/<br>other investments.   | -   | -                                    | -   |  | -  | -                               |
| Less: Proceeds reinvested or planned<br>to be reinvested in accordance with<br>Regulation 18(7)(a) of the InvIT<br>Regulations  | -   | -                                    | -   |  | -  | -                               |
| Less: Repayment of external debt at<br>the IndiGrid level and at the level of<br>any of the underlying portfolio assets/<br>special purpose vehicles (excluding<br>refinancing) | -   | -                                    | -   |  | -  | -                               |
| Less: Income tax (if applicable) at the standalone IndiGrid level   | (10.12)                                   | (7.61)                               | (9.34)                                    | (17.73)                                      | (18.19)                                      | (23.62)                         |
| Less: Amount invested in any of the<br>Portfolio Assets for service of debt or<br>interest  | (31.41)                                   | (109.51)                             | 44.87                                     | (140.92)                                     | (1,889.12)                                   | (2,609.64)                      |
| Less: Repair work in relation to the projects undertaken by any of the Portfolio Assets   | -   | -                                    | -   |  | -  | (35.00)                         |
| Total cash outflows / retention at<br>IndiGrid level (B)  | (2,512.30)                                | (2,669.37)                           | (2,868.46)                                | (5,181.67)                                   | (6,557.53)                                   | (12,039.68)                     |
| Net Distributable Cash Flows (C) = (A+B)  | 2,564.20                                  | 1,366.82                             | 2,241.19                                  | 3,931.02                                     | 4,473.02                                     | 9,423.15                        |

### Notes:

i. Does not include interest accrued but not due for quarter and six months ended September 30, 2022 of ₹ Nil Million (quarter ended June 30, 2022 of ₹ Nil Million, quarter ended September 30, 2021 of ₹ 57.72 Million, six months ended September 30, 2021 of ₹ 164.58 Million and year ended March 31, 2022: ₹ Nil Million) related to market linked non convertible debentures ('MLDs') which was payable on maturity of these MLDs from 2022 to 2024.

### B. 1) Statement of Commitments

- (a) The Trust has entered into a Framework agreement on April 30, 2019 with Sterlite Power Grid Ventures Limited ('SPGVL')\* for acquisition of Khargone Transmission Limited ('KgTL').
  - Sterlite Power Grid Ventures Limited ('SPGVL') has been merged with Sterlite Power Transmission Limited ('SPTL') wef November 15, 2020.
- (b) The Trust has entered into a Share Purchase Agreement with Simplex Infrastructure Limited, Patel Engineering Limited and BS Limited dated 30 July 2022 to acquire 100% paid up equity capital along with liabilities of Raichur Sholapur Transmission Company Private Limited for an enterprise value (EV) not exceeding ₹ 2,500 Millions, subject to relevant approvals and completion of contractual obligations.

### B. 2) Statement of Contingent Liabilities:

The Trust has no contingent liabilities as on September 30, 2022 (as on September 30, 2021: Nil, as on June 30, 2022: Nil, as on March 31, 2022: Nil).

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Unaudited standalone financial results for the quarter and six months ended September 30, 2022 (Contd.)

### C) Statement of Earnings per unit (EPU):

Basic EPU amounts are calculated by dividing the profit for the year/period attributable to Unit holders by the weighted average number of units outstanding during the year/period.

Diluted EPU amounts are calculated by dividing the profit attributable to unit holders by the weighted average number of units outstanding during the year/period plus the weighted average number of units that would be issued on conversion of all the dilutive potential units into unit capital.

The following reflects the profit and unit data used in the basic and diluted EPU computation:

| Particulars  | Quarter<br>ended<br>September<br>30, 2022 | Quarter<br>ended<br>June 30,<br>2022 | Quarter<br>ended<br>September<br>30, 2021 | ended<br>September | ended<br>September | Year ended<br>March 31,<br>2022 |
|--|---|--------------------------------------|---|--------------------|--------------------|---------------------------------|
|  | (Unaudited)                               | (Unaudited)                          | (Unaudited)                               | (Unaudited)        | (Unaudited)        | (Audited)                       |
| Profit after tax for calculating basic and diluted EPU (₹ in Million)                  | 2,297.28                                  | 2,830.02                             | 2,817.15                                  | 5,127.30           | 4,885.29           | 9,208.60                        |
| Weighted average number of units in calculating basic and diluted EPU (No. in Million) | 700.18                                    | 700.18                               | 700.18                                    | 700.18             | 686.15             | 693.14                          |
| Earnings Per Unit (not annualised except for the year ended March 31, 2022)            |   |                                      |   |                    |                    |                                 |
| Basic (Rupees/unit)  | 3.28                                      | 4.04                                 | 4.02                                      | 7.32               | 7.12               | 13.29                           |
| Diluted (Rupees/unit)  | 3.28                                      | 4.04                                 | 4.02                                      | 7.32               | 7.12               | 13.29                           |

### D) Statement of Related Party Transactions:

### I. List of related parties as per the requirements of Ind-AS 24 - Related Party Disclosures

### (a) Name of related party and nature of its relationship:

### **Subsidiaries**

Indigrid Limited (IGL) (formerly known as Sterlite Grid 1 Limited)

Indigrid 1 Limited (IGL1) (formerly known as Sterlite Grid 2 Limited)

Indigrid 2 Limited (IGL2) (formerly known as Sterlite Grid 3 Limited)

Bhopal Dhule Transmission Company Limited (BDTCL)

Jabalpur Transmission Company Limited (JTCL)

Maheshwaram Transmission Limited (MTL)

RAPP Transmission Company Limited (RTCL)

Purulia & Kharagpur Transmission Company Limited (PKTCL)

Patran Transmission Company Limited (PTCL)

NRSS XXIX Transmission Limited (NTL)

Odisha Generation Phase II Transmission Limited (OGPTL)

East-North Interconnection Company Limited (ENICL)

Gurgaon-Palwal Transmission Limited (GPTL) (from August 28, 2020)

Jhajjar KT Transco Private Limited (JKTPL) (from September 28, 2020)

Parbati Koldam Transmission Company Limited (PrKTCL) (from January 08, 2021)

NER II Transmission Limited (NER) (from March 25, 2021)

IndiGrid Solar-I (AP) Private Limited (ISPL1) (formerly known as FRV Andhra Pradesh Solar Farm-I Private Limited) (from July 13, 2021)

IndiGrid Solar-II (AP) Private Limited (ISPL2) (formerly FRV India Solar Park-II Private Limited) (from July 13, 2021) Kallam Transmission Limited (KTL) (from December 28, 2021)



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Unaudited standalone financial results for the quarter and six months ended September 30, 2022 (Contd.)

### (b) Other related parties under Ind AS-24 with whom transactions have taken place during the period/year

Entity with significant influence over the Trust

Esoteric II Pte. Limited (from May 04, 2019) - Sponsor w.e.f September 28, 2020

Sterlite Power Grid Ventures Limited (SPGVL)<sup>^</sup> - Sponsor and Project manager of IndiGrid - upto November 15, 2020

Sterlite Power Transmission Limited (SPTL) - Sponsor of IndiGrid - w.e.f. November 15, 2020

Sterlite Grid 4 Limited (SGL4) - Subsidiary of Sponsor (SPTL)

Indigrid Investment Managers Limited (formerly known as Sterlite Investment Managers Limited) (IIML) - Investment manager of IndiGrid

### II. List of related parties as per Regulation 2(1)(zv) of the InvIT Regulations

### (a) Parties to IndiGrid

Esoteric II Pte. Limited (EPL) - Sponsor (w.e.f September 28, 2020)

Sterlite Power Transmission Limited (SPTL) - Project manager of IndiGrid (upto June 30, 2021 for all SPV other than NER)

Indigrid Limited (IGL) - Project manager of IndiGrid (for all SPVs)

Indigrid Investment Managers Limited (formerly known as Sterlite Investment Managers Limited) (IIML) - Investment manager of IndiGrid

Axis Trustee Services Limited (ATSL) - Trustee of IndiGrid

### (b) Promoters of the parties to IndiGrid specified in (a) above

Twin Star Overseas Limited - Promoter of SPTL

Electron IM Pte. Limited - Promoter of IIML

Axis Bank Limited - Promoter of ATSL

KKR Ingrid Co-Invest L.P.-Cayman Island - Promoter of EPL

### (c) Directors of the parties to IndiGrid specified in (a) above

### i) Directors of SPTL:

Pravin Agarwal

Pratik Agarwal

A. R. Narayanaswamy

Zhao Haixia

Anoop Seth

Manish Agarwal (from December 17, 2021)

Arun Lalchand Todarwal (till July 24, 2021)

### (ii) Directors of IIML:

Harsh Shah (CEO & Whole-time director) (till June 30, 2022 and rejoined from August 30, 2022)

Jyoti Kumar Agarwal (till September 30, 2022)

Tarun Kataria

Rahul Asthana

Ashok Sethi

Hardik Shah (from November 30, 2021)

Jayashree Vaidhyanthan (from November 30, 2021)

Ami Momaya (from January 27, 2022)

Pratik Agarwal (till January 14, 2022)

Sanjay Omprakash Nayar (till January 27, 2022)



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Unaudited standalone financial results for the quarter and six months ended September 30, 2022 (Contd.)

### (iii) Key Managerial Personnel of IIML:

Harsh Shah (CEO & Whole-time director) (till June 30, 2022 and rejoined from August 30, 2022)

Swapnil Patil (Company Secretary) (till July 31, 2022)

Jyoti Kumar Agarwal (CFO) (till June 30, 2022)

Jyoti Kumar Agarwal (CEO & Whole-time director) (from July 01, 2022 till September 30, 2022)

Divya Bedi Verma (CFO) (from July 01, 2022)

Urmil Shah (Company Secretary) (from August 01, 2022)

### (iv) Directors of ATSL:

Rajesh Kumar Dahiya

Ganesh Sankaran

Deepa Rath (from May 01, 2021)

Sanjay Sinha (till April 30, 2021)

### (v) Directors of Esoteric II Pte. Limited:

Tang Jin Rong (from February 19, 2021)

Madhura Narawane (from January 26, 2022)

Velasco Azonos Cecilio Francisco (till January 26, 2022)

### (vi) Relative of directors mentioned above:

Sonakshi Agarwal

Jyoti Agarwal

Sujata Asthana

- ^ Sterlite Power Grid Ventures Limited ('SPGVL') has been merged with Sterlite Power Transmission Limited ('SPTL') wef November 15, 2020.
- # Sterlite Grid 4 Limited (SGL4) has been merged with Sterlite Power Transmission Limited ('SPTL') wef February 17, 2022.

### III. Transactions with related parties during the period are as follows:

| Sr.<br>No. | Particulars  | Relation   | Quarter<br>ended<br>September<br>30, 2022 | ended<br>June 30, | ended<br>September | ended       | September   | Year ended<br>March 31,<br>2022 |
|------------|--|------------|---|-------------------|--------------------|-------------|-------------|---------------------------------|
|            |  |            | (Unaudited)                               | (Unaudited)       | (Unaudited)        | (Unaudited) | (Unaudited) | (Audited)                       |
| 1          | Unsecured loans given to<br>subsidiaries               |            |   |                   |                    |             |             |                                 |
|            | Bhopal Dhule Transmission<br>Company Limited           | Subsidiary | 2,200.00                                  | 6,124.00          | 195.00             | 8,324.00    | 255.00      | 1,185.00                        |
|            | Jabalpur Transmission<br>Company Limited               | Subsidiary | 1,500.00                                  | -                 | 130.03             | 1,500.00    | 363.91      | 363.91                          |
|            | Maheshwaram Transmission<br>Limited                    | Subsidiary | -   | -                 | -                  |             | 61.40       | 61.40                           |
|            | RAPP Transmission<br>Company Limited                   | Subsidiary | -   | 2.00              | -                  | 2.00        | 73.33       | 73.33                           |
|            | Purulia & Kharagpur<br>Transmission Company<br>Limited | Subsidiary | -   | -                 | -                  |             | 88.45       | 88.45                           |
|            | Patran Transmission<br>Company Limited                 | Subsidiary | -   | -                 | 17.00              |             | 67.80       | 67.80                           |
|            | NRSS XXIX Transmission<br>Limited                      | Subsidiary | 360.00                                    | -                 | -                  | 360.00      | 297.01      | 487.41                          |
|            | Odisha Generation Phase-II<br>Transmission Limited     | Subsidiary | -   | -                 | -                  |             | 5,389.80    | 5,409.80                        |



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| Sr.<br>No. | Particulars  | Relation   | Quarter<br>ended<br>September<br>30, 2022 | ended       | Quarter<br>ended<br>September<br>30, 2021 | Six months<br>ended<br>September<br>30, 2022 | ended<br>September | Year ended<br>March 31,<br>2022 |
|------------|--|------------|---|-------------|---|--|--------------------|---------------------------------|
|            |  |            |   | (Unaudited) |   |  | (Unaudited)        | (Audited)                       |
|            | East-North Interconnection<br>Company Limited  | Subsidiary | -   | -           | -   |  | 283.21             | 283.21                          |
|            | Gurgaon-Palwal<br>Transmission Limited   | Subsidiary | -   | -           | -   |  | 7,662.38           | 7,662.38                        |
|            | Jhajjar KT Transco Private<br>Limited  | Subsidiary | -   | -           | -   |  | 95.20              | 143.00                          |
|            | Parbati Koldam Transmission<br>Company Limited   | Subsidiary | -   | -           | -   |  | -                  | 3,792.24                        |
|            | NER II Transmission Limited  | Subsidiary | -   | -           | -   |  | 700.16             | 905.36                          |
|            | IndiGrid Solar-I (AP) Private<br>Limited (formerly known as<br>FRV Andhra Pradesh Solar<br>Farm-I Private Limited) | Subsidiary | 3.00                                      | -           | 2,911.34                                  | 3.00   | 2,911.34           | 2,911.34                        |
|            | IndiGrid Solar-II (AP) Private<br>Limited (formerly FRV India<br>Solar Park-II Private Limited)                    | Subsidiary | -   | 9.05        | 2,856.61                                  | 9.05   | 2,856.51           | 2,856.51                        |
|            | Kallam Transmission Limited (KTL)  | Subsidiary | -   | 119.00      | -   | 119.00                                       | -                  | 183.60                          |
|            | Indigrid Limited   | Subsidiary | 30.00                                     | 200.77      | 70.82                                     | 230.77                                       | 160.31             | 242.13                          |
|            | Indigrid 1 Limited   | Subsidiary | 1.85                                      |             | 8.94                                      | 186.85                                       | 12.03              | 93.03                           |
|            | Indigrid 2 Limited   | Subsidiary | 1.55                                      | 1.16        | 6.00                                      | 2.71   | 7.00               | 17.36                           |
| 2          | Repayment of loan from<br>subsidiaries   |            |   |             |   |  |                    |                                 |
|            | Bhopal Dhule Transmission<br>Company Limited   | Subsidiary | -   | -           | 222.97                                    | -  | 447.10             | 690.40                          |
|            | Jabalpur Transmission<br>Company Limited   | Subsidiary | 1,500.00                                  | -           | -   | 1,500.00                                     | -                  | -                               |
|            | Maheshwaram Transmission<br>Limited  | Subsidiary | -   | -           | -   |  | 18.32              | 18.32                           |
|            | RAPP Transmission<br>Company Limited   | Subsidiary | -   | 25.72       | 34.30                                     | 25.72  | 107.62             | 168.94                          |
|            | Purulia & Kharagpur<br>Transmission Company<br>Limited   | Subsidiary | 13.85                                     | -           | 95.61                                     | 13.85  | 172.24             | 242.82                          |
|            | Patran Transmission<br>Company Limited   | Subsidiary | -   | -           | 157.69                                    | -  | 196.28             | 226.23                          |
|            | NRSS XXIX Transmission<br>Limited  | Subsidiary | 360.00                                    | -           | 625.00                                    | 360.00                                       | 1,351.93           | 1,754.36                        |
|            | Odisha Generation Phase-II<br>Transmission Limited   | Subsidiary | -   | -           | 51.09                                     | -  | 92.23              | 187.93                          |
|            | East-North Interconnection<br>Company Limited  | Subsidiary | -   | -           | 560.71                                    | -  | 782.78             | 914.19                          |
|            | Gurgaon-Palwal<br>Transmission Limited   | Subsidiary | -   | -           | 445.70                                    | -  | 630.32             | 630.32                          |
|            | Jhajjar KT Transco Private<br>Limited  | Subsidiary | 19.45                                     | 41.06       | 84.95                                     | 60.51  | 201.40             | 313.49                          |
|            | Parbati Koldam Transmission<br>Company Limited   | Subsidiary | 144.90                                    | 144.90      | -   | 289.80                                       | -                  | 310.82                          |
|            | NER II Transmission Limited  | Subsidiary | -   | 10000       | -   | 10000  |                    | 105.20                          |
|            | IndiGrid Solar-I (AP) Private<br>Limited (formerly known as<br>FRV Andhra Pradesh Solar<br>Farm-I Private Limited) | Subsidiary | 3.00                                      | 133.98      | 70.00                                     | 136.98                                       | 70.00              | 70.00                           |

### SEBI REGISTRATION NUMBER :IN/INVIT/16-17/0005

| Sr.<br>No. | Particulars  | Relation               | Quarter<br>ended<br>September<br>30, 2022 | ended<br>June 30, | Quarter<br>ended<br>September<br>30, 2021 | Six months<br>ended<br>September<br>30, 2022 | ended<br>September | Year ended<br>March 31,<br>2022 |
|------------|--|------------------------|---|-------------------|---|--|--------------------|---------------------------------|
|            |  |                        | (Unaudited)                               | (Unaudited)       | (Unaudited)                               | (Unaudited)                                  | (Unaudited)        | (Audited)                       |
|            | IndiGrid Solar-II (AP) Private<br>Limited (formerly FRV India<br>Solar Park-II Private Limited)                    | Subsidiary             | -   | -                 | 80.00                                     | -  | 80.00              | 80.00                           |
| 3          | Interest income from subsidiaries  |                        |   |                   |   |  |                    |                                 |
|            | Bhopal Dhule Transmission<br>Company Limited   | Subsidiary             | 573.34                                    | 554.26            | 308.78                                    | 1,127.60                                     | 620.40             | 1,239.73                        |
|            | Jabalpur Transmission<br>Company Limited   | Subsidiary             | 728.81                                    | 716.83            | 719.88                                    | 1,445.64                                     | 1,423.10           | 2,856.80                        |
|            | Maheshwaram Transmission<br>Limited  | Subsidiary             | 149.11                                    | 147.49            | 149.13                                    | 296.60                                       | 295.00             | 589.97                          |
|            | RAPP Transmission<br>Company Limited   | Subsidiary             | 76.74                                     | 76.85             | 81.25                                     | 153.59                                       | 161.54             | 318.60                          |
|            | Purulia & Kharagpur<br>Transmission Company<br>Limited   | Subsidiary             | 136.58                                    | 135.10            | 142.88                                    | 271.68                                       | 283.67             | 557.65                          |
|            | Patran Transmission<br>Company Limited   | Subsidiary             | 59.43                                     | 58.78             | 65.74                                     | 118.21                                       | 130.42             | 249.67                          |
|            | NRSS XXIX Transmission<br>Limited  | Subsidiary             | 964.98                                    | 953.72            | 992.39                                    | 1,918.70                                     | 1,994.78           | 3,920.38                        |
|            | Odisha Generation Phase-II<br>Transmission Limited   | Subsidiary             | 414.04                                    | 409.55            | 417.94                                    | 823.59                                       | 734.84             | 1,559.59                        |
|            | East-North Interconnection<br>Company Limited  | Subsidiary             | 318.00                                    | 314.55            | 331.48                                    | 632.55                                       | 669.07             | 1,304.78                        |
|            | Gurgaon-Palwal<br>Transmission Limited   | Subsidiary             | 369.89                                    | 365.87            | 376.47                                    | 735.76                                       | 705.99             | 1,437.73                        |
|            | Jhajjar KT Transco Private<br>Limited  | Subsidiary             | 57.04                                     | 57.96             | 62.45                                     | 115.00                                       | 125.93             | 246.67                          |
|            | Parbati Koldam Transmission<br>Company Limited   | Subsidiary             | 70.04                                     | 72.33             | -   | 142.37                                       | -                  | 143.34                          |
|            | NER II Transmission Limited  | Subsidiary             | 1,062.62                                  | 1,051.08          | 1,058.85                                  | 2,113.70                                     | 2,083.18           | 4,180.04                        |
|            | IndiGrid Solar-I (AP) Private<br>Limited (formerly known as<br>FRV Andhra Pradesh Solar<br>Farm-I Private Limited) | Subsidiary             | 133.23                                    | 136.79            | 121.92                                    | 270.02                                       | 121.92             | 395.64                          |
|            | IndiGrid Solar-II (AP) Private<br>Limited (formerly FRV India<br>Solar Park-II Private Limited)                    | Subsidiary             | 135.94                                    | 134.32            | 119.97                                    | 270.26                                       | 119.97             | 388.28                          |
|            | Kallam Transmission Limited (KTL)  | Subsidiary             | 11.82                                     | 7.89              | -   | 19.71  | -                  | 3.33                            |
|            | Indigrid Limited   | Subsidiary             | 30.56                                     | 22.89             | 16.29                                     | 53.45  | 30.93              | 70.03                           |
|            | Indigrid 1 Limited   | Subsidiary             | 11.05                                     | 4.37              | 0.14                                      | 15.42  | 0.14               | 4.75                            |
|            | Indigrid 2 Limited   | Subsidiary             | 23.44                                     | 23.15             | 22.81                                     | 46.59  | 45.31              | 91.22                           |
| 4          | Dividend income from<br>subsidiaries   |                        |   |                   |   |  |                    |                                 |
|            | Parbati Koldam Transmission<br>Company Limited   | Subsidiary             | -   | -                 | 80.76                                     | _  | 282.66             | 282.66                          |
| 5          | Loan arrangement fees received from subsidiaries   |                        |   |                   |   |  |                    |                                 |
|            | Parbati Koldam Transmission<br>Company Limited   | Subsidiary             | -   | -                 | -   | -  | -                  | 18.85                           |
| 6          | Deposits given   |                        |   |                   |   |  |                    |                                 |
|            | Sterlite Power Transmission<br>Limited   | Sponsor of<br>IndiGrid | -   | -                 | -   | -  | -                  | 36.00                           |



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| Sr.<br>No. | Particulars   | Relation  | Quarter<br>ended<br>September<br>30, 2022 | ended<br>June 30,<br>2022 | Quarter<br>ended<br>September<br>30, 2021 | Six months<br>ended<br>September<br>30, 2022 | Six months<br>ended<br>September<br>30, 2021 | Year ended<br>March 31,<br>2022 |
|------------|---|---|---|---------------------------|---|--|--|---------------------------------|
|            |   |   | (Unaudited)                               | (Unaudited)               | (Unaudited)                               | (Unaudited)                                  | (Unaudited)                                  | (Audited)                       |
| 7          | Adjustment in consideration for equity shares of Indigrid 1 Limited on account of events mentioned in SPA |   |   |                           |   |  |  |                                 |
|            | Sterlite Power Grid Ventures<br>Limited*  | Sponsor<br>and Project<br>Manager/<br>Entity with<br>significant<br>influence | -   | _                         | _   | _  | -  | (0.58)                          |
| 8          | Consideration for equity<br>shares of Indigrid 2 Limited<br>on account of events<br>mentioned in SPA      |   |   |                           |   |  |  |                                 |
|            | Sterlite Power Grid Ventures<br>Limited*  | Sponsor<br>and Project<br>Manager/<br>Entity with<br>significant<br>influence | -   | -                         | -   | -  | -  | 18.53                           |
| 9          | Adjustment in consideration<br>for equity shares of ENICL<br>on account of events<br>mentioned in SPA     |   |   |                           |   |  |  |                                 |
|            |   | Sponsor<br>and Project<br>Manager/<br>Entity with<br>significant<br>influence |   |                           |   |  |  |                                 |
|            | Sterlite Power Grid Ventures<br>Limited*<br>Sterlite Power Transmission                                   |   | -   | -                         | -   | -  | -  | (4.46)                          |
|            | Limited   |   | -   | -                         | -   | -  | -  | -                               |
| 10         | Consideration for equity<br>shares of GPTL on account<br>of events mentioned in SPA                       |   |   |                           |   |  |  |                                 |
|            | Sterlite Grid 4 Limited#  | Entity with<br>significant<br>influence                                       | -   | -                         | -   | -  | -  | (0.57)                          |
| 11         | Purchase of equity shares of NER  |   |   |                           |   |  |  |                                 |
|            | Sterlite Grid 4 Limited#  | Entity with significant influence   | -   | -                         | 9.60                                      | -  | 5,179.33                                     | 5,179.33                        |
| 12         | Adjustment in consideration<br>for equity shares of NER on<br>account of events mentioned<br>in SPA       |   |   |                           |   |  |  |                                 |
|            | Sterlite Grid 4 Limited#  | Sponsor<br>and Project<br>Manager/<br>Entity with<br>significant<br>influence | 281.10                                    | (38.90)                   | _   | 242.20                                       | -  | _                               |

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| Sr.<br>No. | Particulars  | Relation   | Quarter<br>ended<br>September<br>30, 2022 | ended<br>June 30, | Quarter<br>ended<br>September<br>30, 2021 | Six months<br>ended<br>September<br>30, 2022 | ended<br>September | Year ended<br>March 31,<br>2022 |
|------------|--|--|---|-------------------|---|--|--------------------|---------------------------------|
|            |  |  | (Unaudited)                               |                   | (Unaudited)                               | (Unaudited)                                  | (Unaudited)        | (Audited)                       |
| 13         | Rights Issue of unit capital<br>Esoteric II Pte. Limited                         | Sponsor/<br>Entity with<br>significant<br>influence<br>over the          | -   | -                 | -   | -  | 3,285.28           | 3,285.28                        |
|            | Sterlite Power Transmission<br>Limited #   | Trust<br>Sponsor of<br>IndiGrid  | -   | -                 | -   | -  | 44.72              | 44.72                           |
| 14         | Consideration for equity shares of NER on account of events mentioned in SPA     | Indiona  |   |                   |   |  |                    |                                 |
|            | Sterlite Grid 4 Limited  | Entity with significant influence  | -   | -                 | -   | -  | -                  | 10.58                           |
| 15         | Distribution to unit holders   |  |   |                   |   |  |                    |                                 |
|            | Sterlite Power Grid Ventures<br>Limited*/Sterlite Power<br>Transmission Limited# | Sponsor of<br>IndiGrid   | -   | -                 | 6.50                                      | -  | 14.09              | 14.09                           |
|            | Indigrid Investment<br>Managers Limited  | Investment<br>manager of<br>IndiGrid                                     | 1.83                                      | 1.76              | 1.76                                      | 3.60   | 3.03               | 6.55                            |
|            | Esoteric II Pte. Limited   | Sponsor/<br>Entity with<br>significant<br>influence<br>over the<br>Trust | 547.48                                    | 528.81            | 528.81                                    | 1,076.29                                     | 1,043.11           | 2,100.73                        |
|            | Pratik Agarwal   | Director<br>of Sponsor<br>(SPTL) and<br>Investment<br>Manager            | -   | -                 | 0.53                                      | -  | 1.05               | 1.05                            |
|            | Harsh Shah   | Whole time<br>director of<br>Investment<br>Manager                       | 0.13                                      | -                 | 0.04                                      | 0.13   | 0.09               | 0.18                            |
|            | Swapnil Patil  | Company<br>Secretary of<br>Investment<br>Manager                         | 0.02                                      | 0.02              | 0.02                                      | 0.04   | 0.04               | 0.06                            |
|            | Sonakshi Agarwal   | Relative of director   | 0.06                                      | 0.06              | 0.06                                      | 0.12   | 0.12               | 0.24                            |
|            | Jyoti Agarwal  | Relative of director   | -   | 0.08              | 0.08                                      | 0.08   | 0.15               | 0.30                            |
|            | Sujata Asthana   | Relative of director   | 0.40                                      | 0.39              | 0.39                                      | 0.79   | 0.77               | 1.55                            |
|            | Arun Todarwal  | Director<br>of Sponsor<br>(SPTL)   | -   | 0.03              | -   | 0.03   | 0.01               | 0.05                            |
|            | A. R. Narayanaswamy  | Director<br>of Sponsor<br>(SPTL)   | 0.06                                      |                   | 0.07                                      | 0.12   | 0.13               | 0.25                            |
|            | Mala Todarwal  | Relative of director   | -   | 0.02              | -   | 0.02   | 0.01               | 0.05                            |



### SEBI REGISTRATION NUMBER: IN/INVIT/16-17/0005

Unaudited standalone financial results for the quarter and six months ended September 30, 2022 (Contd.)

| Sr.<br>No. | Particulars                             | Relation                             | Quarter<br>ended<br>September<br>30, 2022 | ended<br>June 30, | ended<br>September | September   | ended<br>September | March 31,<br>2022 |
|------------|---|--------------------------------------|---|-------------------|--------------------|-------------|--------------------|-------------------|
|            |   |                                      | (Unaudited)                               | (Unaudited)       | (Unaudited)        | (Unaudited) | (Unaudited)        | (Audited)         |
| 16         | Trustee fee                             |                                      |   |                   |                    |             |                    |                   |
|            | Axis Trustee Services Limited (ATSL)    | Trustee                              | -   | 2.16              | 0.59               | 2.16        | 1.18               | 3.32              |
| 17         | Investment management fees              |                                      | -   |                   |                    |             |                    |                   |
|            | Indigrid Investment<br>Managers Limited | Investment<br>manager of<br>IndiGrid | 2.18                                      | 2.09              | -                  | 4.27        | -                  | 6.53              |

<sup>\*</sup> Sterlite Power Grid Ventures Limited ('SPGVL') has been merged with Sterlite Power Transmission Limited ('SPTL') wef 15 November 2020# Sterlite Power Transmission Limited had subscribed to rights issue of the Trust and allotted 0.41 million units. Subsequently, SPTL has disinvested 0.25 million units on 09 June 2021 and 0.16 million units on 10 June 2021.

Further SPTL has disinvested remaining 2.04 million units on 07 September 2021.

### IV. Outstanding balances are as follows:

| Sr.<br>No. | Particulars   | As at<br>September<br>30, 2022 | As at<br>June 30,<br>2022 | As at<br>September<br>30, 2021 | As at<br>March 31,<br>2022 |
|------------|---|--------------------------------|---------------------------|--------------------------------|----------------------------|
|            |   | (Unaudited)                    | (Unaudited)               | (Unaudited)                    | (Audited)                  |
| 1          | Unsecured loan receivable from subsidiaries   | 1,40,826.72                    | 1,38,771.51               | 1,28,496.60                    | 1,32,476.19                |
| 2          | Interest receivable from subsidiaries   | 4,297.31                       | 3,813.33                  | 1,983.13                       | 3,190.79                   |
| 3          | Non-Convertible Debentures of subsidiary (including accrued interest on EIR) (excluding provision for impairment) | 7,110.12                       | 7,012.16                  | 6,726.36                       | 6,915.54                   |
| 4          | Compulsorily-convertible debentures of subsidiary   | 1,002.74                       | 1,002.74                  | 1,156.85                       | 1,156.85                   |
| 5          | Investment in equity shares of subsidiary (excluding provision for impairment)                                    | 43,719.55                      | 43,438.45                 | 43,483.51                      | 43,507.28                  |
| 6          | Optionally convertible redeemable preference shares (excluding provision for impairment)                          | 1,001.96                       | 1,001.96                  | 1,001.96                       | 1,001.96                   |
| 7          | Payable towards project acquired  | 1,036.13                       | 1,142.21                  | 1,412.01                       | 1,108.97                   |
| 8          | Deposits given  | 36.00                          | 36.00                     | -                              | 36.00                      |
| 9          | Trade Payable   | -                              | -                         | -                              | 0.07                       |

Details in respect of related party transactions involving acquisition of InvIT assets as required by Para 4.4(b)(iv) of Section A of Annexure A to SEBI Circular dated October 20, 2016 are as follows:

### For the quarter and half year ended September 30, 2022:

No acquisition during the quarter and half year.

### For the year ended March 31, 2022:

No acquisitions during the year ended March 31, 2022.

### 14) Changes in Accounting policies

There is no change in the Accounting policy of the Group for the quarter and half year ended September 30, 2022.

For and behalf of the Board of Directors of Indigrid Investment Managers Limited
(as Investment Manager of India Grid Trust)

Harsh Shah

CEO and Whole Time Director

DIN: 02496122

Date: November 10, 2022

Place: Noida

# CORPORATE INFORMATION

### **Board of Directors**

Mr. Tarun Kataria - Independent Director

Mr. Rahul Asthana - Independent Director

Mr. Ashok Sethi - Independent Director

Ms. Jayashree Vaidhyanathan- Independent Director

Mr. Hardik Shah- Non-Executive Director

Ms. Ami Momaya- Non-Executive Director

Mr. Harsh Shah<sup>1</sup> - Chief Executive Officer & Whole-time-Director

### **Management Team**

Mr. Harsh Shah<sup>1</sup> - Chief Executive Officer

Ms. Meghana Pandit - Chief Investment Officer

Mr. Satish Talmale - Chief Operating Officer

Mr. Bigyan Parija - Chief Design Officer

Ms. Divya Bedi Verma - Chief Financial Officer

Mr. Urmil Shah - Company Secretary & Compliance Officer

Mr. Kundan Kishore - Head - Human Resources

### **Investment Committee**

Mr. Tarun Kataria - Chairperson

Mr. Rahul Asthana - Member

Mr. Ashok Sethi - Member

Mr. Hardik Shah- Member

Ms. Ami Momaya- Member

### **Audit Committee**

Mr. Tarun Kataria - Chairperson

Mr. Rahul Asthana - Member

Mr. Ashok Sethi - Member

Ms. Jayashree Vaidhyanathan- Member

Mr. Hardik Shah- Member

Ms. Ami Momaya- Member

### Stakeholders' Relationship Committee

Mr. Rahul Asthana - Chairperson

Mr. Tarun Kataria- Member

Mr. Ashok Sethi- Member

Ms. Jayashree Vaidhyanathan- Member

Mr. Hardik Shah- Member

Ms. Ami Momaya- Member

### **Nomination and Remuneration Committee**

Mr. Rahul Asthana - Chairperson

Mr. Tarun Kataria - Member

Mr. Ashok Sethi - Member

Mr. Hardik Shah- Member

Ms. Ami Momaya- Member

### **Allotment Committee**

Mr. Rahul Asthana - Chairperson

Mr. Ashok Sethi - Member

Mr. Hardik Shah- Member

Ms. Ami Momaya- Member

Mr. Harsh Shahi - Member

### **Risk Management Committee**

Mr. Rahul Asthana - Chairperson

Mr. Tarun Kataria - Member

Mr. Ashok Sethi - Member

Mr. Hardik Shah- Member

Ms. Ami Momaya- Member

### Notes

 Mr. Jyoti Kumar Agarwal has tendered his resignation from the position of CEO & Whole-time Director with effect from September 30, 2022 and Mr. Harsh Shah has been appointed as a Chief Executive Officer & Whole-time Director of Investment Manger with effect from August 30, 2022.

### Registered office of Investment Manager

### **IndiGrid Investment Managers limited**

Unit No. 101, First Floor, Windsor, Village KoleKalyan, off CST Road, Vidyanagari Marg, Kalina, Santacruz (East),

Mumbai - 400 098, Maharashtra, India

Tel: +91 70284 93885

CIN: U28113MH2010PLC308857

### **Principal Place of Business**

### **India Grid Trust**

Unit No. 101, First Floor, Windsor, Village KoleKalyan, off CST Road, Vidyanagari Marg, Kalina, Santacruz (East),

Mumbai - 400 098, Maharashtra, India

Tel: +91 70284 93885

E-mail: complianceofficer@indigrid.com

Website: http://www.indigrid.co.in

Tel: +91 70284 93885

### **Registrar and Transfer Agent**

### **KFIN Technologies Limited**

### (Unit: India Grid Trust)

Karvy Selenium Tower B, Plot No. 31-32, Gachibowli, Financial

District, Nanakramguda, Hyderabad - 500 032 E-mail: support.indiagrid@kfintech.com

Tel: +91 40 3321 5205

### **IndiGrid Trustee**

### **Axis Trustee Services Limited**

2nd Floor, The Ruby, SW 29, Senapati Bapat Marg, Dadar West, Mumbai 400 028

Tel: +912262300605

Fax: +912262300700 Email: debenturetrustee@axistrustee.com

Website:www.axistrustee.com

### **Debenture Trustee**

### **IDBI Trusteeship Services Limited**

Asian Building, Ground Floor, 17, R. Kamani Marg, Ballard Estate,

Mumbai 400 001 Tel: +912240807000 Fax: 66311776 / 40807080 E-mail: itsl@idbitrustee.com

Investor Grievance E-mail: response@idbitrustee.com

Website: http://www.idbitrustee.com

### **Investor Relations**

### Ms. Meghana Pandit

E-mail Id: investor.relations@indigrid.com

### Valuer

### Mr. Pradhan Priya Dass

No. 80, 5th Cross, MCECHS Layout, Dr Shivarama Karanth Nagar, Bangalore-560077, Karnataka, India

### Auditor

### SRBC&CoLLP

C Wing, Ground Floor, Panchshil Tech Park

(Near Don Bosco School), Pune - 411 006, Maharashtra, India

### **List of Bankers**

IndusInd Bank

Federal Bank

Axis Bank

Union Bank of India

ICICI Bank

Bank of Maharashtra

HDFC Bank limited

IIFCI UK

Kotak Mahindra Bank limited

NIIF Infrastructure finance limited

IDFC First Bank limited

# **Notes**

# **Notes**



# **IndiGrid**

### **India Grid Trust**

Unit No. 101, First Floor, Windsor, Village KoleKalyan, off CST Road, Vidyanagari Marg, Kalina, Santacruz (East), Mumbai – 400 098, Maharashtra, India

Compliance Officer: Mr. Urmil Shah

http://www.indigrid.co.in

## **Pradhan Priya Dass**

**Registered Valuer** 

IBBI Registration No.: IBBI/RV/06/2022/14558

# **India Grid Trust**

**Summary Fair Valuation Report** 

**Fair Enterprise Valuation of the SPVs** 

Valuation conducted as per extant provisions of SEBI (Infrastructure Investment Trusts) Regulations, 2014 as amended

Report Date: 31st October 2022

**Valuation Date: 30<sup>th</sup> September 2022** 

## Mr. Pradhan Priya Dass, Registered Valuer

IBBI Registration No.: IBBI/RV/06/2022/14558

PPD/R/VAL/2022/002 Date: 31st October 2022

# The Board of Directors IndiGrid Investment Managers Limited

(Investment Manager of India Grid Trust)
Unit No. 101, 1st Floor,
Windsor Village, Kole Kalyan Off CST Road,
Vidyanagari Marg, Santacruz (E),
Mumbai - 400 098,
Maharashtra, India.

### The Axis Trustee Services Limited

(Trustee of India Grid Trust)
The Ruby, 2<sup>nd</sup> Floor, SW, 29,
Senapati Bapat Marg,
Dadar (W), Mumbai - 400 028,
Maharashtra, India.

<u>Sub: Independent Estimate of the Fair Enterprise Valuation of the Project SPVs of India Grid Trust as of 30<sup>th</sup> September 2022 in accordance with the SEBI InvIT Regulations (as amended)</u>

### Dear Sir(s)/ Madam(s),

In accordance with the engagement letter dated 20<sup>th</sup> September 2022 signed between myself, Pradhan Priya Dass ("Registered Valuer" or "RV"); IndiGrid Investment Managers Limited ("the Investment Manager" or "IIML"), acting as the investment manager for India Grid Trust ("the Trust") and Axis Trustee Services Limited ("the Trustee") acting as the trustee for the Trust, I enclose my valuation report regarding the fair enterprise value of the Project SPVs of the Trust as on 30<sup>th</sup> September 2022 ("Valuation Date") in accordance with the requirements of the Securities and Exchange Board of India (Infrastructure Investment Trusts) Regulations, 2014, as amended ("the SEBI InvIT Regulations").

As per Regulation 21(5) of Chapter V of the SEBI InvIT Regulations:

"A half yearly valuation of the assets of the InvIT shall be conducted by the valuer for the half-year ending September 30th for a publicly offered InvIT for incorporating any key changes in the previous six months and such half yearly valuation report shall be prepared within one month from the date of end of such half year.

Provided that in case the consolidated borrowings and deferred payments of an InvIT, in terms of Regulation 20, is above forty nine per cent, the valuation of the assets of such of such InvIT shall be conducted by the valuer for quarter ending June, September and December, for incorporating any key changes in the previous quarter and such quarterly report shall be prepared within one month from the date of the end of such quarter."

In this regard, the Investment Manager and the Trustee intends to undertake the fair enterprise valuation of the Project SPVs of the Trust as on 30<sup>th</sup> September 2022 for incorporating any key changes from the period ended 30<sup>th</sup> June 2022 till 30<sup>th</sup> September 2022. Accordingly, I am pleased to enclose the Valuation

Report ("Report") providing my opinion on the fair enterprise valuation of the Project SPVs as on 30<sup>th</sup> September 2022. Further, this report should be read in continuation to my report dated 26<sup>th</sup> July 2022 in relation to the valuation of the SPVs as at 30<sup>th</sup> June 2022.

The Trust owns the following special purpose vehicles:

| Sr.<br>No. | Name of the SPVs                                  | Abbreviation | Category                                      |  |  |
|------------|---|--------------|---|--|--|
| 1          | Bhopal Dhule Transmission Company Limited         | BDTCL        |   |  |  |
| 2          | Jabalpur Transmission Company Limited             | JTCL         |   |  |  |
| 3          | Maheshwaram Transmission Limited                  | MTL          | Inter State - Tariff                          |  |  |
| 4          | RAPP Transmission Company Limited                 | RTCL         |   |  |  |
| 5          | Purulia & Kharagpur Transmission Company Limited  | PKTCL        |   |  |  |
| 6          | Patran Transmission Company Limited               | PTCL         | Based Competitive Bidding Project             |  |  |
| 7          | NRSS XXIX Transmission Limited                    | NRSS         | ("TBCB")                                      |  |  |
| 8          | Odisha Generation Phase - II Transmission Limited | OGPTL        |   |  |  |
| 9          | East-North Interconnection Company Limited        | ENICL        |   |  |  |
| 10         | Gurgaon Palwal Transmission Limited               | GPTL         |   |  |  |
| 11         | NER II Transmission Limited                       | NERTL        |   |  |  |
| 12         | Jhajjar KT Transco Private Limited                | JKTPL        | Intra State - TBCB                            |  |  |
| 13         | Parbati Koldam Transmission Company Limited       | PrKTCL       | Inter-state Regulated<br>Tariff Based Project |  |  |
| 14         | IndiGrid Solar-I (AP) Private Limited             | ISPL 1       | Solar Power                                   |  |  |
| 15         | IndiGrid Solar-II (AP) Private Limited            | ISPL 2       | Generation Projects                           |  |  |
| 16         | Kallam Transmission Limited                       | KTL          | Under Construction<br>Transmission Line       |  |  |

(hereinafter together referred to as the "Project SPVs" or the "SPVs")

I have relied on explanations and information provided by the Investment Manager. Although, I have reviewed such data for consistency, but have not carried out a due diligence or audit of such information.

In terms of the SEBI InvIT Regulation, I hereby confirm and declare that:

- 1. I am competent to undertake valuation;
- 2. My team and I are independent and have prepared this Report on a fair and unbiased basis;
- 3. This Report is prepared in compliance with regulation 13(1) and regulation 21 of the SEBI InvIT Regulations;
- 4. I have complied with the responsibility as stated in regulation 13(1) and regulation 21 of the SEBI InvIT Regulations.

My team and I have no present or planned future interest in the Trust, the SPVs or the Investment Manager, except to the extent of this appointment as an independent valuer and the fee for this Valuation Report ("Report") which is not contingent upon the values reported herein. The valuation analysis should not be construed as investment advice, specifically, I do not express any opinion on the suitability or otherwise of entering into any financial or other transaction with the Trust.

I am enclosing the Report providing opinion on the fair enterprise value of the Project SPVs on a going concern basis as at 30<sup>th</sup> September 2022 ("Valuation Date"). The attached Report details the valuation methodologies used, calculations performed and the conclusion reached with respect to this valuation.

I believe that the analysis must be considered as a whole. Selecting portions of any analysis or the factors that are considered in this Report, without considering all factors and analysis together could create a misleading view of the process underlying the valuation conclusions. The preparation of a valuation is a complex process and is not necessarily susceptible to partial analysis or summary description. Any attempt to do so could lead to undue emphasis on any particular factor or analysis.

The valuation provided by RV and the valuation conclusions are included herein and the Report complies with the SEBI InvIT Regulations and guidelines, circular or notification issued by the Securities and Exchange Board of India ("SEBI") thereunder.

The Report must be read in conjunction with the caveats to the Report, which are contained in Section 5 of this Report. This letter, the Report and the summary of valuation included herein can be provided to Trust's advisors and may be made available for the inspection to the public as a material document and with the SEBI, the stock exchanges and any other regulatory and supervisory authority, as may be required.

This letter should be read in conjunction with the attached Report.

Yours faithfully,

PRADHAN Digitally signed by PRADHAN PRIYA DASS Date: 2022.10.31 17:32:44 +05'30'

### **Pradhan Priya Dass**

Registered Valuer

IBBI Registration No.: IBBI/RV/06/2022/14558

Place: Bangalore

UDIN: 22219962BBLZJP4501

### **Abbreviations**

| Abbreviation                     | Meaning   |
|----------------------------------|---|
| BDTCL                            | Bhopal Dhule Transmission Company Limited   |
| ВОО                              | Build-Own-Operate   |
| ВООМ                             | Build-Own-Operate-Maintain  |
| Capex                            | Capital Expenditure   |
| CAF                              | Cash Accrual Factor   |
| CCIL                             | Clearing Corporation of India Limited   |
| ССМ                              | Comparable Companies Multiples  |
| CERC Tariff<br>Regulations, 2019 | Central Electricity Regulatory Commission (Terms and Conditions of Tariff) Regulations, 2019              |
| Ckms                             | Circuit Kilometres  |
| COD                              | Commercial Operation Date   |
| СТМ                              | Comparable Transactions Multiples   |
| DCF                              | Discounted Cash Flow  |
| DF                               | Discounting Factor  |
| EBITDA                           | Earnings Before Interest, Taxes, Depreciation and Amortization  |
| ENICL                            | East-North Interconnection Company Limited  |
| Esoteric                         | Esoteric II Pte. Ltd. (an affiliate of KKR & Co. Inc.)  |
| EV                               | Enterprise Value  |
| FCFF                             | Free Cash Flow to the Firm  |
| FY                               | Financial Year Ended 31 <sup>st</sup> March   |
| GAAP                             | Generally Accepted Accounting Principles  |
| GPTL                             | Gurgaon Palwal Transmission Limited   |
| GW                               | Giga Watts  |
| IIML or<br>Investment Manager    | IndiGrid Investment Managers Limited (formerly known as Sterlite Investment Managers Limited)             |
| INR                              | Indian Rupee  |
| ISPL 1                           | IndiGrid Solar-I (AP) Private Limited (formerly known as FRV Andhra Pradesh Solar Farm-I Private Limited) |
| ISPL 2                           | IndiGrid Solar-II (AP) Private Limited (formerly known as FRV India Solar Park-II Private Limited)        |
| IVS                              | ICAI Valuation Standards, 2018  |
| JKTPL                            | Jhajjar KT Transco Private Limited  |
| JTCL                             | Jabalpur Transmission Company Limited   |
| KTL                              | Kallam Transmission Limited   |
| kV                               | Kilo Volts  |
| kWh                              | Kilo Watt Hour  |
| Mn                               | Million   |

| Abbreviation           | Meaning   |
|------------------------|---|
| MTL                    | Maheshwaram Transmission Limited                                      |
| MW                     | Mega Watts  |
| NAV                    | Net Asset Value   |
| NCA                    | Net Current Assets Excluding Cash and Bank Balances                   |
| NERTL                  | NER II Transmission Limited   |
| NRSS                   | NRSS XXIX Transmission Limited  |
| O&M                    | Operation & Maintenance   |
| OGPTL                  | Odisha Generation Phase - II Transmission Limited                     |
| PGCIL                  | Power Grid Corporation of India Limited                               |
| PKTCL                  | Purulia & Kharagpur Transmission Company Limited                      |
| PPA                    | Power Purchase Agreement  |
| PrKTCL                 | Parbati Koldam Transmission Company Limited                           |
| PTCL                   | Patran Transmission Company Limited                                   |
| PV                     | Present Value   |
| RTCL                   | RAPP Transmission Company Limited                                     |
| RV                     | Registered Valuer   |
| SEBI                   | Securities and Exchange Board of India                                |
| SEBI InvIT Regulations | SEBI (Infrastructure Investment Trusts) Regulations, 2014, as amended |
| SECI                   | Solar Energy Corporation of India Limited                             |
| SPGVL                  | Sterlite Power Grid Ventures Limited (now merged with SPTL)           |
| SPTL                   | Sterlite Power Transmission Limited                                   |
| SPV                    | Special Purpose Vehicle   |
| TAO                    | Tariff Adoption Order   |
| TBCB                   | Tariff Based Competitive Bidding                                      |
| the Trust or InvIT     | India Grid Trust  |
| the Trustee            | Axis Trustee Services Limited   |
| TSA                    | Transmission Service Agreement  |
| TV                     | Terminal Period Value   |
| WACC                   | Weighted Average Cost of Capital                                      |

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### **Section 1: Executive Summary**

### **Background**

### **India Grid Trust:**

India Grid Trust ("IndiGrid" or "Trust") was set up on 21<sup>st</sup> October 2016, as an irrevocable trust pursuant to the trust deed under the provisions of the Indian Trusts Act, 1882, and was registered with SEBI as an InvIT on 28<sup>th</sup> November 2016, under Regulation 3(1) of the InvIT Regulations.

It is established to own and operate power transmission assets in India. Pursuant to approval of unitholders obtained on 9<sup>th</sup> May 2020 and subsequent amendment to Trust Deed, the Investment Strategy of the Trust is to own and operate power transmission and renewable power generation assets in India.

The units of the Trust are listed on the National Stock Exchange of India Limited and BSE Limited since 6<sup>th</sup> June 2017.

Unit holding pattern of the Trust as on 30<sup>th</sup> September 2022 is as follows:

| Particulars                     | No. of Units | %       |
|---------------------------------|--------------|---------|
| Esoteric II Pte. Ltd (Sponsor)  | 16,59,01,932 | 23.69%  |
| Insurance Companies             | 5,14,52,180  | 7.35%   |
| Mutual Funds                    | 26,80,377    | 0.38%   |
| Financial Institutions or Banks | 87,877       | 0.01%   |
| Provident or pension funds      | 24,28,534    | 0.35%   |
| Alternative Investment Fund     | 1,22,472     | 0.02%   |
| Foreign Portfolio Investors     | 20,91,95,344 | 29.88%  |
| Non-institutional investors     | 26,83,09,769 | 38.32%  |
| Total                           | 70,01,78,485 | 100.00% |

### Sponsors:

The Trust is currently sponsored by Esoteric II Pte. Ltd., an affiliate of KKR & Co. Inc ("Esoteric") and Sterlite Power Transmission Limited ("SPTL").

IndiGrid was originally sponsored by Sterlite Power Grid Venture Limited (now merged with Sterlite Power Transmission Limited) as an irrevocable trust pursuant to the Trust Deed, under the provisions of the Indian Trusts Act, 1882.

In the annual meeting of Trust held on 28<sup>th</sup> September 2020, the unitholders approved induction of Esoteric II Pte. Ltd., an affiliate of KKR & Co. Inc ("Esoteric"), as a sponsor.

Esoteric is an affiliate of KKR & Co. Inc. KKR & Co. Inc was founded in 1976 and is a leading global investment firm with approximately US\$ 491 billion of assets under management as of 30<sup>th</sup> June 2022. KKR & Co. Inc sponsors investment funds that invest in multiple alternative asset classes, including private equity, credit and real assets, with strategic partners that manage hedge funds.

Shareholding Pattern of Esoteric as on 30th September 2022:

| Sr. No. | Name of Shareholder       | %      |
|---------|---------------------------|--------|
| 1       | Esoteric I Pte. Limited   | 36.5%  |
| 2       | KKR Ingrid Co-invest L.P. | 60.6%  |
| 3       | KKR PIP Investments L.P.  | 2.9%   |
|         | Total                     | 100.0% |

SPTL is primarily engaged in the business of Power products and solutions, mainly manufacturing of power transmission conductors, optical ground wire cables and power cable. It also includes execution of Engineering, Procurement and Construction Contracts for construction of power transmission systems, replacement of power transmission conductors, optical ground wire cables and power cable as a part of master system integration business. It also directly or indirectly, through its subsidiaries, acts as a developer on BOOM basis, for designing, financing, construction and maintenance of power transmission systems.

### Shareholding Pattern of SPTL as on 31st March 2022:

| Sr No. | Particulars                       | No of shares | %            |
|--------|-----------------------------------|--------------|--------------|
| 1      | Total Promoter and Promoter Group | 4,55,33,851  | 74.4%        |
| 2      | Total Public Shareholders         | 1,56,48,051  | 25.6%        |
|        | Institutional Investors           | 51,186       | 0.1%         |
|        | Non-institutional Investors       | 1,55,96,865  | <i>25.5%</i> |
|        | Total                             | 6,11,81,902  | 100.0%       |

### The Investment Manager:

IndiGrid Investment Managers Limited (formerly known as Sterlite Investment Managers Limited) ("the Investment Manager" or "IIML") has been appointed as the investment manager to the Trust by Axis Trustee Services Limited ("the Trustee") and is responsible to carry out the duties of such a person as mentioned under SEBI InvIT Regulations.

Shareholding of the Investment Manager as on 30<sup>th</sup> September 2022 is as under:

| Sr. No. | Name of Shareholder                          | %      |
|---------|--|--------|
| 1       | Electron IM Pte. Ltd. (KKR affiliate entity) | 100.0% |
|         | Total  | 100.0% |

### Assets to be Valued:

### SPVs Based on BOOM basis and Inter-state TBCB Transmission projects:

| Sr. No. | Name of the SPVs                                  | Abbreviation | Ckms |
|---------|---|--------------|------|
| 1       | Bhopal Dhule Transmission Company Limited         | BDTCL        | 943  |
| 2       | Jabalpur Transmission Company Limited             | JTCL         | 994  |
| 3       | Maheshwaram Transmission Limited                  | MTL          | 474  |
| 4       | RAPP Transmission Company Limited                 | RTCL         | 403  |
| 5       | Purulia & Kharagpur Transmission Company Ltd.     | PKTCL        | 545  |
| 6       | Patran Transmission Company Limited               | PTCL         | 10   |
| 7       | NRSS XXIX Transmission Limited                    | NRSS         | 830  |
| 8       | Odisha Generation Phase - II Transmission Limited | OGPTL        | 713  |
| 9       | East-North Interconnection Company Limited        | ENICL        | 896  |
| 10      | Gurgaon Palwal Transmission Limited               | GPTL         | 273  |
| 11      | NER II Transmission Limited                       | NERTL        | 832  |

### SPV Based on DBFOT basis and Intra-state TBCB Transmission projects:

| Sr. No | . Name of the SPVs                 | Abbreviation | Ckms |
|--------|------------------------------------|--------------|------|
| 12     | Jhajjar KT Transco Private Limited | JKTPL        | 205  |

### SPV Based on BOO basis and Regulated Tariff Transmission projects:

| Sr. No. | Name of the SPVs                            | Abbreviation | Ckms |
|---------|---|--------------|------|
| 13      | Parbati Koldam Transmission Company Limited | PrKTCL       | 458  |

### Solar Power Generating SPVs:

| Sr. No. | Name of the SPVs                       | Abbreviation |
|---------|--|--------------|
| 14      | IndiGrid Solar-I (AP) Private Limited  | ISPL 1       |
| 15      | IndiGrid Solar-II (AP) Private Limited | ISPL 2       |

### Under Construction Transmission Project SPV:

| Sr. No. | Name of the SPVs            | Abbreviation | Ckms |
|---------|-----------------------------|--------------|------|
| 16      | Kallam Transmission Limited | KTL          | 18   |

### **Engagement Overview**

As per Regulation 21(5) of Chapter V of the SEBI InvIT Regulations:

"A half yearly valuation of the assets of the InvIT shall be conducted by the valuer for the half-year ending September 30<sup>th</sup> for a publicly offered InvIT for incorporating any key changes in the previous six months and such half yearly valuation report shall be prepared within one month from the date of end of such half year.

Provided that in case the consolidated borrowings and deferred payments of an InvIT, in terms of Regulation 20, is above forty nine per cent, the valuation of the assets of such InvIT shall be conducted by the valuer for quarter ending June, September and December, for incorporating any key changes in the previous quarter and such quarterly report shall be prepared within one month from the date of the end of such quarter."

In this regard, the Investment Manager and the Trustee have appointed Mr. Pradhan Priya Dass ("Registered Valuer" or "RV") bearing IBBI registration number IBBI/RV/06/2022/14558 to undertake the fair valuation at the enterprise level of the SPVs as per the SEBI InvIT Regulations as at 30<sup>th</sup> September 2022. Enterprise Value ("**EV**") is described as the total value of the equity in a business plus the value of its debt and debt related liabilities, minus any cash and cash equivalents to meet those liabilities.

### Registered Valuer declares that:

- i. The RV is competent to undertake the financial valuation in terms of the SEBI InvIT Regulations;
- ii. The RV is independent and has prepared the Valuation Report ("the Report") on a fair and unbiased basis.
- iii. I have estimated the Fair Enterprise Value of each of the Project SPVs.

The Valuation Date considered for the Enterprise Valuation of the SPVs is 30<sup>th</sup> September 2022. Valuation analysis and results are specific to the valuation date.

A valuation of this nature involves consideration of various factors including the financial position of the Project SPVs as at the Valuation Date, trends in the equity stock market and fixed income security market, macro-economic and industry trends, etc.

The Valuation Report ("Report") covers all the disclosures required as per the SEBI InvIT Regulations and the valuation of the SPVs is impartial, true and fair and in compliance with the SEBI InvIT Regulations.

### **Valuation Summary**

All the SPVs have been valued using Discounted Cash Flow ("DCF") Method except for KTL where Net Asset Value approach is used.

I have relied on the unaudited Financial Statements as on 30<sup>th</sup> September 2022 and financial projections of the SPVs provided by the investment manager for arriving at fair enterprise value.

Based on the methodology and assumptions discussed further, I have arrived at the following fair Enterprise Value of the SPVs as on the Valuation Date:

| Sr. No. | SPVs                | Balance TSA /<br>PPA Period | Ckms | WACC          | EV (INR Mn) |
|---------|---------------------|-----------------------------|------|---------------|-------------|
| 1       | BDTCL               | ~26 Years                   | 943  | 8.0%          | 19,778      |
| 2       | JTCL                | ~26 Years                   | 994  | 8.1%          | 16,389      |
| 3       | MTL                 | ~30 Years                   | 474  | 7.7%          | 5,996       |
| 4       | RTCL                | ~28 Years                   | 403  | 7.6%          | 4,402       |
| 5       | PKTCL               | ~28 Years                   | 545  | 7.6%          | 6,784       |
| 6       | PTCL                | ~29 Years                   | 10   | 7.7%          | 2,611       |
| 7       | NRSS                | ~31 Years                   | 830  | 7.6%          | 45,339      |
| 8       | OGPTL               | ~32 Years                   | 713  | 7.8%          | 14,615      |
| 9       | ENICL1              | ~13 Years                   | 896  | 8.1% to 11.9% | 11,624      |
| 10      | GPTL                | ~32 Years                   | 273  | 7.7%          | 12,285      |
| 11      | NERTL <sup>4</sup>  | ~33 Years                   | 932  | 7.6%          | 53,958      |
| 12      | JKTPL               | ~23 Years                   | 205  | 7.6%          | 3,113       |
| 13      | PrKTCL <sup>2</sup> | ~27 Years                   | 458  | 7.9%          | 7,311       |
| 14      | ISPL 1              | ~21 Years                   | NA   | 8.0%          | 3,305       |
| 15      | ISPL 2              | ~21 Years                   | NA   | 7.9%          | 3,595       |
| 16      | KTL <sup>3</sup>    | ~36 Years                   | 18   | NA            | 305         |
|         | Total               |                             |      |               | 2,11,410    |

### **Notes:**

- 1. In case of ENICL, I have considered separate WACC for explicit period and terminal period.
- 2. PrKTCL operates under Cost Plus Mechanism where the period of services is not mentioned in TSA. I have considered a total period of 35 years of useful life based on CERC Tariff Regulations, 2019 and based on discussions with the Investment Manager.
- 3. KTL project is currently under construction. Hence due to the nascent stage of the project, I find it appropriate to consider the Net Asset Value method for arriving at the enterprise value of KTL.

### 4. NERTL Tower Collapse Incident

- I understand from the Investment Manager that one transmission tower had collapsed on 17<sup>th</sup> June 2022 and another tower got damaged in case of Silchar-Misa line of NERTL due to heavy floods in the state of Assam.
- The Investment Manager has informed me that a section of ~1 km of line length near to the Kopili river was completely flooded with water. It was seen that Kopili river was flowing at a much higher level than the critical level in the region and on 17<sup>th</sup> June 2022 the river reached its Highest Flood Level (HFL) ever recorded. This resulted in flooding of the river to nearby ecosystem with high water current of the overflown river destroying everything that came into the vicinity.
- I have been further informed by the Investment Manager that they had successfully restored and charged both circuits of said Silchar-Misa line through ERS (Emergency Restoration System) on 16<sup>th</sup>

- September 2022 and that they have received deemed availability certificates for the months of June, July and August 2022 from Northern Regional Power Committee (NRPC), i.e. the impact of said incident was not considered while calculating the availability of NERTL for said periods.
- The Investment Manager has informed me that the permanent restoration work of the Silchar-Misa line through newly constructed tower on pile formation is expected to be completed by 31<sup>st</sup> March 2023.
- Currently as the lines have been restored through the ERS since 16<sup>th</sup> September 2022, the SPV has already received the deemed availability certificate for the period June August 2022. Accordingly, there is no additional or special risk to the revenue earnings of the SPV. Hence, I find it appropriate to remove the temporary risk premium of 1% considered in my previous valuation opinion (for valuation date of 30<sup>th</sup> June 2022) while arriving at the cost of equity in WACC computation for NERTL.
- Based on the information provided, the Investment Manager expects a one-time expense of INR 100 Mn for the permanent restoration of tower. The Investment Manger expects some or major portion of said expense to be claimed and received from the insurance company. However the same is not considered in the current projections.

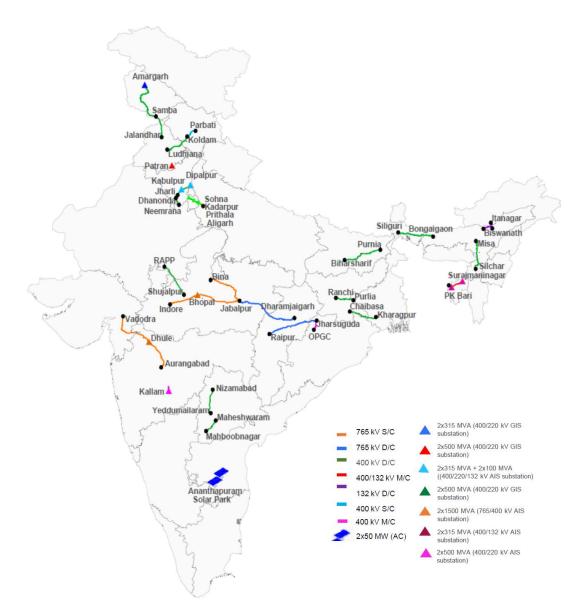
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### **Section 2: Business Overview**

### **IndiGrid 2 Limited** 100 % OGPTL 100 % BDTCL 100 % 30% 100 % JTCL **Axis Trustee** Ā IndiGrid 1 Limited %02 100 % PKTCL 100 % 100 % NRSS 100 % RTCL **IndiGrid Limited** 100 % (The Trust) India Grid Trust Overview of the Trust | Group Structure of the Trust 100 % ΑĦ ENICL 100 % 100 % ISPL<sub>2</sub> 100 % GPTL ISPL 1 100 % IndiGrid Investment Managers Limited % Represents Economic Ownership \* PrKTCL- 26% stake held by PowerGrid (PGCIL) **JKTPL** 100 % **PrKTCL**\* 74 % 100 % PTCL NERTL 100 %

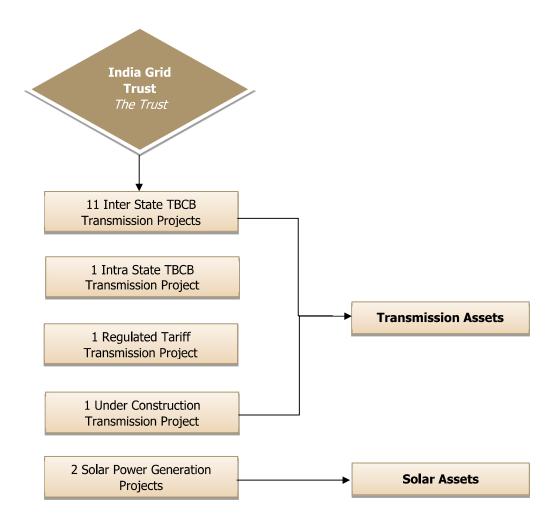
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### Area covered by the SPVs of the Trust:



Source: Investment Manager

### **Snapshot of Portfolio Assets:**



### <u>Transmission Line SPV Based on BOOM basis and Inter-state TBCB Transmission projects:</u>

| SPVs  | Model | Location                                    | Capacity                       | Circuits       | Ckms | Substation |
|-------|-------|---|--------------------------------|----------------|------|------------|
| BDTCL | воом  | Maharashtra,<br>Madhya Pradesh &<br>Gujarat | 4 TL- 765 Kv<br>2 TL- 400 Kv   | 4 S/c<br>2 D/c | 943  | 2 nos.     |
| JTCL  | воом  | Chhattisgarh<br>Madhya Pradesh              | 2 TL - 765 Kv                  | 1 S/c<br>1 D/c | 994  | Nil        |
| MTL   | воом  | Telangana                                   | 2 TL - 400 Kv                  | 2 D/c          | 474  | Nil        |
| RTCL  | воом  | Rajasthan<br>Madhya Pradesh                 | 1 TL - 400 Kv                  | 1 D/c          | 403  | Nil        |
| PKTCL | воом  | West Bengal,<br>Jharkhand                   | 2 TL - 400 Kv                  | 2 D/c          | 545  | Nil        |
| PTCL  | воом  | Punjab                                      | 1 TL - 400 Kv<br>LILO          | 1 D/c          | 10   | 1 nos      |
| NRSS  | воом  | Punjab,<br>J & K                            | 3 TL - 400 Kv                  | 3 D/c          | 830  | 1 nos.     |
| OGPTL | воом  | Odisha                                      | 1 TL - 765 Kv<br>1 TL - 400 Kv | 2 D/c          | 713  | Nil        |
| ENICL | воом  | Assam, West Bengal,<br>Bihar                | 2 TL - 400 Kv                  | 2 D/c          | 896  | Nil        |
| GPTL  | воом  | Haryana, Delhi, UP                          | 5 TL - 400 Kv                  | 5 D/c          | 273  | 3 nos.     |
| NERTL | воом  | Assam, Arunachal<br>Pradesh, Tripura        | 3 TL - 132 Kv<br>2 TL - 400 Kv | 5 D/c          | 832  | 2 nos.     |

### <u>Transmission Line SPV Based on BOO basis and Regulated Tariff Based projects:</u>

| SPVs   | Model | Location                    | Capacity | Circuits                      | Ckms | Substation |
|--------|-------|-----------------------------|----------|-------------------------------|------|------------|
| PrKTCL | воо   | Himachal<br>Pradesh, Punjab |          | 5 S/c along with D/c<br>1 D/c | 458  | Nil        |

### <u>Transmission Line SPV Based on DBFOT basis and Intra-state TBCB Transmission project:</u>

| SPVs  | Model | Location | Capacity                     | Circuits       | Ckms | Substation |
|-------|-------|----------|------------------------------|----------------|------|------------|
| JKTPL | DBFOT | Haryana  | 1 TL – LILO<br>2 TL - 400 Kv | 2 D/c<br>1 S/c | 205  | 2 nos.     |

### **Transmission Line SPV which is Under Construction:**

| SPVs | Model | Location    | Capacity    | Circuits | Ckms | Substation |  |
|------|-------|-------------|-------------|----------|------|------------|--|
| KTL  | воом  | Maharashtra | 1 TL - LILO | 2 D/c    | 18   | 1 nos.     |  |

### **Solar Power Generating SPVs:**

| Name of the SPVs                                    | Location      | Capacity (AC) |
|---|---------------|---------------|
| IndiGrid Solar - I (AP) Private Limited ("ISPL 1")  | Andra Pradesh | 50 Mw         |
| IndiGrid Solar - II (AP) Private Limited ("ISPL 2") | Andra Pradesh | 50 Mw         |

# Overview of the SPVs

The Trust has acquired from the Sponsor SPGVL/ SPTL (or their subsidiaries) certain SPVs, viz. BDTCL, JTCL, MTL, RTCL, PKTCL, NRSS, OGPTL, ENICL, GPTL and NERTL; PTCL from Techno Electric & Engineering Company Limited ("TEECL"); JKTPL from Kalpataru Power Transmission Ltd & TEECL; and PrKTCL from Reliance Infrastructure Limited. Following is the summary of the past EVs and the date of acquisition of the SPVs:

| Total          |                     | 37,666      | 51,986      | 52,194      | 1,20,210    | 2,05,459    | 2,04,491    | 2,13,832    | 2,13,081    | 2,11,450    | 2,10,012    |
|----------------|---------------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|
| KTL            | 28<br>Dec<br>2021   | 1           | ı           | ı           |             |             | ı           | 1           | 25          | 210         | 282         |
| ISPL 2         | 13 Jul<br>2021      | 1           | 1           | ı           | ı           | ı           | ı           | 3,793       | 3,810       | 3,667       | 3,594       |
| ISPL 1 ISPL 2  | 13 Jul<br>2021      | 1           | 1           | ı           | ı           | ı           | ı           | 3,598       | 3,592       | 3,384       | 3,308       |
| NERTL          | 26 Mar<br>2021      | ī           | 1           | ı           | ı           | 52,361      | 52,473      | 53,725      | 53,610      | 53,290      | 51,806      |
| PrKTCL         | 8 Jan<br>2021       | 1           | 1           |             |             | 8,561       | 8,391       | 8,146       | 7,921       | 7,194       | 7,468       |
| JKTPL          | 28 Sep<br>2020      | 1           | ī           | ı           | ı           | 3,032       | 3,030       | 2,978       | 2,928       | 3,167       | 3,150       |
| GPTL           | 28 Aug<br>2020      | 1           | ı           | ı           | ı           | 12,223      | 12,152      | 12,124      | 12,072      | 12,358      | 12,402      |
| ENICL          | 24 Mar<br>2020      | ı           | ı           | ı           | 10,949      | 11,962      | 11,908      | 12,114      | 12,028      | 11,804      | 11,751      |
| NRSS OGPTL     | 27 Jun<br>2019      | ī           | 1           | ı           | 14,105      | 14,791      | 14,789      | 14,898      | 14,844      | 14,668      | 14,735      |
| NRSS           | 3 Jun<br>2019       | 1           | ı           |             | 43,911      | 46,808      | 46,193      | 46,603      | 46,557      | 45,734      | 45,427      |
| PTCL           | 31<br>Aug<br>2018   | ı           | ı           | 2,423       | 2,370       | 2,374       | 2,363       | 2,375       | 2,339       | 2,614       | 2,610       |
| PKTCL          | 14 Feb<br>2018      | ,           | 6,618       | 6,390       | 6,439       | 6,826       | 6,815       | 6,816       | 6,803       | 6,799       | 6,810       |
| RTCL           | 14<br>Feb<br>2018   | ı           | 4,054       | 4,035       | 4,008       | 4,202       | 4,176       | 4,211       | 4,196       | 4,367       | 4,390       |
| MTL            | 14<br>Feb<br>2018   | ı           | 5,564       | 5,268       | 5,437       | 5,902       | 2,897       | 5,952       | 5,938       | 5,979       | 5,993       |
| JTCL           | 30 May<br>2017      | 16,125      | 15,431      | 14,608      | 14,426      | 16,022      | 16,026      | 16,284      | 16,306      | 16,232      | 16,347      |
| BDTCL          | 30 May<br>2017      | 21,541      | 20,319      | 19,470      | 18,565      | 20,396      | 20,276      | 20,213      | 20,112      | 19,984      | 19,939      |
| EV<br>(INR Mn) | Acquisition<br>Date | 31 Mar 2017 | 31 Mar 2018 | 31 Mar 2019 | 31 Mar 2020 | 31 Mar 2021 | 30 Jun 2021 | 30 Sep 2021 | 31 Dec 2021 | 31 Mar 2022 | 30 Jun 2022 |

Note: I have conducted valuation of the SPVs for the period 30 Jun 2022 and onwards.

### 1. Bhopal Dhule Transmission Company Limited (BDTCL)

### Background:

The BDTCL project was awarded to IndiGrid Limited (formerly known as Sterlite Grid 1 Limited) by the Ministry of Power on 31<sup>st</sup> January 2011 for a 35 year period from the scheduled commercial operation date on a BOOM basis. The expiry date of TSA shall be the date which is 35 years from the Scheduled Commercial Operation Date ("SCOD") of the project.

BDTCL operates six extra high voltage overhead transmission lines of 943 Ckms comprising four 765 kV single circuit lines of 890 Ckms and two 400 kV dual circuit lines of 53 Ckms. The single circuit lines comprise a 259 ckms line from Jabalpur to Bhopal in Madhya Pradesh, a 176 Ckms line from Bhopal to Indore in Madhya Pradesh, a 192 Ckms line from Aurangabad to Dhule in Maharashtra and a 263 Ckms line from Dhule (Maharashtra) to Vadodara (Gujarat). The double circuit lines consist of a 36 Ckms line within Dhule and a 17 Ckms line within Bhopal. In addition, the project includes two 3,000 MVA sub-stations, one each in Bhopal and Dhule. BDTCL facilitates the transfer of electricity from coal-fired power generation sources from the states of Odisha and Chhattisgarh to power load centres in India's western and northern regions.

Due to various Force Majeure and Change in Law events during the construction period which adversely affected and delayed the commissioning, BDTCL has been granted an increase in Annual Non Escalable Transmission charges by Appellate Tribunal for Electricity through order dated 20<sup>th</sup> October 2020 at the rate of 2,987%.

| Parameters        | Details                     |
|-------------------|-----------------------------|
| Project Cost      | INR 21,634 Mn               |
| Total Length      | 943 ckms                    |
| Scheduled COD     | 31 <sup>st</sup> March 2014 |
| Concession period | 35 years from SCOD          |
| Trust's stake     | 100% economic ownership     |

### Overview of Transmission Assets:

BDTCL consists of the following transmission assets:

| Transmission line/<br>Sub-Station | Location                | Length<br>(ckms) | Specifications              | Actual COD  | Contributi<br>on to total<br>Revenue |
|-----------------------------------|-------------------------|------------------|-----------------------------|-------------|--------------------------------------|
| Jabalpur – Bhopal                 | Madhya<br>Pradesh       | 259              | 765 kV S/C                  | 9 Jun 2015  | 22%                                  |
| Bhopal – Indore                   | Madhya<br>Pradesh       | 176              | 765 kV S/C                  | 19 Nov 2014 | 12%                                  |
| Bhopal - Bhopal (MPPTCL)          | Madhya<br>Pradesh       | 17               | 400 kV D/C                  | 12 Aug 2014 | 2%                                   |
| Aurangabad -Dhule (IPTC)          | Maharashtra             | 192              | 765 kV S/C                  | 5 Dec 2014  | 10%                                  |
| Dhule (IPTC) – Vadodara           | Maharashtra,<br>Gujarat | 263              | 765 kV S/C                  | 13 Jun 2015 | 16%                                  |
| Dhule (IPTC) - Dhule<br>(MSETCL)  | Maharashtra             | 36               | 400 kV D/C                  | 6 Dec 2014  | 4%                                   |
| Bhopal Substation                 | Madhya<br>Pradesh       | NA               | 2 x 1,500 MVA<br>765/400 kV | 30 Sep 2014 | 17%                                  |
| Dhule Substation                  | Maharashtra             | NA               | 2 x 1,500 MVA<br>765/400 kV | 6 Dec 2014  | 17%                                  |

### 2. Jabalpur Transmission Company Limited (JTCL)

### Background:

The JTCL project was awarded to IndiGrid Limited (formerly known as Sterlite Grid 1 Limited) by the Ministry of Power on 19<sup>th</sup> January 2011 for a 35 year period from the scheduled commercial operation date on a BOOM basis. The expiry date of TSA shall be the date which is 35 years from the scheduled COD of the project.

JTCL operates two extra high voltage overhead transmission lines of 994 Ckms in the states of Chhattisgarh and Madhya Pradesh comprising one 765 kV dual circuit line of 759 Ckms from Dharamjaygarh (Chhattisgarh) to Jabalpur (Madhya Pradesh) and one 765 kV single circuit Line of 235 Ckms from Jabalpur to Bina in Madhya Pradesh.

JTCL alleviates transmission capacity bottlenecks and expands the reliability and stability of the power grid in western and northern India by providing open access to transmit power from the independent power projects in the east of India.

| Parameters          | Details                    |
|---------------------|----------------------------|
| <b>Project Cost</b> | INR 19,183 Mn              |
| Total Length        | 994 ckms                   |
| Scheduled COD       | 1 <sup>st</sup> March 2014 |
| Concession period   | 35 years from SCOD         |
| Trust's stake       | 100% economic ownership    |

### Overview of Transmission Assets:

JTCL consists of the following transmission assets:

| Transmission line/<br>Sub-Station | Location                        | Length<br>(ckms) | Specifications | Actual<br>COD  | Contribution<br>to total<br>tariff |
|-----------------------------------|---------------------------------|------------------|----------------|----------------|------------------------------------|
| Jabalpur-<br>Dharamjaygarh        | Chhattisgarh,<br>Madhya Pradesh | 759              | 765 kV D/C     | 14 Sep<br>2015 | 72%                                |
| Jabalpur-Bina                     | Madhya Pradesh                  | 235              | 765 kV S/C     | 1 Jul 2015     | 28%                                |

### 3. Maheshwaram Transmission Limited (MTL)

### Background:-

The MTL project was awarded to IndiGrid 2 Limited (formerly known as Sterlite Grid 3 Limited) by the Ministry of Power on 10th June 2015 for a 35 year period from the scheduled commercial operation date on BOOM basis. The expiry date of TSA shall be the date which is 35 years from the SCOD of the project.

MTL will create a key component to enable Southern region to draw more power from North-East-West Grid and address the issue of power stability in Telangana region. The improved grid connectivity shall facilitate power procurement from the ISTS network to the beneficiary states Telangana, Tamil Nadu, Seemandhra and Karnataka to meet their electricity demands. The project is envisaged to provide grid connectivity for Maheshwaram 765/400 kV Pooling Substation and Nizamabad 765/400 kV Substation.

| Parameters        | Details                 |
|-------------------|-------------------------|
| Project Cost      | INR 3,841 Mn            |
| Total Length      | 474 ckms                |
| Scheduled COD     | 1st June, 2018          |
| Concession period | 35 years from SCOD      |
| Trust's stake     | 100% economic ownership |

### Overview of Transmission Assets:

MTL consists of the following transmission assets:

| Transmission line/<br>Sub-Station  | Location  | Length<br>(ckms) | Specifications | Actual<br>COD  | Contribution<br>to total<br>tariff |
|--|-----------|------------------|----------------|----------------|------------------------------------|
| Maheshwaram (PG) –<br>Mehboob Nagar  | Telangana | 196              | 400 kV D/C     | 14 Dec<br>2017 |                                    |
| 2 Nos. of 400 kV line<br>bays at Mehboob<br>Nagar S/S of<br>TSTRANCO                   | Telangana | NA               |                | 14 Dec<br>2017 | 35%                                |
| Nizamabad —<br>Yeddumailaram   | Telangana | 278              | 400 kV D/C     | 14 Oct 2017    |                                    |
| 2 Nos. of 400 kV line<br>bays at<br>Yeddumailaram<br>(Shankarapali) S/S of<br>TSTRANCO | Telangana | NA               |                | 14 Oct 2017    | 65%                                |

### 4. RAPP Transmission Company Limited (RTCL)

### Background:-

The RTCL project was awarded to IndiGrid 1 Limited (formerly known as Sterlite Grid 2 Limited) by the Ministry of Power on 24th July 2013 for a 35 year period from the scheduled commercial operation date on a BOOM basis. The expiry date of TSA shall be the date which is 35 years from the scheduled COD of the project.

The RTCL project transfers power from the atomic power plant near Kota in Rajasthan to Shujalpur in Madhya Pradesh to provide the path for the evacuation of electricity generated at RAPP-7 and 8. Its route length is 201 Kms. The network will act as an interregional link between the Northern and the Western region.

RTCL alleviates transmission capacity bottlenecks and expands the reliability and stability of the power grid in western and northern India by providing open access to transmit power from the independent power projects in the west of India.

| Parameters        | Details                 |
|-------------------|-------------------------|
| Project Cost      | INR 2,601 Mn            |
| Total Length      | 403 ckms                |
| Scheduled COD     | 1st March, 2016         |
| Concession period | 35 years from SCOD      |
| Trust's stake     | 100% economic ownership |

### Overview of Transmission Assets:

RTCL consists of the following transmission assets:

| Transmission line/<br>Sub-Station | Location                        | Length<br>(ckms) | Specifications | Actual<br>COD | Contribution<br>to total<br>tariff |
|-----------------------------------|---------------------------------|------------------|----------------|---------------|------------------------------------|
| RAPP-Shujalpur                    | Rajasthan and<br>Madhya Pradesh | 403              | 400 kV D/C     | 1 Mar 2016    | 100%                               |

### 5. Purulia & Kharagpur Transmission Company Limited (PKTCL)

### Background:-

The PKTCL project was awarded to IndiGrid 1 Limited (formerly known as Sterlite Grid 2 Limited) by the Ministry of Power on 6th August 2013 for a 35 year period from the scheduled commercial operation date on BOOM basis. The expiry date of TSA shall be the date which is 35 years from the scheduled COD of the project.

PKTCL project has been brought into existence, keeping in view the growing generation capacity in the eastern region. It was much needed to strengthen the interconnection of the state grids with regional grids to facilitate exchange of additional power between them. Its route length is 545 Ckms.

| Parameters        | Details                     |
|-------------------|-----------------------------|
| Project Cost      | INR 4,405 Mn                |
| Total Length      | 545 ckms                    |
| Scheduled COD     | 11 <sup>th</sup> March 2016 |
| Concession period | 35 years from SCOD          |
| Trust's stake     | 100% economic ownership     |

### Overview of Transmission Assets:

PKTCL consists of the following transmission assets:

| Transmission line/<br>Sub-Station | Location                  | Length<br>(ckms) | Specifications | Actual<br>COD | Contribution<br>to total<br>tariff |
|-----------------------------------|---------------------------|------------------|----------------|---------------|------------------------------------|
| Kharagpur – Chaibasa              | West Bengal,<br>Jharkhand | 323              | 400 kV D/C     | 18 Jun 2016   | 54%                                |
| Purulia – Ranchi                  | West Bengal,<br>Jharkhand | 223              | 400 kV D/C     | 7 Jan 2017    | 46%                                |

### 6. Patran Transmission Company Limited (PTCL)

### Background:-

The PTCL project located in Patran Village Nihal, Punjab was awarded to Techno Electric & Engineering Co. Ltd. by the Ministry of Power for a 35 year period from the scheduled commercial operation date on BOOM basis. The expiry date of TSA shall be the date which is 35 years from the scheduled COD of the project.

The PTCL project's need arose because of the partial grid disturbance in the Patial - Sangrur district of Punjab in July 2011. There were 5 substations of 220 kV in the vicinity and a need for 400 / 220 kV substation was felt to avoid the unbalanced loading. The 400/220 kV S/s at Patran would be connected to the grid by LILO of Patial-Kaithal 400 kV D/C.

| Parameters        | Details                         |
|-------------------|---------------------------------|
| Project Cost      | INR 2,250 Mn                    |
| Total Length      | 10 ckms                         |
| Scheduled COD     | 11 <sup>th</sup> November, 2016 |
| Concession period | 35 years from SCOD              |
| Trust's stake     | 100% economic ownership         |

### **Overview of Transmission Assets:**

PTCL consists of the following transmission assets:

| Transmission line/<br>Sub-Station | Location       | Length<br>(ckms) | Specifications         | Actual<br>COD | Contribution<br>to total<br>tariff |
|-----------------------------------|----------------|------------------|------------------------|---------------|------------------------------------|
| Patiala-Kaithal<br>LILO           | Patran, Punjab | 10               | 400 kV D/C             | 12 Nov 2016   | -                                  |
| Patran Substation                 | Patran, Punjab | NA               | 2*500MVA,<br>400/220kV | 12 Nov 2016   | 100%                               |

### 7. NRSS XXIX Transmission Limited (NRSS)

### Background:-

The NRSS project was awarded by the Ministry of Power on 2nd January 2014 for a 35 years period from the commercial operation date on a BOOM basis.

The NRSS XXIX Transmission Limited project is expected to deliver over 2,000 MW of electricity from Punjab to the Kashmir Valley by strengthening the transmission system in these two states. The Jalandar-Samba 400 kV D/C transmission line was commissioned in June 2016. NRSS XXIX Transmission Limited commissioned the other two 400 kV double circuit transmission lines and one 400/220 kV GIS sub-station in September 2018. The SPV would operate and maintain these for a minimum tenure of 35 years.

| Parameters        | Details                     |
|-------------------|-----------------------------|
| Project Cost      | INR 28,082 Mn               |
| Total Length      | 830 ckms/ 415 kms           |
| Scheduled COD     | 5 <sup>th</sup> August 2018 |
| Concession period | 35 years from SCOD          |
| Trust's stake     | 100% economic ownership     |

### **Overview of Transmission Assets:**

NRSS consists of the following transmission assets:

| Transmission line/<br>Sub-Station | Location    | Length<br>(ckms) | Specifications  | Actual COD  | Contribution<br>to total<br>tariff |
|-----------------------------------|-------------|------------------|-----------------|-------------|------------------------------------|
| Jalandar - Samba                  | Punjab, J&K | 270              | 400 kV D/C line | 24 Jun 2016 | 22%                                |

| Samba - Amargarh    | J&K | 546 | 400 kV D/C line              | 2 Sept 2018 |     |
|---------------------|-----|-----|------------------------------|-------------|-----|
| Uri-Wagoora         | J&K | 14  | 400 kV D/C line              | 2 Sept 2018 | 78% |
| Amargarh Substation | J&K | NA  | 400/220 kV GIS<br>Substation | 2 Sept 2018 |     |

### 8. Odisha Generation Phase - II Transmission Limited (OGPTL)

### Background:-

The OGPTL project was awarded to IndiGrid 2 Limited (formerly known as Sterlite Grid 3 Limited) by the Ministry of Power on 19th January 2011 for a 35 years period from the SCOD date on a BOOM basis.

The OGPTL project is a part of Common Transmission System for Phase – II Generation Projects and Immediate Evacuation System for OPGC Projects in Odisha. The transmission lines will be part of the interstate transmission network providing additional evacuation up to 5,000 MW of electricity from Odishabased plants that are seeking better access to power-consuming centers. The OPGC – Jharsuguda 400 kV D/C transmission line was commissioned in August 2017 and Jharsuguda – Raipur 765 kV D/C transmission line in April 2019. The SPV would operate and maintain these for a minimum tenure of 35 years.

| Parameters        | Details                     |
|-------------------|-----------------------------|
| Project Cost      | INR 12,200 Mn               |
| Total Length      | 710 ckms/ 355 kms           |
| Scheduled COD     | 8 <sup>th</sup> August 2019 |
| Concession period | 35 years from SCOD          |
| Trust's stake     | 100% economic ownership     |

### Overview of Transmission Assets:

OGPTL consists of the following transmission assets:

| Transmission line/<br>Sub-Station | Location | Length<br>(ckms) | Specifications | Actual<br>COD  | Contribution<br>to Total<br>Tariff |
|-----------------------------------|----------|------------------|----------------|----------------|------------------------------------|
| Jharsuguda - Raipur               | Odisha   | 610              | 765 kV D/C     | 6 Apr 2019     | 94%                                |
| OPGC – Jharsuguda                 | Odisha   | 103              | 400 kV D/C     | 30 Aug<br>2017 | 6%                                 |

### 9. East-North Interconnection Company Limited (ENICL)

### Background:-

The ENICL project was awarded to Sterlite Technologies Limited, by the Ministry of Power on 7<sup>th</sup> January 2010 for a period of 25 years from the date of issue of Transmission Licence by Central Electricity Regulatory Commission ("CERC") on a BOOM basis.

ENICL is engaged in the establishment of two 400 KV Double Circuit transmission lines (with a total line length of 452 Km) that passes through the Indian states at Assam, West Bengal, and Bihar. Bongaigaon

Silliguri Line, having the length of 219 kms passing through the states of Assam and West Bengal. Purnea Biharsharif Line with the length of 229 kms passes through the state of Bihar. As per the terms of TSA, ENICL would construct, operate and maintain these for a minimum tenure of 25 years.

| Parameters        | Details                 |
|-------------------|-------------------------|
| Project Cost      | INR 12,519 Mn           |
| Total Length      | 896 ckms                |
| Scheduled COD     | 07th January 2013       |
| Concession period | 25 years from issue of  |
| Concession period | Transmission License    |
| Trust's stake     | 100% economic ownership |

### Overview of Transmission Assets:

ENICL consists of the following transmission assets:

| Transmission line/<br>Sub-Station | Location              | Length<br>(ckms) | Specifications | Actual COD  | Contributio<br>n to Total<br>Tariff |
|-----------------------------------|-----------------------|------------------|----------------|-------------|-------------------------------------|
| Bongaigaon-Silliguri              | Assam, West<br>Bengal | 438              | 400 kV D/C     | 12 Nov 2014 | 52%                                 |
| Purnea-Biharsharif                | Bihar                 | 458              | 400 kV D/C     | 16 Sep 2013 | 48%                                 |

### 10. Gurgaon Palwal Transmission Limited (GPTL)

### Background:-

GPTL project was awarded to Sterlite Grid 4 Limited, a wholly owned subsidiary of SPGVL (now merged with SPTL), by the Ministry of Power for a period of 35 years from the Scheduled COD on a BOOM basis. GPTL was granted Transmission Licence by CERC on 29<sup>th</sup> September 2016.

GPTL consists of three GIS substations, five transmission lines and two bays to meet the rising power demand in Gurgaon and Palwal.

GPTL consists of three gas-insulated substations (GIS) with a total transformation capacity of 3,000 MVA and  $\sim$ 273 circuit kilometres of 400 KV transmission lines, to enhance power transmission in the region.

Due to change in law during the construction period, GPTL has been claiming increase in Non Escalable Transmission charges at the rate of 1.52% from its Long Term Transmission Customers. I have considered such increase in Non Escalable Transmission charges based on representation by the Investment Manager.

| Parameters        | Details                 |
|-------------------|-------------------------|
| Project Cost      | INR 10,520 Mn           |
| Total Length      | 273 ckms                |
| Scheduled COD     | 13th September 2019     |
| Concession period | 35 years from SCOD      |
| Trust's stake     | 100% economic ownership |

### **Overview of Transmission Assets:**

GPTL consists of the following transmission assets:

| Transmission line/<br>Sub-Station | Length<br>(ckms) | Specifications        | Contribution<br>to Total Tariff | Actual COD  |
|-----------------------------------|------------------|-----------------------|---------------------------------|-------------|
| Aligarh-Prithala                  | 99               | 400 kV D/C            | 17.5%                           | 6 Aug 2019  |
| Prithala-Kadarpur                 | 58               | 400 kV D/C            | 8.5%                            | 7 Dec 2019  |
| Kadarpur-Sohna Road               | 21               | 400 kV D/C            | 1.3%                            | 21 Mar 2020 |
| LILO of Gurgaon Manesar           | 2                | 400 kV D/C            | 0.75%                           | 13 Mar 2020 |
| Neemrana-Dhonanda                 | 93               | 400 kV D/C            | 12.55%                          | 25 Feb 2019 |
| Kadarpur Substation               | NA               | 400/220 kV, 2X500 MVA | 19.3%                           | 11 Dec 2019 |
| Sohna Road Substation             | NA               | 400/220 kV, 2X500 MVA | 20.0%                           | 13 Apr 2020 |
| Prithala Substation               | NA               | 400/220 kV, 2X500 MVA | 19.3%                           | 8 Aug 2019  |
| Dhonanda Substation Bays          | NA               | 2X400 kV Line Bays    | 0.8%                            | 25 Feb 2019 |

### 11. NER-II Transmission Limited (NERTL)

### Background:-

The NERTL project was awarded to SGL 4, wholly owned subsidiary of SPGVL (now merged with SPTL), by the Ministry of Power for a period of 35 years from SCOD of NERTL on a BOOM basis. NERTL was granted Transmission Licence by CERC on 23rd May 2017. The project has 11 elements including two substations of  $\sim$ 1,260 MVA capacity and four transmission lines extending over  $\sim$ 832 circuit kilometres. The asset spans across the states of Assam, Arunachal Pradesh and Tripura.

Due to change in law during the construction period, NERTL has been claiming increase in Non Escalable Transmission charges at the rate of 3.93% from its Long Term Transmission Customers. I have considered such increase in Non Escalable Transmission charges based on representation by the Investment Manager.

| Parameters        | Details                               |
|-------------------|---------------------------------------|
| Project Cost      | INR 30,649 Mn                         |
| Total Length      | 449 kms / 832 Ckms                    |
| Scheduled COD     | 31st March 2020 to 30th November 2020 |
| Revised SCOD      | 31st August 2020 and 30th April 2021  |
| Concession period | 35 years from Revised SCOD            |
| Trust's stake     | 100% economic ownership               |

### **Overview of Transmission Assets:**

NERTL consists of the following transmission assets:

| Transmission line/<br>Sub-Station  | Location                       | Length<br>(ckms) | Specifications | Contribution<br>to Tariff | Actual<br>COD |
|------------------------------------|--------------------------------|------------------|----------------|---------------------------|---------------|
| Biswanath Chariyalli –<br>Itanagar | Assam,<br>Arunachal<br>Pradesh | 136              | 132 kV DC      | 3.38%                     | 6 Apr 2021    |

| LILO of Biswanath<br>Chariyalli (PG) — Itanagar | Arunachal<br>Pradesh | NA  | 2 No. of Line Bays 132 kV | 0.49%  | 6 Apr 2021  |
|---|----------------------|-----|---------------------------|--------|-------------|
| Line bays at Itanagar substation                | Arunachal<br>Pradesh | 17  | 132 kV DC                 | 0.29%  | 6 Apr 2021  |
| Silchar – Misa                                  | Assam                | 357 | 400 kV DC                 | 53.67% | 1 Mar 2021  |
| Surajmaninagar<br>Substation                    | Tripura              | NA  | 400/132 kV (2X315 MVA)    | 8.28%  | 27 Jan 2021 |
| Surajmaninagar-PK Bari<br>400/132 kV            | Tripura              | 238 | 400/132 kV DC             | 17.38% | 27 Jan 2021 |
| Surajmaninagar – PK Bari                        | Tripura              | 36  | 400 kV DC                 | 1.51%  | 27 Jan 2021 |
| PK Bari Substation                              | Tripura              | NA  | 400/132 kV (2X315 MVA)    | 8.28%  | 27 Jan 2021 |
| NEEPCO-PK Bari                                  | Tripura              | 48  | 132 kV DC                 | 5.74%  | 23 Feb 2021 |
| AGTPP (NEEPCO) Line<br>Bays                     | Tripura              | NA  | 2 No. of Line Bays 132 kV | 0.49%  | 23 Feb 2021 |
| PK Bari (TSECL) Line<br>Bays                    | Tripura              | NA  | 2 No. of Line Bays 132 kV | 0.49%  | 23 Feb 2021 |

### 12. Jhajjar KT Transco Private Limited (JKTPL)

### Background:-

The JKTPL project was awarded on 28th May 2010 to a joint venture between Kalpataru Power Transmission Ltd and Techno Electric & Engineering Co. Ltd., by the Haryana Vidyut Prasaran Nigam Limited ("HVPNL") for a period of 25 years effective from the appointed date on a DBFOT basis. JKTPL was granted Transmission Licence by CERC on 26th October 2010.

JKTPL consists of  $\sim 100$  kms 400 KV Jhajjar – Kabalpur - Dipalpur transmission line and two substations with a transformation capacity of 830 MVA each in the state of Haryana. It spans over 205 ckms, while delivering from the 1,320 MW thermal power plant in Jhajjar to enhance power transmission in the region.

| Parameters        | Details   |
|-------------------|---|
| Total Length      | 205 ckms  |
| Scheduled COD     | 12th March 2012   |
| Concession period | 25 years from the issue of Transmission License, extendable for |
|                   | 10 years as per TSA   |
| Location          | Haryana   |
| Trust's stake     | 100% economic ownership   |

### **Overview of Transmission Assets:**

JKTPL consists of the following transmission assets:

| Transmission line/ Sub-Station               | Length<br>(ckms) | Specifications                    | Actual COD  |
|--|------------------|-----------------------------------|-------------|
| Jharli (Jhajjar) to Kabulpur (Rohtak)        | 70               | 400 kV D/C line                   | 12 Mar 2012 |
| Kabulpur (Rohtak) to Dipalpur (Sonepat)      | 134              | 400 kV D/C line                   | 12 Mar 2012 |
| Abdullapur - Bawana at Dipalpur<br>(Sonepat) | 1                | 400 kV S/C LILO                   | 12 Mar 2012 |
| Kabulpur AIS Substation (Rohtak)             | NA               | 400 kV/220 kV/132 kV<br>(830 MVA) | 12 Mar 2012 |
| Dipalpur AIS Substation (Sonepat)            | NA               | 400 kV/220 kV/132 kV<br>(830 MVA) | 12 Mar 2012 |

### 13. Parbati Koldam Transmission Company Limited (PrKTCL)

### Background:-

PrKTCL owns and operate 280 Km (458 circuit kms) of 400 kV transmission lines across Himachal Pradesh and Punjab. PrKTCL evacuate power from power plants situated in Himachal Pradesh, viz. 800MW Parbati –II and 520MW Parbati – III Hydro Electric Plant (HEP) of NHPC, 800 MW Koldam HEP project of NTPC and 100 MW Sainj HEP of HPPCL.

PrKTCL was incorporated on 2nd September 2002 and promoted to undertake the construction and operation of transmission line in area of Punjab and Haryana on BOO basis.

PrKTCL has been granted transmission license under section 14 of the Act. PrKTCL operate 458 ckm of 400 kV lines in the area of Punjab and Himachal Pradesh. The tariff of PrKTCL is determined under section 62 of the Act read with Central Electricity Regulatory Commission (Terms and Conditions of Tariff) Regulations, 2019. The transmission assets have been developed under a cost-plus tariff model which includes construction, maintenance and operation of transmission lines and evacuating power from power plants situated in Himachal Pradesh and Punjab, with total line length of ~458 Ckms.

Summary of details of the project are as follows:

| Parameters        | Details   |
|-------------------|---|
| Project Cost      | INR 9,354 Mn                                    |
| Total Length      | 458 Ckms  |
| Scheduled COD     | 3rd November 2015                               |
| Concession period | 25 years from the issue of Transmission License |
| Trust's stake     | 74% economic ownership                          |
| Trust's stake     | (Balance 26% stake held by PGCIL)               |

### **Overview of Transmission Assets:**

PrKTCL consists of the following transmission assets:

| Transmission line/ Sub-Station   | Length<br>(ckms) | Specifications                             | Actual COD  |
|--|------------------|--|-------------|
| Asset 1 – Koldam Ludhiana CKT I  | 150.64           | 400 kV D/C, Triple<br>Bundle Line          | 7 Aug 2014  |
| Asset 2 – Koldam Ludhiana CKT II   | 150.64           | 400 kV D/C, Triple<br>Bundle Line          | 14 Aug 2014 |
| Asset 3 – Banala-Nalagarh  | 66.38            | 400 kV S/C along with D/C Quad Bundle Line | 10 Oct 2014 |
| Asset 4 – Banala Koldam  | 62.63            | 400 kV S/C along with D/C Quad Bundle Line | 4 Oct 2014  |
| Asset 5 – Parbati-II HEP to LILO point of Banala Pooling Station (CKT-I)         | 12.83            | 400 kV S/C along with D/C Quad Bundle Line | 3 Nov 2015  |
| Asset 6 – Parbati II HEP to LILO point of<br>Banala Pooling Station (CKT II)     | 11.27            | 400 kV S/C along with D/C Quad Bundle Line | 3 Nov 2015  |
| Asset 7 – LILO point of Parbati III HEP to LILO point of Parbati Pooling Station | 3.51             | 400 kV S/C along with D/C Quad Bundle Line | 1 Aug 2013  |

### 14. & 15. IndiGrid Solar-I (AP) Private Limited ("ISPL 1") and IndiGrid Solar-II (AP) Private Limited ("ISPL 2") (together referred to as the "Solar Assets")

### Background:-

ISPL 1 was incorporated on 14th July 2016 and ISPL 2 was incorporated on 9th July 2016. These Solar Assets have each set up and commissioned a 50 MW (AC) solar photo voltaic power generation system at Annanthapuramu Solar Park in the state of Andhra Pradesh. Power generated from these Solar Assets is sold under long term Power Purchase Agreement ("PPA") between the Solar Assets and Solar Energy Corporation of India Limited ("SECI"). I understand that SECI has further signed PPA with Eastern and Southern Power Distribution Companies of Andhra Pradesh - APEPDCL & APSPDCL for entire capacity

The Solar Assets were selected through competitive reverse bidding under JNNSM Phase – II Batch-III, Tranche-IV. SECI is the nodal agency for implementation of Ministry of New & Renewable Energy ("MNRE") schemes for developing grid connected solar power capacity through Viability Gap Funding ("VGF") mode.

The Solar Assets have entered into a leasehold agreement for the land parcel from APSCPL for a period of 25 years from the COD, which can be extended through mutual agreement.

Key specification of the Solar Assets are:

| Parameters                               | ISPL 1  | ISPL 2  |
|--|---|---|
| Project Cost                             | INR 3,130 Mn  | INR 3,149 Mn  |
| Capacity                                 | 50 MW (AC) / 68 MW (DC)                                     | 50 MW (AC) / 70 MW (DC)                                     |
| State / Location                         | Ananthapuramu Solar Park,<br>District Kadapa, Andra Pradesh | Ananthapuramu Solar Park, District<br>Kadapa, Andra Pradesh |
| EPC Contractor                           | Sterling & Wilson Private<br>Limited                        | Sterling & Wilson Private Limited                           |
| Counter Party (for PPA)                  | Solar Energy Corporation of India Ltd.                      | Solar Energy Corporation of India<br>Ltd.                   |
| Scheduled commissioning date (revised)   | 26 <sup>th</sup> June 2018                                  | 13 <sup>th</sup> October 2018                               |
| Actual commissioning date                | 22 <sup>nd</sup> June 2018                                  | 08 <sup>th</sup> October 2018                               |
| Actual Commercial Operation Date ("COD") | 22 <sup>nd</sup> July 2018                                  | 31 <sup>st</sup> January 2019                               |
| Period of PPA                            | 25 years from COD   | 25 years from COD   |
| Sale Model                               | Sale to DISCOM + VGF  | Sale to DISCOM + VGF  |
| Project Model                            | Build Own Operate (BOO)                                     | Build Own Operate (BOO)                                     |
| PPA Tariff Rate                          | INR 4.43 per kWh unit                                       | INR 4.43 per kWh unit                                       |
| Trust's Stake                            | 100% economic ownership                                     | 100% economic ownership                                     |

### 16. Kallam Transmission Limited ("KTL")

### Background:-

KTL will consist of one substation of 2 x 500 MVA, 400/220 kV near Kallam and associated Bays with a LILO multi circuit line of  $\sim$ 18 kms.

KTL project will strengthen the transmission system in Maharashtra by improving the grid availability for evacuation & integration of renewable energy in the state. The project is situated in a low-risk plain topography. Its objective is to establish a transmission system for evacuation of power from renewable energy projects in Osmanabad area (1 GW) in Maharashtra.

The KTL project was awarded to the consortium of IndiGrid 1 Limited and IndiGrid 2 Limited (wholly-owned subsidiaries of India Grid Trust), by REC Power Development and Consultancy Limited for a period of 35 years from COD of KTL on a BOOM basis through tariff based competitive bidding.

As per the terms of TSA, the SCOD for various elements of the SPV is 18 months from effective date. Further, as per Investment Manager, the entire project is expected to commission by 27th June 2023.

| <b>Parameters</b>    | Details                 |  |  |
|----------------------|-------------------------|--|--|
| Total Length         | ~18 Ckms                |  |  |
| Total Capacity (MVA) | 1,260                   |  |  |
| TSA Signing Date     | 30th September 2021     |  |  |
| SCOD                 | 27th June 2023          |  |  |
| ECOD                 | 27th June 2023          |  |  |
| Trust's stake        | 100% economic ownership |  |  |

### Overview of Transmission Assets:

KTL consists of the following transmission assets:

| Transmission line/ Sub-Station  | Length<br>(ckms) | Specifications           | SCOD      |
|---|------------------|--------------------------|-----------|
| Establishment of 2x500 MVA, 400/220 kV substation near Kallam PS  |                  | 400/220 kV,<br>2x500 MVA | 27 Jun 23 |
| 1x125 MVAr bus reactor at Kallam PS 400 kV reactor bay – 1  |                  | 1x125 MVAr               | 27 Jun 23 |
| LILO of both circuits of Parli (PG) – Pune<br>(GIS) 400 kV D/c line at Kallam PS                                    | 18               | 400 kV D/c               | 27 Jun 23 |
| New 50 MVAr switchable line reactor with<br>400 ohms NGR at Kallam PS end of Kallam –<br>Pune (GIS) 400 kV D/c line |                  | 50 MVAr                  | 27 Jun 23 |

### **Section 3: Scope of Work and Procedures**

### Scope of Valuation Work

As per Regulation 21(5) of Chapter V of the SEBI InvIT Regulations:

"A half yearly valuation of the assets of the InvIT shall be conducted by the valuer for the half-year ending September 30th for a publicly offered InvIT for incorporating any key changes in the previous six months and such half yearly valuation report shall be prepared within one month from the date of end of such half year.

Provided that in case the consolidated borrowings and deferred payments of an InvIT, in terms of Regulation 20, is above forty nine per cent, the valuation of the assets of such InvIT shall be conducted by the valuer for quarter ending June, September and December, for incorporating any key changes in the previous quarter and such quarterly report shall be prepared within one month from the date of the end of such quarter."

In this regard, the Investment Manager and the Trustee intends to undertake the fair enterprise valuation of the SPVs as on 30<sup>th</sup> September 2022 for incorporating any key changes from the period ended 30<sup>th</sup> June 2022 till 30<sup>th</sup> September 2022. Accordingly, this report should be read in continuation to my report dated 26<sup>th</sup> July 2022 in relation to the valuation of the SPVs as at 30<sup>th</sup> June 2022.

In this regard, the Investment Manager and the Trustee have appointed me, Mr. Pradhan Priya Dass ("Registered Valuer" or "RV") bearing IBBI registration number IBBI/RV/06/2022/14558 to undertake the fair valuation at the enterprise level of the SPVs as per the SEBI InvIT Regulations as at 30<sup>th</sup> September 2022.

Enterprise Value ("EV") is described as the total value of the equity in a business plus the value of its debt and debt related liabilities, minus any cash and cash equivalents to meet those liabilities.

Registered Valuer declares that:

- > The RV is competent to undertake the financial valuation in terms of the SEBI InvIT Regulations;
- The RV is independent and has prepared the Valuation Report ("the Report") on a fair and unbiased basis.

I have estimated the Fair Enterprise Value of each of the Project SPVs.

The Valuation Date considered for the Enterprise Valuation of the Project SPVs is 30<sup>th</sup> September 2022. Valuation analysis and results are specific to the valuation date. A valuation of this nature involves consideration of various factors including the financial position of the Project SPVs as at the Valuation Date, trends in the equity stock market and fixed income security market, macro-economic and industry trends, etc.

The Valuation Report ("Report") covers all the disclosures required as per the SEBI InvIT Regulations and the valuation of the SPVs is impartial, true and fair and in compliance with the SEBI InvIT Regulations.

### **Procedures adopted for Valuation**

### Financial Asset to be Valued

The RV has been mandated by the Investment Manager to arrive at the Enterprise Value of the SPVs. Enterprise Value is described as the total value of the equity in a business plus the value of its debt and debt related liabilities, minus any cash and cash equivalents to meet those liabilities.

### Valuation Bases

Valuation base means the indication of the type of value being used in an engagement. Different valuation bases may lead to different conclusions of value. Therefore, it is important for the valuer to identify the bases of value pertinent to the engagement. IVSC defines the following valuation bases:

- Fair value;
- Investment/Participant specific value;
- Liquidation value.

### Fair Value:

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the valuation date.

Investment Value/ Participant Specific Value:

Participant specific value is the estimated value of an asset or liability considering specific advantages or disadvantages of either of the owner or identified acquirer or identified participants.

### Liquidation Value:

Liquidation value is the amount that will be realized on sale of an asset or a group of assets when an actual/hypothetical termination of the business is contemplated/assumed.

In the present case, RV has determined the fair value of the SPVs at the enterprise level.

### Premise of Value

Premise of Value refers to the conditions and circumstances about how an asset is deployed. In the present case, I have determined the fair enterprise value of the SPVs on a Going Concern Value defined as under:

### Going Concern Value:

Going concern value is the value of a business enterprise that is expected to continue to operate in the future. The intangible elements of Going Concern Value result from factors such as having a trained work force, an operational plant, the necessary licenses, systems, and procedures in place etc.

### Valuation Date

Valuation Date is the specific date at which the value of the assets to be valued gets estimated or measured. Valuation is time specific and can change with the passage of time due to changes in the condition of the asset to be valued. Accordingly, valuation of an asset as at a particular date can be different from other date(s).

The valuation date considered for the fair enterprise valuation of the SPVs is 30<sup>th</sup> September 2022 ("Valuation Date").

The attached Report is drawn up by reference to accounting and financial information as on 30<sup>th</sup> September 2022. I have considered provisional financial statements for the quarter ended 30<sup>th</sup> September 2022. The RV is not aware of any other events having occurred since 30<sup>th</sup> September 2022 till date of this Report which he deems to be significant for his valuation analysis.

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### Section 4: Sources of Information

### Sources of Information

For the purpose of undertaking this valuation exercise, I have relied on the following sources of information provided by the Investment Manager:

- Audited financial statements of the SPVs for the Financial Year ("FY") ended 31<sup>st</sup> March 2018, 31<sup>st</sup>
   March 2019, 31<sup>st</sup> March 2020, 31<sup>st</sup> March 2021 and 31<sup>st</sup> March 2022
- Provisional profit & loss account and balance sheet of the SPVs for half-year ended 30<sup>th</sup> September
   2022
- Projected incremental revenue due to change in law in MTL, NRSS, OGPTL, BDTCL, JTCL, ENICL,
   GPTL and NERTL
- Details of brought forward losses for all SPVs (as per Income Tax Act) as at 30<sup>th</sup> September 2022
- Details of written down value (as per Income Tax Act) of assets for all SPVs (except PrKTCL) as at 31<sup>st</sup> March 2022
- Details of projected Repairs and Capital Expenditure ("Capex") as represented by the Investment Manager
- As on 30<sup>th</sup> September 2022, India Grid Trust holds economic interest in the SPVs as mentioned in this Report. As represented to us by the Investment Manager, there are no changes in the shareholding pattern from 30<sup>th</sup> September 2022 to the date of issuance of this Report
- Transmission Service Agreement (TSA) of the transmission SPVs with Long Term Transmission Customers and Tariff Adoption Order by CERC
- Power Purchase Agreements (PPA) entered into by the solar SPVs with their respective customers
- Management Representation Letter by the Investment Manager dated 28<sup>th</sup> October 2022
- Management Note on NERTL's tower collapse in Jun-22 and its status as on the Valuation Date
- The information provided to me by the Investment Manager in relation to the SPVs included but not limited to historical financial statements, forecasts/projections, other statements and assumptions about future matters like forward-looking financial information prepared by the Investment Manager. The forecasts and projections as supplied to me are based upon assumptions about events and circumstances which are yet to occur.
- I have not tested individual assumptions or attempted to substantiate the veracity or integrity of such assumptions in relation to the forward-looking financial information, however, I have made sufficient enquiries to satisfy myself that such information has been prepared on a reasonable basis.
- Notwithstanding anything above, I cannot provide any assurance that the forward looking financial
  information will be representative of the results which will actually be achieved during the cash flow
  forecast period.

## Section 5: Disclaimers and Limiting Conditions

### **Disclaimers and Limiting Conditions**

- The Report is subject to the limiting conditions detailed hereinafter. This Report is to be read in totality, and not in parts, in conjunction with the relevant documents referred to therein.
- Valuation analysis and results are specific to the purpose of valuation and is not intended to represent value at any time other than valuation date of 30<sup>th</sup> September 2022 (Valuation Date) mentioned in the Report and as per agreed terms of our engagement. It may not be valid for any other purpose or as at any other date. Also, it may not be valid if done on behalf of any other entity.
- This Report, its contents and the results are specific to
  - i. The purpose of valuation agreed as per the terms of our engagements;
  - ii. The Valuation Date and
  - iii. Are based on the financial information of SPVs till 30<sup>th</sup> September 2022.
- The Investment Manager has represented that the business activities of SPVs have been carried out in normal and ordinary course between 30<sup>th</sup> September 2022 and the Report Date and that no material changes have occurred in the operations and financial position between 30<sup>th</sup> September 2022 and the Report date.
- The scope of the assignment did not involve performing audit tests for the purpose of expressing an opinion on the fairness or accuracy of any financial or analytical information that was provided and used by me during the course of work. The assignment did not involve me to conduct the financial or technical feasibility study. I have not done any independent technical valuation or appraisal or due diligence of the assets or liabilities of the SPVs or any of other entity mentioned in this Report and have considered them at the value as disclosed by the SPVs in their regulatory filings or in submissions, oral or written, made to me.
- In addition, I do not take any responsibility for any changes in the information used by me to arrive at the conclusion as set out herein which may occur subsequent to the date of Report or by virtue of fact that the details provided to me are incorrect or inaccurate.
- I have assumed and relied upon the truth, accuracy and completeness of the information, data and financial terms provided to me or used by me; I have assumed that the same are not misleading and do not assume or accept any liability or responsibility for any independent verification of such information or any independent technical valuation or appraisal of any of the assets, operations or liabilities of SPVs or any other entity mentioned in the Report. Nothing has come to my knowledge to indicate that the material provided to me was misstated or incorrect or would not afford reasonable grounds upon which to base this Report.
- This Report is intended for the sole use in connection with the purpose as set out above. It can
  however be relied upon and disclosed in connection with any statutory and regulatory filing in
  connection with the provision of SEBI InvIT Regulations. However, I will not accept any
  responsibility to any other party to whom this Report may be shown or who may acquire a copy of
  the Report, without my written consent.
- It is clarified that this Report is not a fairness opinion under any of the stock exchange/ listing regulations. In case of any third party having access to this Report, please note this Report is not

- a substitute for the third party's own due diligence/ appraisal/ enquiries/ independent advice that the third party should undertake for his purpose.
- Further, this Report is necessarily based on financial, economic, monetary, market and other
  conditions as in effect on, and the information made available to me or used by me up to, the date
  hereof. Subsequent developments in the aforementioned conditions may affect this Report and the
  assumptions made in preparing this Report and I shall not be obliged to update, revise or reaffirm
  this Report if information provided to me changes.
- This Report is based on the information received from the sources mentioned in Section 4 and discussions with the Investment Manager. I have assumed that no information has been withheld that could have influenced the purpose of Report.
- Any discrepancies in any table / appendix between the total and the sums of the amounts listed are due to rounding-off.
- Valuation is not a precise science and the conclusions arrived at in many cases may be subjective and dependent on the exercise of individual judgment. There is, therefore, no indisputable single value. I have arrived at an indicative EV based on my analysis. While I have provided an assessment of the value based on an analysis of information available to me and within the scope of engagement, others may place a different value on this business.
- Valuation is based on estimates of future financial performance or opinions, which represent
  reasonable expectations at a particular point of time, but such information, estimates or opinions
  are not offered as predictions or as assurances that a particular level of income or profit will be
  achieved, a particular event will occur or that a particular price will be offered or accepted. Actual
  results achieved during the period covered by the prospective financial analysis will vary from these
  estimates and the variations may be material.
- I do not carry out any validation procedures or due diligence with respect to the information
  provided/extracted or carry out any verification of the assets or comment on the achievability and
  reasonableness of the assumptions underlying the financial forecasts, save for satisfying myself to
  the extent possible that they are consistent with other information provided to me in the course of
  this engagement.
- My conclusion assumes that the assets and liabilities of the SPVs, reflected in their respective latest balance sheets remain intact as of the Report date.
- Whilst all reasonable care has been taken to ensure that the factual statements in the Report are accurate, neither myself, nor any of my officers or employees shall in any way be liable or responsible either directly or indirectly for the contents stated herein. Accordingly, I make no representation or warranty, express or implied, in respect of the completeness, authenticity or accuracy of such factual statements. I expressly disclaim any and all liabilities, which may arise based upon the information used in this Report. I am not liable to any third party in relation to the issue of this Report.
- The scope of my work has been limited both in terms of the areas of the business and operations which I have reviewed and the extent to which I have reviewed them. There may be matters, other

- than those noted in this Report, which might be relevant in the context of the transaction and which a wider scope might uncover.
- For the present valuation exercise, I have also relied on information available in public domain; however the accuracy and timelines of the same has not been independently verified by us.
- In the particular circumstances of this case, my liability (in contract or under statute or otherwise) for any economic loss or damage arising out of or in connection with this engagement, however the loss or damage caused, shall be limited to the amount of fees actually received by me from the Investment Manager, as laid out in the engagement letter, for such valuation work.
- In rendering this Report, I have not provided any legal, regulatory, tax, accounting or actuarial advice and accordingly I do not assume any responsibility or liability in respect thereof.
- This Report does not address the relative merits of investing in InvIT as compared with any other
  alternative business transaction, or other alternatives, or whether or not such alternatives could be
  achieved or are available.
- I am not advisor with respect to legal tax and regulatory matters for the proposed transaction. No investigation of the SPVs' claim to title of assets has been made for the purpose of this Report and the SPVs' claim to such rights have been assumed to be valid. No consideration has been given to liens or encumbrances against the assets, beyond the loans disclosed in the accounts. Therefore, no responsibility is assumed for matters of a legal nature.
- I have no present or planned future interest in the Trustee, Investment Manager or the SPVs and the fee for this Report is not contingent upon the values reported herein. My valuation analysis should not be construed as investment advice; specifically, I do not express any opinion on the suitability or otherwise of entering into any financial or other transaction with the Investment Manager or the SPV.
- I have submitted the draft valuation report to the Trust and Investment Manager for confirmation of accuracy of factual data used in my analysis and to prevent any error or inaccuracy in the final valuation report.
- I have been informed by the Investment Manager, that the forecasts / projections provided for the valuation exercises are prepared after reasonably evaluating and incorporating the impact of outbreak of COVID-19 pandemic as per prevalent conditions as on date. The estimates and judgement made by the Investment Manager, could vary on future developments, including, among other things, any new information concerning the impact created by the COVID-19 pandemic on the economy and consequent effect on the business and on the customer's ability to make the payment. The Investment Manager continues to monitor any material changes to future economic conditions, which will be given effect, where relevant, in the respective future period.
- Despite efforts to manage these impacts to the SPVs, the ultimate impact of COVID-19 also depends
  on factors beyond management's knowledge or control, including the duration and severity of this
  outbreak as well as actions taken to contain its spread and mitigate its public health effects.
- By nature, valuation is based on estimates, however, considering the outbreak of COVID-19
   Pandemic and the consequent economic slowdown, the risks and uncertainties relating to the events

occurring in the future, the actual figures in future may differ from these estimates and may have a significant impact on the valuation of the SPVs.

# **Limitation of Liabilities**

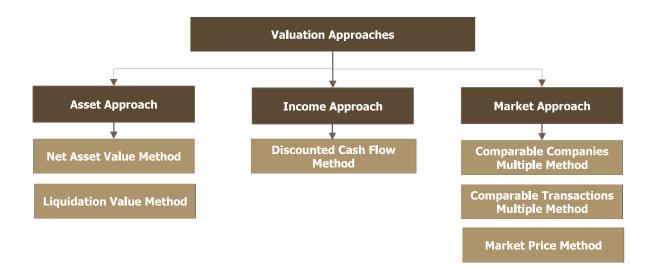
- It is agreed that, having regard to the RV's interest in limiting the personal liability and exposure to litigation of its personnel, the Sponsors, the Investment Manager and the Trust will not bring any claim in respect of any damage against any of the RV's personnel personally.
- In no circumstance, RV shall be responsible for any consequential, special, direct, indirect, punitive or incidental loss, damages or expenses (including loss of profits, data, business, opportunity cost, goodwill or indemnification) in connection with the performance of the services whether such damages are based on breach of contract, tort, strict liability, breach of warranty, negligence, or otherwise, even if the Investment Manager had contemplated and communicated to RV the likelihood of such damages. Any decision to act upon the deliverables is to be made by the Investment Manager and no communication by RV should be treated as an invitation or inducement to engage the Investment Manager to act upon the deliverable.
- It is clarified that the IIML and the Trustee will be solely responsible for any delays, additional costs, or other liabilities caused by or associated with any deficiencies in their responsibilities, misrepresentations, incorrect and incomplete information including information provided to determine the assumptions.
- RV will not be liable if any loss arises due to the provision of false, misleading or incomplete information or documentation by IIML or the Trustee.
- Further, this Report is necessarily based on financial, economic, monetary, market and other
  conditions as in effect on, and the information made available to me or used by me up to, the date
  hereof. Subsequent developments in the aforementioned conditions may affect this Report and the
  assumptions made in preparing this Report and I shall not be obliged to update, revise or reaffirm
  this Report if information provided to me changes.

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# **Section 6: Valuation Approach**

# **Valuation Approach Overview**

The three generally accepted approaches used to determine the Fair Value of a business' entity are the asset, income and market approaches. Depending on the facts and circumstances of a particular appraisal, applying the three approaches independently of each other may yield substantially different conclusions.



# **Asset Approach**

The **Asset or Cost Approach** is generally considered to yield the minimum benchmark of value for an operating enterprise. The most common methods within this approach are Net Asset Value and Liquidation Value.

## Net Asset Value ("NAV") method:

• The Net Assets Method represents the value of the business with reference to the asset base of the entity and the attached liabilities on the valuation date. The Net Assets Value can be calculated using one of the following approaches, viz.:

### At Book Value

• While valuing the Shares/Business of a Company, the valuer takes into consideration the last audited financial statements and works out the net asset value. This method would only give the historical cost of the assets and may not be indicative of the true worth of the assets in terms of income generating potential. Also, in case of businesses which are not capital intensive viz. service sector companies or trading companies this method may not be relevant.

## At Intrinsic Value

At times, when a transaction is in the nature of transfer of asset from one entity to another, or
when the intrinsic value of the assets is easily available, the valuer would like to consider the intrinsic
value of the underlying assets. The intrinsic value of assets is worked out by considering current
market/replacement value of the assets.

# <u>Liquidation Value Method:</u>

This method considers replacement cost as an indicator of value, assuming that prudent investors
will pay no more for an asset or group of assets (tangible or intangible) than the amount for which
they can replace or recreate such assets. The cost approach to value is often appropriate when

current or expected future operating earnings of a subject entity are insufficient to generate a return greater than that which could be generated through the sale of the assets.

# Conclusion on Cost Approach

In the present case, the revenue of the SPVs are either pre-determined or could be fairly estimated for the life of the projects. In such scenario, the true worth of the SPV is reflected in its future earning capacity rather than the cost of the project. Since the NAV does not capture the future earning potential of the businesses, I have not considered the Asset approach for the current valuation exercise, except for KTL. Considering that the KTL project is under-construction, I find it appropriate to consider the NAV method at Book Value.

The below table depicts the existing Book Value EV of all SPVs:

**INR Mn** 

|         |        | Bool                    | Book EV                 |  |  |
|---------|--------|-------------------------|-------------------------|--|--|
| Sr. No. | SPVs   | Unaudited               | Audited                 |  |  |
|         |        | 30 <sup>th</sup> Sep 22 | 31 <sup>st</sup> Mar 22 |  |  |
| 1       | BDTCL  | 16,922                  | 16,978                  |  |  |
| 2       | JTCL   | 15,502                  | 15,732                  |  |  |
| 3       | MTL    | 3,430                   | 3,457                   |  |  |
| 4       | RTCL   | 2,253                   | 2,086                   |  |  |
| 5       | PKTCL  | 3,753                   | 3,777                   |  |  |
| 6       | PTCL   | 1,307                   | 1,363                   |  |  |
| 7       | NRSS   | 25,849                  | 25,878                  |  |  |
| 8       | OGPTL  | 11,425                  | 11,531                  |  |  |
| 9       | ENICL  | 8,385                   | 8,574                   |  |  |
| 10      | GPTL   | 10,059                  | 10,177                  |  |  |
| 11      | NERTL  | 30,226                  | 30,392                  |  |  |
| 12      | JKTPL  | 2,383                   | 2,429                   |  |  |
| 13      | PrKTCL | 6,646                   | 6,034                   |  |  |
| 14      | ISPL 1 | 2,551                   | 2,645                   |  |  |
| 15      | ISPL 2 | 2,780                   | 2,918                   |  |  |
| 16      | KTL    | 305                     | 210                     |  |  |
|         | Total  | 1,43,779                | 1,44,180                |  |  |

# **Income Approach**

The **Income Approach** serves to estimate value by considering the income (benefits) generated by the asset over a period of time. This approach is based on the fundamental valuation principle that the value of a business is equal to the present worth of the future benefits of ownership. The term income does not necessarily refer to income in the accounting sense but to future benefits accruing to the owner.

The most common methods under this approach are Discounted Cash Flow Method and Capitalization of Earnings Method. The Discounted Future Earnings method discounts projected future earnings back to present value at a rate that reflects the risk inherent in the projected earnings. Under the Capitalization of Earnings method, normalized historic earnings are capitalized at a rate that reflects the risk inherent in the expected future growth in those earnings.

# Discounted Cash Flow ("DCF") method:

#### Overview:

- In Discounted Cash Flow (DCF) valuation, the value of an asset is the present value of the expected cash flows on the asset.
- The basic premise in DCF is that every asset has an intrinsic value that can be estimated, based upon its characteristics in terms of cash flows, growth and risk.

# Assumptions:

 The DCF model relies upon cash flow assumptions such as revenue growth rates, operating margins, working capital needs and new investments in fixed assets for purposes of estimating future cash flows. After establishing the current value, the DCF model can be used to measure the value creation impact of various assumption changes, and the sensitivity tested.

## Importance of DCF:

- Business valuation is normally done to evaluate the future earning potential of a business, and involves the study of many aspects of a business, including anticipated revenues and expenses.
- As the cash flows extend over time in future, the DCF model can be a helpful tool, as the DCF analysis for a business valuation requires the valuer to consider two important components of:
  - a) projection of revenues and expenses of the foreseeable future, and,
  - b) determination of the discount rate to be used.
- Projecting the expected revenues and expenses of a business requires domain expertise in the business being valued.
- Selecting the discount rate requires consideration of two components:
  - a) the cost of capital, and
  - b) the risk premium associated with the stream of projected net revenues.
- The cost of capital is the cost of funds collected for financing a project or purchasing an asset. Capital is a productive asset that commands a rate of return. When a business purchase is financed by debt, the cost of capital simply equals the interest cost of the debt. When it is financed by the owner's equity, the relevant cost of capital would be the "opportunity cost" of the capital, i.e., the net income that the same capital would generate if committed to another attractive alternative.
- The choice of discount rate must consider not only the owner's cost of capital, but also the risk of the business investment.

## Application of DCF Valuation:

- DCF valuation approach is the easiest to use for assets or firms with the following characteristics:
  - a) cash flows are currently positive,
  - b) the cash flows can be estimated with some reliability for future periods, and
  - c) where a proxy for risk that can be used to obtain discount rates is available.

## Capitalization of Earnings Method:

The capitalized earnings method consists of calculating the value of a company by discounting future profits with a capitalization rate adjusted to the determining date for the valuation.

• In the context of the capitalized earnings method, a company is considered as an investment. Attention is therefore focused solely on the future profits that the company will make, on the

associated risks or on earnings projections. Operating assets are seen only as a way of making profits and no specific value is allocated to these.

- Capitalized earnings = (Long-term operating profit \* 100) / Capitalization rate
- Calculation of the capitalization rate, particularly in the area of risks specific to the company, requires a subjective valuation of several factors.

# Conclusion on Income Approach

## Discounted Cash Flow ("DCF"):

- The revenues of the Transmission Assets are defined for 35 years under the TSA except for ENICL
  which is defined for 25 years under the TSA. Whereas for the Solar Assets, tariff rates are defined
  for 25 years under the PPA. In such scenario, the true worth of its business would be reflected in
  its future earnings potential and therefore, DCF method under the income approach has been
  considered as an appropriate method for the present valuation exercise, except for KTL.
- For Transmission Assets, the terminal value is calculated based on the business' potential for further growth beyond the explicit forecast period. The "constant growth model" is applied, which implies an expected constant level of growth for perpetuity in the cash flows over the last year of the forecast period.
- For Solar Assets, the terminal year value has been considered based on the salvage value of the plant & machinery, sale of freehold land and realisation of working capital at the end of their respective PPA term of 25 years.

## Capitalization of Earnings Method:

• In the present case, the revenue of the SPVs are either pre-determined or could be fairly estimated for the life of the projects. Since the future earning can easily be estimated, I find it appropriate to not consider Capitalization of Earnings Method for the current valuation exercise.

# **Market Approach**

In this **Market Approach**, value is determined by comparing the subject, company with its peers in the same industry of the similar size and region.

## Comparable Companies Multiples ("CCM") method:

- CCM method uses the valuation ratio of a publically traded company and applies that ratio to the company being valued.
- The valuation ratio typically expresses the valuation as a function of a measure of financial performance or book value.
- Typically, the multiples are a ratio of some valuation metric (such as equity Market Capitalization or Enterprise Value) to some financial performance metric (such as Earnings/Earnings Per Share (EPS), Sales, or EBITDA).
- The basic idea is that companies with similar characteristics should trade at similar multiples, all other things being equal.

#### Comparable Transactions Multiples ("CTM") method:

- CTM Method looks at recent historical M&A activity involving similar companies to get a range of valuation multiples.
- The main approach of the method is to look at similar or comparable transactions where the acquisition target has a similar client base to the company being evaluated.

• Precedent Transaction valuation can revolve around either the Enterprise Value of the company or the Market Value of the company, depending on the multiples being used.

## Market Price method:

- The market price method evaluates the value on the basis of prices quoted on the stock exchange.
- Average of quoted price is considered as indicative of the value perception of the company by investors operating under free market conditions.

# Conclusion on Market Approach

# **CCM Method:**

• In the absence of any exactly comparable listed companies with characteristics and parameters similar to that of the SPVs, I have not considered CCM method in the present case.

## CTM Method:

• In the absence of adequate details about the Comparable Transactions, I was unable to apply the CTM method.

### Market Price Method:

• Currently, the equity shares of SPVs are not listed on any recognized stock exchange of India. Hence, I was unable to apply market price method.

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# **Section 7: Valuation Conclusion**

# Enterprise Value of all SPVs

I have carried out the Enterprise Valuation of the Project SPVs as of 30<sup>th</sup> September 2022 considering interalia historical performance of the SPVs, Business plan/ Agreements/ Projected financial statements of the SPVs and other information provided by the Investment Manager, industry analysis and other relevant factors.

I have been represented by the Investment Manager that there is no potential devolvement on account of the contingent liability as of valuation date; hence no impact of the same has been factored in to arrive at Enterprise Value of the SPVs.

In performing the valuation analysis, I have adopted the Discounted Cash Flow Method under the Income Approach, except for KTL where I have considered NAV approach.

### For Transmission Assets:

All the Transmission Assets except ENICL have Concession Period of 35 years and in case of ENICL, the Concession Period is 25 years.

#### For Solar Assets:

Similarly, the Solar Assets have entered into PPA with SECI for a period of 25 years.

Hence, the growth potential of the SPVs and the true worth of its business would be reflected in its future earnings potential and therefore, DCF method under the income approach has been considered as an appropriate method for the Transmission Assets and Solar Assets in the present valuation exercise.

## For Under-Construction Transmission Assets:

Considering that the KTL project is under-construction, I find it appropriate to consider the NAV method.

## **Sensitivity Analysis**

Valuation is based on estimates of future financial performance or opinions, which represent reasonable expectations at a particular point of time, but such information, estimates or opinions are not offered as predictions or as assurances that a particular level of income or profit will be achieved, a particular event will occur or that a particular price will be offered or accepted. Actual results achieved during the period covered by the prospective financial analysis will vary from these estimates and variations may be material. Accordingly, a quantitative sensitivity analysis is considered on the following unobservable inputs is as mentioned below:

Weighted Average Cost of Capital (WACC) by increasing / decreasing it by 1.00%

|            |          |                  |          |                  |          |                  | INR Mn   |
|------------|----------|------------------|----------|------------------|----------|------------------|----------|
| Sr.<br>No. | SPVs     | Base<br>WACC     | EV       | WACC<br>+ 1.00%  | EV       | WACC<br>- 1.00%  | EV       |
| 1          | BDTCL    | 8.0%             | 19,778   | 9.0%             | 17,976   | 7.0%             | 22,060   |
| 2          | JTCL     | 8.1%             | 16,389   | 9.1%             | 14,861   | 7.1%             | 18,318   |
| 3          | MTL      | 7.7%             | 5,996    | 8.7%             | 5,401    | 6.7%             | 6,762    |
| 4          | RTCL     | 7.6%             | 4,402    | 8.6%             | 4,019    | 6.6%             | 4,881    |
| 5          | PKTCL    | 7.6%             | 6,784    | 8.6%             | 6,198    | 6.6%             | 7,522    |
| 6          | PTCL     | 7.7%             | 2,611    | 8.7%             | 2,376    | 6.7%             | 2,910    |
| 7          | NRSS     | 7.6%             | 45,339   | 8.6%             | 41,404   | 6.6%             | 50,322   |
| 8          | OGPTL    | 7.8%             | 14,615   | 8.8%             | 13,290   | 6.8%             | 16,303   |
| 9          | ENICL    | 8.1% to<br>11.9% | 11,624   | 9.1% to<br>12.9% | 10,944   | 7.1% to<br>10.9% | 12,400   |
| 10         | GPTL     | 7.7%             | 12,285   | 8.7%             | 11,207   | 6.7%             | 13,648   |
| 11         | NERTL    | 7.6%             | 53,958   | 8.6%             | 48,118   | 6.6%             | 61,530   |
| 12         | JKTPL    | 7.6%             | 3,113    | 8.6%             | 2,931    | 6.6%             | 3,318    |
| 13         | PrKTCL   | 7.9%             | 7,311    | 8.9%             | 6,748    | 6.9%             | 8,009    |
| 14         | ISPL 1   | 8.0%             | 3,305    | 9.0%             | 3,119    | 7.0%             | 3,513    |
| 15         | ISPL 2   | 7.9%             | 3,595    | 8.9%             | 3,382    | 6.9%             | 3,833    |
| 16         | KTL      | NA               | 305      | NA               | 305      | NA               | 305      |
|            | Total of | all SPVs         | 2,11,410 |                  | 1,92,279 |                  | 2,35,633 |

I understand that there are various other unobservable valuation inputs like regulatory changes, tax changes, capital expenditure etc. which are difficult to estimate and run sensitivity on the same and based on which there can be an impact on fair enterprise valuation.

Based on the above analysis, the EV as on the Valuation Date of the SPVs is as mentioned below:

| SPVs                | Explicit Projection Period             |                | Enterprise             | Enterprise Value (INR Mn) |                  |  |
|---------------------|--|----------------|------------------------|---------------------------|------------------|--|
|                     | End Date                               | Balance Period | Explicit<br>Period (A) | Terminal<br>Value (B)     | Fair EV<br>(A+B) |  |
| BDTCL               | 30 <sup>th</sup> Mar 2049              | ~26 Years      | 17,800                 | 1,978                     | 19,778           |  |
| JTCL                | 28 <sup>th</sup> Feb 2049              | ~26 Years      | 14,741                 | 1,648                     | 16,389           |  |
| MTL                 | 13 <sup>th</sup> Dec 2052              | ~30 Years      | 5,464                  | 532                       | 5,996            |  |
| RTCL                | 28 <sup>th</sup> Feb 2051              | ~28 Years      | 4,106                  | 296                       | 4,402            |  |
| PKTCL               | 10 <sup>th</sup> Mar 2051              | ~28 Years      | 6,268                  | 516                       | 6,784            |  |
| PTCL                | 10 <sup>th</sup> Nov 2051              | ~29 Years      | 2,401                  | 210                       | 2,611            |  |
| NRSS                | 1 <sup>st</sup> Sep 2053               | ~31 Years      | 42,409                 | 2,930                     | 45,339           |  |
| OGPTL               | 5 <sup>th</sup> April 2054             | ~32 Years      | 13,614                 | 1,002                     | 14,615           |  |
| ENICL               | 27 <sup>th</sup> Oct 2035              | ~13 Years      | 10,459                 | 1,165                     | 11,624           |  |
| GPTL                | 31 <sup>st</sup> Mar 2055              | ~32 Years      | 11,559                 | 726                       | 12,285           |  |
| NERTL               | 30 <sup>th</sup> Mar 2056              | ~33 Years      | 49,678                 | 4,280                     | 53,958           |  |
| JKTPL <sup>1</sup>  | 25 <sup>th</sup> Oct 2045 <sup>2</sup> | ~23 Years      | 3,113                  | -                         | 3,113            |  |
| PrKTCL <sup>3</sup> | 7 <sup>th</sup> Oct 2049               | ~27 Years      | 6,835                  | 476                       | 7,311            |  |
| ISPL 1              | 21 <sup>st</sup> Jul 2043              | ~21 Years      | 3,249                  | 56                        | 3,305            |  |
| ISPL 2              | 30 <sup>th</sup> Jan 2044              | ~21 Years      | 3,538                  | 57                        | 3,595            |  |
| KTL <sup>4</sup>    | 27 <sup>th</sup> Jun 2058              | ~36 Years      | NA                     | NA                        | 305              |  |
| Total of all SPVs   |  |                | 1,95,232               | 15,873                    | 2,11,410         |  |

## **Notes:**

- 1. JKTPL is awarded on DBFOT basis, hence no terminal value is considered
- 2. The end date for JKTPL is after considering an extension of 10 years as per the TSA.
- 3. PrKTCL operates under Cost Plus Mechanism where the period of services is not mentioned in TSA. I have considered a total period of 35 years of useful life based on CERC Tariff Regulations, 2019 and based on discussions with the Investment Manager.
- 4. KTL project is currently under construction. Hence due to the nascent stage of the project, I find it appropriate to consider the Net Asset Value method for arriving at the enterprise value of KTL.

Yours faithfully,

PRADHAN Digitally signed by PRADHAN PRIYA DASS Date: 2022.10.31 17:35:06 +05'30'

# **Pradhan Priya Dass**

Registered Valuer

IBBI Registration No.: IBBI/RV/06/2022/14558

Place: Bangalore

UDIN: 22219962BBLZJP4501