

For Immediate Release

IndiGrid looks to acquire US\$ 140 Mn (INR 10.8 Bn) transmission project and also intends to add Solar energy in the portfolio

Key Highlights

- Board of the Investment Manager of IndiGrid has approved acquisition of Gurgaon Palwal Transmission Limited (“GPTL”) for up to INR 10.8 Bn (US\$ 140 Mn)
- GPTL acquisition to boost IndiGrid’s AUM by ~9% to ~ INR 133 Bn (US \$ 1.75 Bn)
- 8th accretive acquisition since listing, to add ~ INR 35-40 Cr of net distributable cash flow per year
- Board also approved amendment of Trust Deed to enable IndiGrid’s foray into Solar energy

Mumbai, Thursday, 9 April 2020: The Board of the Investment Manager of IndiGrid, India’s first InvIT in the power sector, has approved the acquisition of Gurgaon Palwal Transmission Limited (“GPTL”) from Sterlite Power, at a value of up to INR 10.8 Bn (US\$ 140 Mn). This acquisition would increase the AUM of IndiGrid by 10% to US \$ 1.75 Bn. IndiGrid’s portfolio will increase to ten power transmission projects with a total network of 25 power transmission lines and 7 substations that span across more than 6,080 circuit kilometres & 10,735 MVA across 15 Indian states post this acquisition.

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 ~ 270 circuit kilometers of 400 KV transmission lines spread across Uttar Pradesh, Haryana and Rajasthan. This project is built with substantial focus on environmental, social and governance (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.

IndiGrid had signed a framework agreement in April 2019 with Sterlite Power for acquisition of GPTL upon commissioning. The acquisition, subject to unitholder’s approval and other customary closing adjustments, will be funded through internal accruals, proceeds from the preference issue done in May 2019 and new debt. The acquisition will be accretive to IndiGrid and will leave sufficient debt headroom, with net debt / AUM of approximately 53% post acquisition.

With a visibility of ~INR 180 Bn (~US\$2.5 Bn) assets under management over the next 15-18 months, IndiGrid remains suitably placed to diversify into other similar infrastructure asset class and further increase the returns for its unitholders without diluting the risk profile. IndiGrid intends to acquire solar projects with robust power purchase agreements, operational track record and financially strong counterparties / off-takers. In addition to long contract life and low risk cash flows, solar projects complement transmission portfolio with synergies on operations and regulatory establishments. With the



operational and financial synergies, such diversification will result in additional accretion for unitholders while maintaining AAA rated cash flows to unit-holders.

Commenting on the acquisition and the expansion strategy, Harsh Shah, Chief Executive Officer of IndiGrid, said “GPTL acquisition is in line with our strategy for acquiring transmission projects to grow returns for unitholders. Over last 12 months, we have raised ~INR 25.1 Bn (~US\$ 353 Mn) of capital via preference issue and acquired ~ INR 75 Bn (~ US\$ 1 Bn) worth of transmission assets. It underlines our ability to grow our portfolio consistently and execute our strategy of enhancing investor returns while maintaining a strong balance sheet.

We believe that solar energy sector in India has matured and our proposed diversification in solar energy projects would result in improved returns to unitholders. There is an attractive opportunity to aggregate good quality solar projects with operational track record for well capitalized platforms like IndiGrid. Solar project portfolio will remain a minor percentage of our sizable AUM and focused on strong counter parties like SECI / NTPC.”

Earlier in the year, IndiGrid raised INR Rs 25.1 Bn (US\$ 353 Mn) of capital by way of preferential issue which was subscribed by KKR and GIC amongst other marquee investors. It acquired NRSS XXIX and OGPTL projects from Sterlite Power for ~ INR 51 Bn (US\$ 718 Mn). In addition to that, it entered into an exclusive framework agreement with Sterlite Power to acquire three more projects worth ~ INR 65 Bn (~US\$865 Mn) as and when they are commissioned. KKR also acquired majority interest in the Investment Manager of IndiGrid. In Q4 FY 2019-20, IndiGrid successfully acquired another operational ROFO asset ENICL from Sterlite Power.

About IndiGrid:

IndiGrid [BSE: 540565 | NSE: INDIGRID] is the first Infrastructure Investment Trust (“InvIT”) in the Indian power sector. It owns nine operating projects consisting of 20 transmission lines with 5,800 circuit kms length and 4 substations with 7,735 MVA transformation capacity. IndiGrid has assets under management (AUM) worth INR 121 Bn (US\$ 1.6 Bn). IndiGrid is managed by Sterlite Investment Managers Limited which is majority owned by KKR.

For more details, please visit www.indigrid.co.in

Contacts:

Media: corpcomm@indigrid.co.in

Investor Relations: investor.relations@indigrid.co.in