

Date: May 27, 2020

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| BSE Limited Department of Corporate Services Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai — 400 001, Maharashtra, India Scrip Code- 540565 | National Stock Exchange of India Ltd Listing Department Exchange Plaza, Plot No. C/1, Block G, Bandra-Kurla Complex, Bandra (East), Mumbai — 400 051, Maharashtra, India Symbol- INDIGRID |
|--|--|

Subject: Outcome of the Board Meeting held on May 27, 2020

Dear Sir/ Madam,

Further to the intimation dated May 14, 2020 and pursuant to applicable provisions of SEBI (Infrastructure Investment Trusts) Regulations, 2014, we hereby inform you that a Meeting of the Board of Directors of Sterlite Investment Managers Limited (“SIML”) acting in the capacity of Investment Manager of India Grid Trust (“IndiGrid”) was held today i.e. May 27, 2020 wherein the Board inter-alia considered and approved:

1. Audited standalone and consolidated financial information of IndiGrid for the period ended on March 31, 2020 along with the respective Audit Reports issued by Statutory Auditors.
2. The declaration of distribution of INR 3.00 per unit (in the form of Interest) for Q4FY20.

The record date for this distribution will be June 02, 2020 and payment will be made on or before June 11, 2020.

3. Valuation Report as prepared by independent valuer, Mr. S. Sundararaman, Chartered Accountant, bearing IBB registration number IBBI/RV/06/2018/10238 for the period ended March 31, 2020.
4. Pursuant to Regulation 10 of SEBI (Infrastructure Investment Trusts) Regulations, 2014, the Net Asset Value are disclosed in the financials of IndiGrid.

Further, we hereby confirm that there is no material erosion in the net worth of the SIML as per the financial statements for the year ended March 31, 2020 as compared to the net worth disclosed in last financial statements.

Please refer Investors Presentation and Press Release which are uploaded on the website of Stock Exchanges and IndiGrid.

The Board meeting commenced at 12.30 p.m. and concluded at 04.15 p.m.

You are requested to take the same on record.

**STERLITE INVESTMENT MANAGERS LIMITED**

Regd. Office: Maker Maxity, 5 North Avenue, Level 5, Bandra
Kurla Complex, Bandra East, Mumbai. Maharashtra- 400051, India
CIN: U28113MH2010PLC30885

Thanking you,

For and on behalf of the Sterlite Investment Managers Limited

Representing India Grid Trust as its Investment Manager

Swapnil Patil

Company Secretary & Compliance Officer

ACS-24861

Copy to-

Axis Trustee Services Limited

The Ruby, 2nd Floor, SW,

29 Senapati Bapat Marg,

Dadar West, Mumbai- 400 028

Maharashtra, India

Encl-

1. Press Release
2. Audited Standalone Financial Information
3. Audit Report on Standalone Financial Information
4. Audited Consolidated Financial Information
5. Additional Disclosures as per SEBI requirements
6. Audit Report on Consolidated Financial Information
7. Valuation Report

IndiGrid reports 92% jump YoY in its consolidated revenue for Q4

Key Highlights

- FY20 EBITDA of INR 11,504 million (US\$ 153 million), up by 90% YoY on back of accretive acquisitions and consistent operational performance
- Assets under management (“AUM”) more than tripled to INR 120 billion (US\$ 1.6 billion) from INR 37 billion (US\$ 522 million) over last 3 years
- IndiGrid achieves 3X growth in 3 years since listing
- EBITDA and Net distributable cashflows grew at a CAGR of more than 60% over last 3 years
- Since listing, IndiGrid has distributed 33.56 Rs/Unit to its unitholders

Mumbai, Wednesday, 27 May 2020: IndiGrid, India’s first power sector InvIT, announced its results for the financial year ended 31 March 2020. IndiGrid reported a consolidated revenue of INR 3,284 million (US\$ 44 million) for the quarter ended 31 March 2020 up 92% YoY from INR 1,705 million (US\$ 23 million) for quarter ended 31 March 2019. The consolidated EBITDA for the quarter was INR 2,993 million (US\$ 40 million), up 98% YoY from INR 1,508 million (US\$ 20 million) for quarter ended 31 March 2019. The Board of the Investment Manager of IndiGrid approved a Distribution Per Unit (“DPU”) of INR 3.00 for Q4 FY20 entirely payable as interest to unitholders. With this, IndiGrid has delivered on its DPU guidance of INR 12.00 per unit for FY20. Including this 12th distribution, IndiGrid has distributed INR 33.56 per unit, delivering a total return of 32% since listing 3 years ago. CRISIL, ICRA and India Rating have re-affirmed IndiGrid with the “AAA” rating with the Stable Outlook for the long-term borrowing facilities.

The regulatory environment for InvITs has been quite conducive with a proactive stance from regulators such as SEBI which enabled greater retail participation via reduction in lot size, enabled capital raising via higher leverage, preferential allotment, rights issue guidelines. RBI has also enabled banks to lend to InvITs thereby enabling InvIT platforms to become more competitive and get established as a credible source of infrastructure financing.

IndiGrid continues to run its business operations with highest standards of safety with a focus to deliver maximum efficiency for its stakeholders, with an annual availability of >99.5% across the asset portfolio.

Commenting on the third-year financial results and developments, Mr. Harsh Shah, Chief Executive Officer, IndiGrid, said “This has been a transformational year for IndiGrid which saw accretive and sizeable asset acquisitions of over INR 62 billion (US\$ 830 million) leading to a more than twofold jump in distributable cashflows to INR 7,200 million (US\$ 96 million) for the current financial year. This was made possible on back of successful preferential allotment of INR 25.1 billion (US\$ 353 million) equity from marquee long term investors such as KKR, GIC and other capital market investors.

I am also very pleased to state that with the completion of three years of operation, we have grown our AUM more than threefold from INR 37 billion (US\$ 522 million) to INR 120 billion (US\$1.6 billion). With a strong shareholder base and favorable regulatory environment, we remain committed to delivering on our promise of INR 300 billion (US\$ 4 billion) AUM over the next two years as we acquire projects under framework agreement and beyond.

Our outlook for FY21 remains positive where in addition to the portfolio growth and robust asset management, our focus will be on sustainability, maintaining adequate liquidity to mitigate current uncertainties as well as strengthening balance sheet.”

Highlights of Q4 FY20 (in INR millions / US\$ millions):

| Period | Q4 FY20 | Q4 FY19 | FY20 |
|---------------------|----------------|----------------|-----------------|
| Revenue | 3,284 (44) | 1,705 (23) | 12,427 (166) |
| EBIDTA | 2,993 (40) | 1,508 (20) | 11,504 (153) |
| Distribution | 3.00 | 3.00 | 12.00 |

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 more than 5,800 ckms length and 4 substations with 7,735 MVA transformation capacity. IndiGrid has assets under management (AUM) worth INR 120 billion (US\$ 1.6 billion). 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; gurunath.birnale@adfactors.com

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

INDIA GRID TRUST
SEBI Registration Number: IN/InvIT/16-17/0005
AUDITED STANDALONE FINANCIAL RESULTS FOR THE HALF YEAR ENDED MARCH 31, 2020
(All amounts in Rs. million unless otherwise stated)

| Particulars | Six months ended March 31, 2020 (Audited - refer note 2(a)) | Six months ended September 30, 2019 (Unaudited) | Six months ended March 31, 2019 (Audited - refer note 2(b)) | Year ended March 31, 2020 (Audited) | Year ended March 31, 2019 (Audited) |
|---|--|---|--|---|---|
| I. INCOME | | | | | |
| Revenue from operations (refer notes 3 and 8) | 5,853.21 | 4,700.89 | 2,863.72 | 10,554.10 | 5,525.07 |
| Income from investment in mutual funds | - | 97.44 | - | 97.44 | 10.52 |
| Interest income on investment in fixed deposits | 34.68 | 45.54 | 12.34 | 80.22 | 16.72 |
| Other income | - | - | 0.23 | - | 0.23 |
| Total income (I) | 5,887.89 | 4,843.87 | 2,876.29 | 10,731.76 | 5,552.54 |
| II. EXPENSES | | | | | |
| Legal and professional fees | 83.36 | 14.54 | 66.11 | 97.90 | 74.99 |
| Annual listing fee | 0.04 | 6.26 | - | 6.30 | 3.80 |
| Rating fee | 20.21 | 14.53 | 3.46 | 34.74 | 6.15 |
| Valuation expenses | 1.65 | 3.24 | 3.11 | 4.89 | 3.70 |
| Trustee fee | 2.28 | 1.18 | 1.10 | 3.46 | 2.16 |
| Payment to auditors | | | | | |
| - Statutory audit | 1.36 | 1.00 | 1.47 | 2.36 | 2.36 |
| - Other services (including tax audit and certifications) | 0.24 | - | 3.26 | 0.24 | 3.26 |
| Other expenses | 4.99 | 3.51 | 2.62 | 8.50 | 5.17 |
| Impairment / (reversal) of investments in subsidiary (refer note 9) | 2,079.47 | 547.75 | (45.53) | 2,627.22 | 2,316.84 |
| Finance costs | 1,715.23 | 1,265.76 | 579.10 | 2,980.99 | 1,015.45 |
| Total expenses (II) | 3,908.83 | 1,857.77 | 614.70 | 5,766.60 | 3,433.88 |
| Profit before tax (I-II) | 1,979.06 | 2,986.10 | 2,261.59 | 4,965.16 | 2,118.66 |
| Tax expense | | | | | |
| - Current tax | (4.15) | 61.11 | 4.58 | 56.96 | 6.08 |
| - Deferred tax | - | - | - | - | - |
| - Income tax for earlier years | - | - | 0.04 | - | 0.16 |
| Profit for the period/year | 1,983.21 | 2,924.99 | 2,256.97 | 4,908.20 | 2,112.42 |
| 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 | 1,983.21 | 2,924.99 | 2,256.97 | 4,908.20 | 2,112.42 |
| Unit capital (net of issue expenses) | 53,145.69 | 53,154.81 | 28,380.00 | 53,145.69 | 28,380.00 |
| Paid-up debt capital [refer note 4(a)] | 39,482.21 | 37,596.69 | 16,795.46 | 39,482.21 | 16,795.46 |
| Retained earnings | (1,713.72) | (123.16) | (505.06) | (1,713.72) | (505.06) |
| Earnings per unit (Rs. per unit) (refer note A under additional disclosures) | | | | | |
| - Basic | 3.40 | 5.58 | 7.95 | 8.86 | 7.44 |
| - Diluted | 3.40 | 5.58 | 7.85 | 8.86 | 7.30 |
| Debt equity ratio [refer Note 4(b)] | 0.77 | 0.71 | 0.60 | 0.77 | 0.60 |
| Debt service coverage ratio [refer Note 4(c)] | 3.14 | 3.64 | 4.25 | 3.34 | 4.74 |
| Interest coverage ratio [refer Note 4(d)] | 3.14 | 3.64 | 4.25 | 3.34 | 4.74 |
| Asset cover ratio [refer Note 4(e)] | 3.04 | 3.24 | 6.30 | 3.04 | 6.30 |

NOTES:

- The above audited standalone financial results for the half year ended March 31, 2020 have been reviewed and approved by the Board of Directors of Sterlite Investment Managers Limited ("Investment Manager") at its meeting held on May 27, 2020.
- (a) The audited standalone financial results comprises of the standalone Statement of Profit and Loss, explanatory notes thereto and the additional disclosures as required in paragraph 6 of Annexure A to the SEBI Circular No. CIR/IMD/DF/127/2016 dated November 29, 2016 ("SEBI Circular") of India Grid Trust ("IndiGrid") for the half year ended March 31, 2020 ("standalone financial results") being submitted by the Trust pursuant to the requirements of Regulation 23 of the SEBI (Infrastructure Investment Trusts) Regulations, 2014, as amended from time to time read with SEBI Circular. The half yearly standalone financial results are the derived figures between the audited figures in respect of the year ended March 31, 2020 and the published year-to-date figures up to September 30, 2019, being the date of the end of the first half of the current financial year, which were subject to limited review. The standalone financial results for the half year ended March 31, 2020 and year ended March 31, 2020 have been prepared on the basis of the standalone financial results for the half year ended September 30, 2019, the audited annual standalone Ind AS financial statements as at and for the year ended March 31, 2020, and the relevant requirements of the SEBI (Infrastructure Investment Trusts) Regulations, 2014, as amended from time to time read with SEBI Circular.
- (b) The half yearly standalone financial results for the half year ended March 31, 2019 are the derived figures between the audited figures in respect of the year ended March 31, 2019 and the published year-to-date figures up to September 30, 2018, being the date of the end of the first half of the previous financial year, which were subject to limited review.
- IndiGrid acquired the entire equity share capital of Sterlite Grid 2 Limited (SGL2), which is the holding company of NRSS XXIX Transmission Limited ("NTL") and Sterlite Grid 3 Limited ("SGL3") which is the holding company of Odisha Generation Phase-II Transmission Limited, ("OGPTL") from Sterlite Power Grid Ventures Limited ("SPGVL") pursuant to share purchase agreements dated April 30, 2019 and June 04, 2019 and June 28, 2019 respectively. During the previous year, IndiGrid has acquired the entire equity share capital of Patran Transmission Company Limited (PTCL) with effect from August 30, 2018 pursuant to Share Purchase agreement/Shareholders' Agreement ("SPA") dated February 19, 2018 from Techno Power Grid Company Limited and Techno Electric and Engineering Company Limited. IndiGrid holds 74% equity stake in PTCL and on the remaining 26%, IndiGrid has beneficial interest based on the various rights available to it under the SPA. IndiGrid acquired 49% of paid up equity capital of East-North Interconnection Company Limited ("ENICL") with effect from March 24, 2020 from Sterlite Power Grid Ventures Limited ("SPGVL") and Sterlite Power Transmission Limited ("SPTL") (together referred as "the Selling Shareholders") pursuant to Share Purchase Agreement dated March 23, 2020 ("SPA"). IndiGrid has finalised purchase consideration for acquisition of entire stake in ENICL and has entered into a binding agreement with the Selling Shareholders to acquire remaining 51% paid up equity capital in ENICL from the Selling Shareholders. The Trust has acquired remaining 51% equity stake in ENICL on 26 May 2020. Consequent to above, revenue from operations which comprise of interest income from subsidiaries included in the standalone financial results for various periods may not be comparable.
- Formulae for computation of ratios are as follows:
 - Paid up debt capital = Total borrowings as on reporting date
 - Debt equity ratio = Total borrowings / (Unitholders' Equity+Retained Earnings)
 - Debt Service Coverage Ratio= Earnings before Interest and Tax*/ (Interest Expense + Principal Repayments made during the period/year)
 - Interest Service Coverage Ratio= Earnings before Interest and Tax*/ Interest Expense
 - 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 subsidiary and finance income on NCD issued by subsidiary on effective interest rate basis.

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

| Particulars | Secured/Unsecured | Previous Due Date | | Next Due Date | |
|---|-------------------|-------------------|-------------------|-------------------|------------------|
| | | Principal | Interest | Principal | Interest |
| 8.60% Non-convertible debentures (refer note a) | Secured | - | March 31, 2020 | August 31, 2028 | June 30, 2020 |
| 8.992% Non-convertible debentures (refer note a) | Secured | - | February 14, 2020 | February 14, 2029 | May 14, 2020 |
| 9.10% Non-convertible debentures (refer note a) | Secured | - | March 31, 2020 | June 03, 2022 | June 30, 2020 |
| 8.85% Non-convertible debentures (refer note a) | Secured | - | February 29, 2020 | November 02, 2022 | May 31, 2020 |
| 9.10% Non-convertible debentures (refer note a) | Secured | - | February 29, 2020 | July 29, 2024 | May 31, 2020 |
| 9% market linked non-convertible debentures (refer note b) | Secured | - | - | January 04, 2023 | January 04, 2023 |
| 8.40% market linked non-convertible debentures (refer note c) | Secured | - | - | January 24, 2024 | January 24, 2024 |
| 8.40% market linked non-convertible debentures (refer note c) | Secured | - | - | January 24, 2024 | January 24, 2024 |

Note a:

Non convertible debentures are secured by:

- 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 to its subsidiaries (direct or indirect) including loans to all project SPVs and future SPVs;
- First pari-passu charge on Escrow account of the Trust
- Pledge over 51% of the share capital of specified SPVs

Note b:

Market linked non convertible debentures are secured by:

- 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 to its subsidiaries (direct or indirect) including loans to all project SPVs and future SPVs;
- First pari-passu charge on Escrow account of the Trust
- Pledge over 51% of the share capital of specified SPVs

Note c:

Market linked non convertible debentures are secured by:

- 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 to its subsidiaries (direct or indirect) including loans to all project SPVs and future SPVs;
 - First pari-passu charge on Escrow account of the Trust
 - First pari-passu charge on the ISRA and DSRA accounts.
 - Pledge over 51% of the share capital of specified SPVs
- The Trust has created security charge on the above NCDs on 13 April 2020.

- The Trust retained its credit ratings of "CRISIL AAA/Stable" from CRISIL on January 22, 2020, "ICRA AAA/Stable" from ICRA on February 06, 2020 and "IND AAA/Stable" from India Ratings on October 31, 2019.
- During the year ended March 31, 2020, the Trust raised Rs. 25,140.48 million (September 30, 2019: Rs. 25,140.48 million; March 31, 2019: Rs. Nil million) of primary capital through a qualified institutional placement of units. The Trust issued and allotted 299,683,881 units at a price of Rs. 83.89 per unit (September 30, 2019: Rs. 365.67 million; March 31, 2019: Rs. Nil million) as per the placement agreement dated May 04, 2019. Transaction costs of Rs. 374.79 million incurred in connection with issue of units are adjusted against the equity as permitted by relevant Indian Accounting Standard.
- Revenue from operations comprise of interest income on NCDs/loans to subsidiaries and includes the interest on 0.01% Non Convertible Debentures (NCD's) issued by Sterlite Grid 1 Limited (wholly owned subsidiary of IndGrid) which is the difference between market rate of interest and rate of interest on the NCD's (accounted for under EIR method).
- The provision for impairment/(reversal) of impairment of investments in subsidiary is made based on the difference between the carrying amounts and the recoverable amounts. The recoverable amount of the investments in subsidiary has been computed based on value in use calculation for the underlying projects (based on discounted cash flow model).
- The management has evaluated the impact of COVID 19 pandemic & lockdown imposed by the Government of India on the Trust.

The Trust receives income mainly in the form of interest income on loans given to subsidiaries which are engaged in the construction and operation & maintenance of power transmission lines and substations ('power transmission infrastructure'). These subsidiaries are governed by section 63 of The Electricity Act 2003 where in as per the Transmission Service Agreements ('TSAs') tariff revenue is accrued based on availability of power transmission infrastructure. Further, the Government of India has declared power transmission as "an essential service" therefore the subsidiaries are able to ensure availability of power transmission infrastructure and carry out maintenance activities during the lockdown period.

As the tariff revenues of the subsidiaries are linked to availability, irrespective of the quantum of power transmitted through the power transmission infrastructure and considering the Point of Connection ('PoC') mechanism the risk of non-collection of transmission charges receivables as of March 31, 2020 is minimum, however there could be delays in collection of trade receivables and unbilled revenue of the subsidiaries.

Therefore, the management believes that the Trust will be able to receive interest income from the subsidiaries. In assessing the recoverability of receivables and investment in subsidiaries, the Trust has considered internal and external information up to the date of approval of these standalone financial results including communication from regulatory agencies and LTTCs. Further, the management believes that there is no risk in the Trust's ability to continue as going concern and meeting its liabilities as and when they fall due.

The management will continue to monitor and assess impact of economic conditions arising due to COVID 19. The impact of COVID 19 may differ from that expected at the date of approval of these standalone financial results.
- Sterlite Power Grid Ventures Limited (SPGVL) has entered into "Inter-se sponsor agreement" dated April 30, 2019 ("the Agreement") with Esoteric II Pte. Ltd. to designate Esoteric II Pte. Ltd. as a "Sponsor" of the Trust subject to approval from SEBI in terms of SEBI InvIT Regulations.
- Pursuant to "Share Subscription and Purchase Agreement" ("the agreement") executed between Electron IM Pte. Ltd. and Sterlite Power Transmission Limited ['SPTL'], the holding company of Sterlite Investment Managers Limited ('SIML'), the Investment Managers of the Trust) on April 30, 2019, SPTL shall sell 74% of its stake in SIML as specified in the agreement.
- The Board of directors of the Investment Manager approved a distribution of Rs. 3 per unit for the period January 1, 2020 to March 31, 2020 to be paid on or before 15 days from the date of declaration.
- Refer Annexure-1 for Large Corporate Borrower Disclosure by the Trust.

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

A) Statement of Earnings per unit:

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

Diluted EPU amounts are calculated by dividing the profit attributable to unit holders by the weighted average number of units outstanding during the 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 | Six months ended March 31, 2020 | Six months ended September 30, 2019 | Six months ended March 31, 2019 | Year ended March 31, 2020 | Year ended March 31, 2019 |
|--|---------------------------------|-------------------------------------|---------------------------------|---------------------------|---------------------------|
| Profit after tax for calculating basic and diluted EPU (Rs in million) | 1,983.21 | 2,924.99 | 2,256.97 | 4,908.20 | 2,112.42 |
| Weighted average number of units in calculating basic and diluted EPU (No. in million) | 583.49 | 524.53 | 283.80 | 554.01 | 283.80 |
| <u>Effect of dilution:</u> | | | | | |
| Estimated units to be issued to Sponsor/Project manager* (No. in million) | - | - | 3.75 | - | 5.40 |
| Weighted average number of units in calculating basic and diluted EPU (No. in million) | 583.49 | 524.53 | 287.55 | 554.01 | 289.20 |
| Earnings Per Unit | | | | | |
| Basic (Rupees/unit) | 3.40 | 5.58 | 7.95 | 8.86 | 7.44 |
| Diluted (Rupees/unit) | 3.40 | 5.58 | 7.85 | 8.86 | 7.30 |

* units issuable pursuant to the Project Implementation and Management Agreement dated November 10, 2016 as amended, towards the additional transmission charges as approved by CERC for the additional expenditure incurred by BDTCL

* not annualised

B) 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

Sterlite Grid 1 Limited (SGL1)
Sterlite Grid 2 Limited (SGL2)
Sterlite Grid 3 Limited (SGL3)
Bhopal Dhule Transmission Company Limited (BDTCL)
Jabalpur Transmission Company Limited (JTCL)
RAPP Transmission Company Limited (RTCL)
Purulia & Kharagpur Transmission Company Limited (PKTCL)
Maheshwaram Transmission Limited (MTL)
Patran Transmission Company Limited (PTCL)
NRSS XXIX Transmission Limited ("NTL")
Odisha Generation Phase II Transmission Limited ("OGPTL")
East-North Interconnection Company Limited ("ENICL")

(B) Other related parties under Ind AS-24 with whom transactions have taken place during the year

Entity with significant influence over the Trust

Sterlite Power Grid Ventures Limited (SPGVL)
Esoteric II Pte. Ltd. (from May 04, 2019)

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

(A) Parties to IndiGrid

Sterlite Power Grid Ventures Limited (SPGVL) - Sponsor and Project Manager of IndiGrid (refer note 11)
Sterlite Investment Managers Limited (SIML) - Investment Manager of IndiGrid (refer note 12)
Axis Trustee Services Limited (ATSL) - Trustee of IndiGrid

(B) Promoters of the parties to IndiGrid specified in (A) above

Sterlite Power Transmission Limited - Promoter of SIML* (refer note 12)
Sterlite Power Transmission Limited - Promoter of SPGVL
Axis Bank Limited - Promoter of ATSL
Electron IM Pte. Ltd. - Promoter of SIML (refer note 12)

(C) Directors of the parties to IndiGrid specified in (A) above

(i) Directors of SPGVL:

Pravin Agarwal
Pratik Agarwal
A. R. Narayanaswamy
Avaantika Kakkar
Ved Mani Tiwari
Arun Tadarwal Lalchand (from July 22, 2019)
Zhao Haixia (from September 11, 2019)

(ii) Directors of SIML:

Pratik Agarwal
Kuldip Kumar Kaura (till June 07, 2019)
Tarun Kataria
Shashikant Bhojani
Rahul Asthana
Harsh Shah (whole time director)
Sanjay Omprakash Nayar (from June 07, 2019)

(iii) Directors of ATSL:

Srinivasan Varadarajan (till December 20, 2018)
Ram Bharoseylal Vaish (till November 08, 2019)
Sidharth Rath (till June 01, 2018)
Rajaraman Viswanathan (till October 10, 2018)
Raghuraman Mahalingam (till September 30, 2018)
Rajesh Kumar Dahiya (from July 11, 2018)
Sanjay Sinha (from October 10, 2018)
Ganesh Sankaran (from April 18, 2019)

(iv) Relative of directors mentioned above:

Sonakshi Agarwal
Jyoti Agarwal
Sujata Asthana

(v) Firm in which director of sponsor is partner:

Cyril Amarchand Mangaldas

III. The transactions with related parties during the year are as follows:-

(Rs. in millions)

| Particulars | Relation | Six months ended March 31, 2020 | Six months ended September 30, 2019 | Six months ended March 31, 2019 | Year ended March 31, 2020 | Year ended March 31, 2019 |
|---|---|------------------------------------|--|------------------------------------|------------------------------|------------------------------|
| 1. Unsecured loans given to subsidiaries | | | | | | |
| Jabalpur Transmission Company Limited | Subsidiary | 703.10 | 500.00 | 4,249.99 | 1,203.10 | 4,321.37 |
| Bhopal Dhule Transmission Company Limited | Subsidiary | 166.20 | - | - | 166.20 | 20.00 |
| RAPP Transmission Company Limited | Subsidiary | - | - | - | - | - |
| Purulia & Kharagpur Transmission Company Limited | Subsidiary | - | - | - | - | - |
| Maheshwaram Transmission Limited | Subsidiary | - | - | 40.00 | - | 40.00 |
| Patran Transmission Company Limited | Subsidiary | - | - | - | - | 1,686.89 |
| Sterlite Grid 1 Limited | Subsidiary | - | - | 252.80 | - | 252.80 |
| Sterlite Grid 2 Limited | Subsidiary | 41.00 | 1,048.93 | - | 1,089.93 | - |
| Sterlite Grid 3 Limited | Subsidiary | - | - | - | - | - |
| NRSS XXIX Transmission Limited | Subsidiary | 1,314.20 | 28,169.22 | - | 29,483.42 | - |
| Odisha Generation Phase II Transmission Limited | Subsidiary | 360.80 | 5,782.72 | - | 6,143.52 | - |
| 2. Interest income from subsidiaries | | | | | | |
| Jabalpur Transmission Company Limited | Subsidiary | 1,295.05 | 1,246.63 | 992.89 | 2,541.68 | 1,905.14 |
| Bhopal Dhule Transmission Company Limited | Subsidiary | 653.87 | 651.28 | 647.72 | 1,305.15 | 1,298.27 |
| RAPP Transmission Company Limited | Subsidiary | 168.12 | 177.05 | 190.17 | 345.17 | 381.89 |
| Purulia & Kharagpur Transmission Company Limited | Subsidiary | 292.80 | 299.89 | 298.26 | 592.69 | 598.15 |
| Maheshwaram Transmission Limited | Subsidiary | 284.29 | 284.29 | 281.24 | 568.58 | 562.52 |
| Patran Transmission Company Limited | Subsidiary | 117.50 | 119.21 | 118.56 | 236.71 | 139.97 |
| Sterlite Grid 1 Limited | Subsidiary | - | 17.45 | 0.52 | 17.45 | 0.52 |
| Sterlite Grid 2 Limited | Subsidiary | 85.24 | 42.47 | - | 127.71 | - |
| Sterlite Grid 3 Limited | Subsidiary | 44.80 | 64.40 | - | 109.20 | - |
| NRSS XXIX Transmission Limited | Subsidiary | 2,071.59 | 1,413.02 | - | 3,484.61 | - |
| Odisha Generation Phase II Transmission Limited | Subsidiary | 444.91 | 176.65 | - | 621.56 | - |
| 3. Repayment of loan from subsidiaries | | | | | | |
| Jabalpur Transmission Company Limited | Subsidiary | 74.16 | 35.03 | - | 109.19 | - |
| Bhopal Dhule Transmission Company Limited | Subsidiary | 90.11 | - | - | 90.11 | - |
| RAPP Transmission Company Limited | Subsidiary | 26.09 | 105.08 | 201.06 | 131.17 | 201.60 |
| Purulia & Kharagpur Transmission Company Limited | Subsidiary | 32.39 | 93.86 | - | 126.25 | - |
| Maheshwaram Transmission Limited | Subsidiary | - | - | - | - | - |
| Patran Transmission Company Limited | Subsidiary | 11.14 | 22.57 | - | 33.71 | 101.77 |
| Sterlite Grid 1 Limited | Subsidiary | - | 252.80 | - | 252.80 | - |
| Sterlite Grid 2 Limited | Subsidiary | - | - | - | - | - |
| Sterlite Grid 3 Limited | Subsidiary | - | 2,059.72 | - | 2,059.72 | - |
| NRSS XXIX Transmission Limited | Subsidiary | 2,038.22 | 1,740.59 | - | 3,778.81 | - |
| Odisha Generation Phase II Transmission Limited | Subsidiary | 100.41 | 43.72 | - | 144.13 | - |
| East North Interconnection Company Limited | Subsidiary | 26.39 | - | - | 26.39 | - |
| 4. Purchase of equity shares of SGL2 | | | | | | |
| Sterlite Power Grid Ventures Limited | Sponsor and Project Manager/Entity with significant influence | (17.56) | 12,644.22 | - | 12,626.66 | - |
| 5. Purchase of equity shares of SGL3 | | | | | | |
| Sterlite Power Grid Ventures Limited | Sponsor and Project Manager/Entity with significant influence | 52.40 | 465.91 | - | 518.31 | - |
| 6. Purchase of loan to SGL3 | | | | | | |
| Sterlite Power Grid Ventures Limited | Sponsor and Project Manager/Entity with significant influence | - | 2,289.49 | - | 2,289.49 | - |
| 7. Purchase of equity shares of ENICL | | | | | | |
| Sterlite Power Grid Ventures Limited | Sponsor and Project Manager/Entity with significant influence | 1,259.46 | - | - | 1,259.46 | - |
| Sterlite Power Transmission Limited | Promoter of project manager | 29.09 | - | - | 29.09 | - |
| 8. Purchase of loan to ENICL | | | | | | |
| Sterlite Power Grid Ventures Limited | Sponsor and Project Manager/Entity with significant influence | 587.00 | - | - | 587.00 | - |
| 9. Received towards indemnification of liabilities | | | | | | |
| Sterlite Power Grid Ventures Limited | Sponsor and Project Manager/Entity with significant influence | - | 18.66 | 53.47 | 18.66 | 53.47 |
| 10. Reimbursement of expenses paid | | | | | | |
| Jabalpur Transmission Company Limited | Subsidiary | - | - | - | - | 0.32 |
| Bhopal Dhule Transmission Company Limited | Subsidiary | - | - | - | - | 0.15 |
| 11. Issue of unit capital | | | | | | |
| Sterlite Power Grid Ventures Limited | Sponsor and Project Manager/Entity with significant influence | - | 2,300.13 | - | 2,300.13 | - |
| Esoteric II Pte. Ltd | Entity with significant influence over the Trust | - | 11,412.04 | - | 11,412.04 | - |

| | | | | | | |
|--|---|--------|--------|--------|----------|--------|
| 12. Distribution to unit holders | | | | | | |
| Sterlite Power Grid Ventures Limited | Sponsor and Project Manager/Entity with significant influence | 525.29 | 443.03 | 356.38 | 968.32 | 709.20 |
| Esoteric II Pte. Ltd | Entity with significant influence over the Trust | 816.22 | 408.11 | - | 1,224.32 | - |
| Pravin Agarwal | Director of Sponsor | - | 3.06 | 6.12 | 3.06 | 11.60 |
| Pratik Agarwal | Director of Sponsor and Investment Manager | 2.20 | 2.20 | - | 4.41 | 1.22 |
| Harsh Shah | Whole time director of Investment Manager | 0.06 | 0.06 | 0.06 | 0.12 | 0.06 |
| Sonakshi Agarwal | Relative of director | 0.09 | 0.09 | - | 0.18 | - |
| Jyoti Agarwal | Relative of director | 0.12 | 0.12 | - | 0.24 | - |
| Sujata Asthana | Relative of director | 0.28 | 0.40 | - | 0.67 | - |
| Arun Todarwal | Director of Sponsor | - | 0.06 | - | 0.06 | - |
| A. R. Narayanaswamy | Director of Sponsor | 0.09 | 0.06 | - | 0.15 | - |
| 13. Advance receivable in cash | | | | | | |
| Sterlite Grid 1 Limited | Subsidiary | - | - | 3.65 | - | 9.00 |
| 14. Trustee Fee | | | | | | |
| Axis Trustee Services Limited (ATSL) | Trustee | 1.18 | 1.18 | 1.10 | 2.36 | 2.16 |
| 15. Legal and professional services taken | | | | | | |
| Cyril Amarchand Mangaldas | Firm in which director of sponsor is partner | 21.27 | 5.35 | - | 26.62 | - |
| 16. Amount paid against indemnification of dues | | | | | | |
| Jabalpur Transmission Company Limited | Subsidiary | - | - | 50.41 | - | 50.41 |

IV. The outstanding balances of related parties are as follows:-

| Particulars | Relation | (Rs in Million) | | |
|---|---|----------------------|--------------------------|----------------------|
| | | As at March 31, 2020 | As at September 30, 2019 | As at March 31, 2019 |
| 1. Unsecured loan receivable | Subsidiary | 71,274.41 | 70,866.99 | 37,064.04 |
| 2. Interest receivable from subsidiaries | Subsidiary | 281.64 | 187.56 | 446.03 |
| 3. Advance receivable in cash | Subsidiary | - | - | 13.60 |
| 4. Non-Convertible Debentures of subsidiary (including accrued interest on EIR) | Subsidiary | 5,823.90 | 5,547.15 | 6,449.71 |
| 5. Investment in equity shares of subsidiary (excluding provision for impairment) | Subsidiary | 17,098.27 | 14,545.48 | 1,435.35 |
| 6. Optionally convertible redeemable preference shares | Subsidiary | 1,001.96 | 1,001.96 | 1,001.96 |
| 7. Payable towards project acquired | Sponsor and Project Manager/Entity with significant influence | 1,897.00 | 1,451.99 | - |
| 8. Payable towards legal and professional services | Firm in which director of sponsor is partner | 5.18 | - | - |

* During the year, Electron IM Pte. Ltd. purchased 40% stake in Sterlite Investment Managers Limited (SIML) from Sterlite Power Transmission Limited post which Electron IM Pte. Ltd. holds 60% of stake in SIML.
During the year, Sponsor has paid to IndiGrid towards deposits paid by IndiGrid for tax litigations for which the Sponsor is liable.

Details in respect of related party transactions involving acquisition of InvT 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 financial year ended March 31, 2020: Refer disclosure below:

For the financial year ended March 31, 2019: No acquisition of InvT assets from related parties during the year.

(A) Summary of the valuation reports (issued by the independent valuer appointed under the InvT Regulations):

| Particulars | (Rs in million) | | |
|--------------------------|----------------------|--------|--------|
| | NTL | OGPTL | ENICL |
| Enterprise value | 41,626 | 12,840 | 11,355 |
| Method of valuation | Discounted Cash Flow | | |
| Discounting rate (WACC): | 8.12% | 8.42% | 8.77% |

(B) Material conditions or obligations in relation to the transactions:

Acquisition of NRSS XXIX Transmission Limited (NTL) (through acquisition of Sterlite Grid 2 Limited):

Pursuant to the share purchase agreements dated April 30, 2019 ("SPA") executed among Sterlite Power Grid Ventures Limited, Axis Trustee Services Limited, Sterlite Investment Managers Limited, Sterlite Grid 2 Limited and NRSS XXIX Transmission Limited for acquisition of equity stake in NTL. IndiGrid has acquired 100% of equity in Sterlite Grid 2 Limited which is the holding company of NTL.

The acquisition of NTL and SG2L was financed by money raised through Qualified Institutional Placement (QIP) of Rs. 25,140 million and from issue of Non-Convertible Debentures of Rs. 21,000 million (rate of interest- 8.60% to 9.10%) by IndiGrid. No fees or commission were received/to be received by any associate of the related party in relation to the transaction.

Acquisition of Odisha Generation Phase-II Transmission Limited (OGPTL) (through acquisition of Sterlite Grid 3 Limited):

Pursuant to the share purchase agreements dated April 30, 2019 as amended on June 28, 2019 ("SPA") executed among Sterlite Power Grid Ventures Limited, Axis Trustee Services Limited, Sterlite Investment Managers Limited, Sterlite Grid 3 Limited and Odisha Generation Phase-II Transmission Limited for acquisition of equity stake in OGPTL. IndiGrid has acquired 100% of equity in Sterlite Grid 3 Limited which is the holding company of OGPTL.

The acquisition of OGPTL and SG3L were financed by issue of Non-Convertible Debentures of Rs. 21,000 million (rate of interest- 8.60% to 9.10%) by IndiGrid. No fees or commission were received/to be received by any associate of the related party in relation to the transaction.

Acquisition of East-North Interconnection Company Limited (ENICL):

Pursuant to the share purchase agreements dated March 23, 2020 ("SPA") executed among Sterlite Power Grid Ventures Limited, Axis Trustee Services Limited, Sterlite Investment Managers Limited, Sterlite Power Transmission Limited and East-North Interconnection Limited ("ENICL") for acquisition of equity stake in ENICL. IndiGrid has acquired 49% of equity in ENICL.

The acquisition of ENICL was financed by money raised through Qualified Institutional Placement (QIP) of Rs. 25,140 million by IndiGrid and from issue of Non-Convertible Debentures of Rs. 22,750 million (rate of interest- 8.40% to 9.10%) by IndiGrid and from internal accruals during the year. No fees or commission were received/to be received by any associate of the related party in relation to the transaction.

(C) Contingent liabilities

The Trust has no contingent liability as at year end.

(D) Statement of Net Distributable Cash Flows (NDCF) of India Grid Trust

(Rs in million)

| Description | Six months ended March 31, 2020 | Six months ended September 30, 2019 | Six months ended March 31, 2019 | Year ended March 31, 2020 | Year ended March 31, 2019 |
|--|------------------------------------|--|------------------------------------|------------------------------|------------------------------|
| Cash flows received from the Portfolio Assets in the form of interest | 5,364.47 | 4,750.43 | 2,385.76 | 10,114.90 | 4,447.45 |
| Cash flows received from the Portfolio Assets in the form of dividend | - | - | - | - | - |
| Any other income accruing at IndiGrid level and not captured above, including but not limited to interest/return on surplus cash invested by IndiGrid | 34.68 | 142.98 | 12.57 | 177.66 | 27.47 |
| Cash flows received from the Portfolio Assets towards the repayment of the debt issued to the Portfolio Assets by IndiGrid | 4,913.67 | 1,838.61 | 201.60 | 6,752.28 | 303.37 |
| 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) | 10,312.82 | 6,732.02 | 2,599.93 | 17,044.84 | 4,778.29 |
| Less: Any payment of fees, interest and expense incurred at IndiGrid level, including but not limited to the fees of the Investment Manager and Trustee (refer note i) | (1,631.26) | (1,310.01) | (656.68) | (2,941.27) | (1,158.18) |
| 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) | - | - | - | - | - |
| Less: Income tax (if applicable) at the standalone IndiGrid level | 4.15 | (61.11) | (4.62) | (56.96) | (6.24) |
| Less: Amount invested in any of the Portfolio Assets for service of debt or interest | (4,983.80) | (1,859.49) | (261.80) | (6,843.29) | (261.80) |
| Less: Repair work in relation to the projects undertaken by any of the Portfolio Assets | - | - | - | - | - |
| Total cash outflows / retention at IndiGrid level (B) | (6,610.91) | (3,230.61) | (923.10) | (9,841.52) | (1,426.22) |
| Net Distributable Cash Flows (C) = (A+B) | 3,701.91 | 3,501.41 | 1,676.83 | 7,203.32 | 3,352.07 |

Notes

i. Does not include interest accrued but not due of Rs. 150.51 million related to market linked non convertible debentures ("MLDs") which is payable on maturity of these MLDs from FY 2022 to FY 2024.

(E) Statement of Commitments

The Trust has entered into a Framework agreement on 30 April 2019 with Sterlite Grid Ventures Limited ("SPGVL") for acquisition of Gurgaon-Palwal Transmission Limited ("GPTL"), NER II Transmission Limited ("NER") and Khargone Transmission Limited ("KTL"). The board of directors of Sterlite Investment Managers Limited and unitholders of India Grid Trust have approved acquisition of GPTL on April 08, 2020 and May 09, 2020 respectively.

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

Harsh Shah
CEO & Whole Time Director
DIN: 02496122

HARSH
DINESH
SHAH

Place: Mumbai
Date: May 27, 2020

Annexure-1**Annual Disclosure to be made by an entity identified as a Large Corporate****Name of the Company-India Grid Trust****CIN: - NA****Report filed for FY 2019-2020****Details of the borrowings (all figures in Rs. Crore):**

| Sr. No. | Particulars | Details |
|---------|--|----------------|
| 1 | Incremental borrowing done in FY (a) | ~2274.86 |
| 2 | Mandatory borrowing to be done through issuance of debt securities (b)= (25% of a) | 568.715 |
| 3 | Actual borrowings done through debt securities in FY (c) | ~2274.86 |
| 4 | Shortfall in the mandatory borrowing through debt securities, if any (d)=(b)- (c) | Nil |
| 5 | Reasons for short fall, if any, in mandatory borrowings through debt securities | Not Applicable |

For Sterlite Investment Managers Limited

(Acting as the Investment Manager to India Grid Trust)

SWAPNIL
PRAKASH
H PATIL

Digitally signed by SWAPNIL
PRAKASH
DN: cn=K...
o=STERLITE
ou=STERLITE
email=sterlite@sterlite.com
c=IN

**Swapnil Patil**

Company Secretary & Compliance Officer

ACS-24861

Contact-+91 84509 96408

Divya Bedi Verma

Head-Finance

Date: 16/04/2020

INDIA GRID TRUST
SEBI Registration Number: IN/InvIT/16-17/0005
AUDITED CONSOLIDATED FINANCIAL RESULTS FOR THE HALF YEAR ENDED MARCH 31, 2020
(All amounts in Rs. million unless otherwise stated)

| Particulars | Six months ended March 31, 2020 (Audited) (refer note-2(a)) | Six months ended September 30, 2019 (Unaudited) | Six months ended March 31, 2019 (Audited) (refer note-2(b)) | Year ended March 31, 2020 (Audited) | Year ended March 31, 2019 (Audited) |
|---|--|---|--|---|---|
| I. INCOME | | | | | |
| Revenue from contracts with customers (refer note 3, 4, and 5) | 6,666.97 | 5,760.16 | 3,407.69 | 12,427.13 | 6,655.70 |
| Income from investment in mutual funds | 53.00 | 137.89 | 19.71 | 190.89 | 48.64 |
| Interest income on investment in fixed deposits | 46.85 | 55.24 | 16.16 | 102.09 | 22.63 |
| Other finance income | 0.32 | - | - | 0.32 | - |
| Other income | 35.27 | 30.24 | 7.23 | 65.51 | 12.08 |
| Total income (I) | 6,802.41 | 5,983.53 | 3,450.79 | 12,785.94 | 6,739.05 |
| II. EXPENSES | | | | | |
| Transmission infrastructure maintenance charges | 131.25 | 109.13 | 89.39 | 240.38 | 175.57 |
| Insurance expenses | 88.74 | 58.28 | 39.82 | 147.02 | 87.00 |
| Legal and professional fees | 96.40 | 21.45 | 72.85 | 117.85 | 82.34 |
| Rates and taxes | 12.68 | 25.08 | 20.36 | 37.76 | 34.68 |
| Investment manager fees (refer note 10) | 131.28 | 107.51 | 67.11 | 238.79 | 130.53 |
| Project manager fees (refer note 9) | 31.99 | 31.67 | 19.95 | 63.66 | 39.54 |
| Vehicle hire charges | 7.61 | 5.90 | 3.88 | 13.51 | 7.26 |
| Valuation expenses | 1.80 | 3.09 | 3.11 | 4.89 | 3.70 |
| Trustee fees | 2.42 | 1.18 | 1.10 | 3.60 | 2.16 |
| Payment to auditors (including for subsidiaries) | | | | | |
| - Statutory audit | 3.35 | 3.72 | 1.57 | 7.07 | 4.74 |
| - Other services (including tax audits and certifications) | 2.54 | 1.39 | 4.78 | 3.93 | 4.78 |
| Other expenses | 58.27 | 51.80 | 30.48 | 110.07 | 59.24 |
| Depreciation expense | 1,716.95 | 1,384.17 | 903.45 | 3,101.12 | 1,809.22 |
| Impairment on property plant and equipment (refer note 8) | - | (456.96) | 64.75 | (456.96) | 456.96 |
| Finance costs | 2,369.84 | 1,783.54 | 1,232.91 | 4,153.38 | 2,295.83 |
| Total expenses (II) | 4,655.12 | 3,130.95 | 2,555.51 | 7,786.07 | 5,193.55 |
| Profit before tax (I-II) | 2,147.29 | 2,852.58 | 895.28 | 4,999.87 | 1,545.50 |
| Tax expense: | | | | | |
| - Current tax | (68.55) | 125.51 | 4.58 | 56.96 | 6.08 |
| - Deferred tax | (99.28) | (15.01) | - | (114.29) | - |
| - Income tax for earlier years | - | - | 0.02 | - | 0.28 |
| | (167.83) | 110.50 | 4.60 | (57.33) | 6.36 |
| Profit for the period / year | 2,315.12 | 2,742.08 | 890.68 | 5,057.20 | 1,539.14 |
| 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 | 2,315.12 | 2,742.08 | 890.68 | 5,057.20 | 1,539.14 |
| Earnings per unit (Rs. per unit) (refer note E under additional disclosures) | | | | | |
| - Basic | 3.97 | 5.23 | 3.14 | 9.13 | 5.42 |
| - Diluted | 3.97 | 5.23 | 3.10 | 9.13 | 5.32 |

NOTES:

- The above audited consolidated financial results for the half year ended March 31, 2020 have been reviewed and approved by the Board of Directors of Sterlite Investment Managers Limited ('Investment Manager') at its meeting held on May 27, 2020.
- (a) The audited consolidated financial results comprises the Consolidated Statement of Profit and Loss, explanatory notes thereto and the additional disclosures as required in paragraph 6 of Annexure A to the SEBI Circular No. CIR/IMD/DF/127/2016 dated November 29, 2016 ("SEBI Circular") for the half year ended March 31, 2020 of India Grid Trust ("IndiGrid") and its subsidiaries (together, 'the Group') ("Consolidated Financial Results"). The half yearly consolidated financial results are the derived figures between the audited figures in respect of the year ended March 31, 2020 and the published year-to-date figures up to September 30, 2019, being the date of the end of the first half of the current financial year, which were subject to limited review. The consolidated financial results for the half year ended March 31, 2020 have been prepared on the basis of the consolidated financial results for the half year ended September 30, 2019, the audited annual consolidated Ind AS financial statements as at and for the year ended March 31, 2020, and the relevant requirements of the SEBI (Infrastructure Investment Trusts) Regulations, 2014, as amended from time to time read with SEBI Circular.
- (b) The half yearly consolidated financial results for the half year ended March 31, 2019 are the derived figures between the audited figures in respect of the year ended March 31, 2019 and the published year-to-date figures up to September 30, 2018, being the date of the end of the first half of the previous financial year, which were subject to limited review.
- The Group has acquired Sterlite Grid 2 Limited (SGL2), which is the holding company of NRSS XXIX Transmission Limited ('NTL') and Sterlite Grid 3 Limited (SGL3) which is the holding company of Odisha Generation Phase-II Transmission Limited ('OGPTL') from Sterlite Power Grid Ventures Limited ('SPGVL') pursuant to share purchase agreements dated April 30, 2019 on June 04, 2019 and June 28, 2019 respectively. 100% equity share capital of SGL2 and SGL3 is acquired by the Group as per the share purchase agreement dated April 30, 2019. Accordingly, the Group has consolidated SGL2 and SGL3 for the year ended March 31, 2020. Further, the revenue and corresponding expenses of SGL2 and NTL included in the consolidated financial information is from June 04, 2019 to March 31, 2020 and the revenue and corresponding expenses of SGL3 and OGPTL included in the consolidated financial information is from June 28, 2019 to March 31, 2020.

During the previous year, the Group acquired the entire equity share capital of Patran Transmission Company Limited (PTCL) with effect from August 30, 2018 pursuant to Share Purchase agreement/Shareholders' Agreement ('SPA') dated February 19, 2018 from Techno Power Grid Company Limited and Techno Electric and Engineering Company Limited. The Group holds 74% equity stake in PTCL and on the remaining 26%, the Group has beneficial interest based on the various rights available to it under the SPA.

The Group acquired 49% of paid up equity capital of East-North Interconnection Company Limited ('ENICL') with effect from March 24, 2020 from Sterlite Power Grid Ventures Limited ('SPGVL') and Sterlite Power Transmission Limited ('SPTL') (together referred as 'the Selling Shareholders') pursuant to Share Purchase Agreement dated March 23, 2020 ('SPA'). The Group has finalised purchase consideration for acquisition of entire stake in ENICL and has entered into a binding agreement with the Selling Shareholders to acquire remaining 51% paid up equity capital in ENICL from the Selling Shareholders. Considering the rights available to the Group as per SPA, the Group has concluded that it controls ENICL. Accordingly, the Group has consolidated ENICL as a wholly owned subsidiary for the year ended March 31, 2020. Further, the revenue and corresponding expenses of ENICL included in the consolidated financial information is from March 24, 2020 to March 31, 2020. The Group has acquired remaining 51% equity stake in ENICL on 26 May 2020.

Consequent to above, revenue and corresponding expenses included in the consolidated financial results for various periods may not be comparable.

- 4) Central Electricity Regulatory Commission ("CERC") vide its order dated June 25, 2018 approved an increase in non scalable tariff revenue by 0.69% per annum on quoted non- scalable tariff of Bhopal Dhule Transmission Company Limited ("BDTCL") from the commercial operation dates ("COD") of respective elements of the BDTCL project on account of changes in laws. In earlier year, BDTCL recognised revenue based on revised non scalable charges prospectively from April 01, 2018 instead of the COD of respective elements.
- During the current year, BDTCL received arrears of Rs. 50.20 million (September 30, 2019: Rs. 48.31 million; March, 31 2019: Rs. Nil million) pertaining to period from the COD of the respective elements up to March 31, 2018 which is recognised as revenue from contracts with customers in the financial year ended March 31, 2020.
- 5) On June 08, 2019, the Jabalpur-Bina transmission line ("JB Line") of Jabalpur Transmission Company Limited ("JTCL") was rendered inoperable due to a storm which damaged certain towers of the transmission line. JTCL has claimed this event as a force majeure event under the Transmission Services Agreement ("TSA"). As permitted by the TSA, JTCL has recognised tariff revenue from June 08, 2019 till August 21, 2019 pertaining to the JB Line as per the CERC approved tariff. Western Regional Power Committee has accepted the above event as force majeure from June 08, 2019 to July 28, 2019.
- 6) The management has evaluated the impact of COVID 19 pandemic & lock down imposed by the Government of India on the Group. The subsidiaries of the Group which are engaged in construction and operation & maintenance of power transmission lines and substations ("power transmission infrastructure") are governed by Section 63 of The Electricity Act 2003 where in as per the Transmission Service Agreements ("TSAs") tariff revenue is accrued based on availability of power transmission infrastructure. Further, the Government of India has declared power transmission as an essential service therefore the Group is able to ensure availability of power transmission infrastructure and carry out maintenance activities during the lock down period.
- The management believes that as the tariff revenues are linked to availability, irrespective of the quantum of power transmitted through the power transmission infrastructure and considering the Point of Connection ("PoC") mechanism the risk of non-collection of transmission charges receivables as of March 31, 2020 is minimum, however there could be delays in collection of trade receivables and unbilled revenue.
- Further, in assessing the recoverability of receivables including unbilled receivables, the Group has considered internal and external information up to the date of approval of these consolidated financial results including communication from regulatory agencies and LTTCs. Central Electricity Regulatory Commission ("CERC") has reduced Late Payment Charges (LPS) to 1.0% per month from 1.5% earlier or any delay in payment by the LTTCs between March 24, 2020 and June 30, 2020 which is not expected to have material impact on the financial results of the Group. Further, the management does not see any risks in the Group's ability to continue as a going concern and meeting its liabilities as and when they fall due.
- The management will continue to monitor and assess impact of economic conditions arising due to COVID 19. The impact of COVID 19 may differ from that expected at the date of approval of these consolidated financial results.
- 7) During the year ended March 31, 2020, the Trust raised Rs. 25,140.48 million (Half year ended September 30, 2019: Rs. 25,140.48 million) of primary capital through a qualified institutional placement of units. The Trust issued and allotted 299,683,881 units at a price of Rs. 83.89 per unit as per the placement agreement dated May 04, 2019. Transaction costs of Rs. 374.79 million incurred in connection with issue of units are adjusted against the equity as permitted by relevant Indian Accounting Standard.
- 8) The provision for impairment/(reversal) of impairment of property, plant and equipment is made based on the difference between carrying amounts and the recoverable amounts. The recoverable amount of the property, plant and equipment has been computed based on value in use calculation for the underlying projects (based on discounted cash flow model).
- 9) Pursuant to the Project Implementation and Management Agreement dated November 10, 2016 as amended, Project Manager is entitled to fees @ 10% of gross expenditure incurred by each SPV in relation to operation and maintenance costs per annum. There are no changes in the methodology of computation of fees paid to Project Manager.
- 10) Pursuant to the Investment Management Agreement dated November 10, 2016 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.
- 11) The subsidiary companies of the Trust have opted for lower tax rate as per Section 115BAA of Income Tax Act, 1961. Accordingly, the Group has recognised provision for income tax for the year ended March 31, 2020 and remeasured deferred tax liabilities and assets at revised lower tax rate. The impact for the same has been recognised in the year ended March 31, 2020.
- 12) Sterlite Power Grid Ventures Limited ("SPGVL") has entered into "Inter-se sponsor agreement" dated April 30, 2019 ("the Agreement") with Esoteric II Pte. Ltd. to designate Esoteric II Pte. Ltd. as a "Sponsor" of the Trust subject to approval from SEBI in terms of SEBI InvIT Regulations.
- 13) Pursuant to "Share Subscription and Purchase Agreement" ("the agreement") executed between Electron IM Pte. Ltd. and Sterlite Power Transmission Limited ("SPTL", the holding company of Sterlite Investment Managers Limited ("SIML"), the Investment Managers of the Trust) on April 30, 2019, SPTL shall sell 74% of its stake in SIML as specified in the agreement.
- 14) The Board of directors of the Investment Manager approved a distribution of Rs. 3 per unit for the period January 1, 2020 to March 31, 2020 to be paid on or before 15 days from the date of declaration.
- 15) Refer Annexure-1 for Large Corporate Borrower Disclosure by the Group.

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 (NDCF) of India Grid Trust

| Description | (Rs in million) | | | | |
|--|---------------------------------|-------------------------------------|---------------------------------|---------------------------|---------------------------|
| | Six months ended March 31, 2020 | Six months ended September 30, 2019 | Six months ended March 31, 2019 | Year ended March 31, 2020 | Year ended March 31, 2019 |
| Cash flows received from the Portfolio Assets in the form of interest | 5,364.47 | 4,750.43 | 2,385.76 | 10,114.90 | 4,447.45 |
| Cash flows received from the Portfolio Assets in the form of dividend | - | - | - | - | - |
| Any other income accruing at IndiGrid level and not captured above, including but not limited to interest/return on surplus cash invested by IndiGrid | 34.68 | 142.98 | 12.57 | 177.66 | 27.47 |
| Cash flows received from the Portfolio Assets towards the repayment of the debt issued to the Portfolio Assets by IndiGrid | 4,913.67 | 1,838.61 | 201.60 | 6,752.28 | 303.37 |
| 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) | 10,312.82 | 6,732.02 | 2,599.93 | 17,044.84 | 4,778.29 |
| Less: Any payment of fees, interest and expense incurred at IndiGrid level, including but not limited to the fees of the Investment Manager and Trustee (refer note i) | (1,631.26) | (1,310.01) | (658.10) | (2,941.27) | (1,158.18) |
| 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) | - | - | - | - | - |
| Less: Income tax (if applicable) at the standalone IndiGrid level | 4.15 | (61.11) | (4.62) | (56.96) | (6.24) |
| Less: Amount invested in any of the Portfolio Assets for service of debt or interest | (4,983.80) | (1,859.49) | (261.80) | (6,843.29) | (261.80) |
| Less: Repair work in relation to the projects undertaken by any of the Portfolio Assets | - | - | - | - | - |
| Total cash outflows / retention at IndiGrid level (B) | (6,610.91) | (3,230.61) | (924.52) | (9,841.52) | (1,426.22) |
| Net Distributable Cash Flows (C) = (A+B) | 3,701.91 | 3,501.41 | 1,675.41 | 7,203.32 | 3,352.07 |

Notes

i. Does not include interest accrued but not due of Rs. 150.51 million related to market linked non convertible debentures ("MLDs") which is payable on maturity of these MLDs from FY 2022 to FY 2024.

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

(i) Sterlite Grid 1 Limited (SGL1) (Holdco)

| Description | (Rs in million) | | | | |
|--|------------------------------------|--|------------------------------------|------------------------------|------------------------------|
| | Six months ended March 31, 2020 | Six months ended September 30, 2019 | Six months ended March 31, 2019 | Year ended March 31, 2020 | Year ended March 31, 2019 |
| Profit/(loss) after tax as per profit and loss account (A) | (884.52) | (0.12) | (232.84) | (884.64) | (454.51) |
| Add: Depreciation, impairment and amortisation | 583.98 | (147.53) | 1.57 | 436.45 | 5.89 |
| Add/Less: Decrease/(increase) in working capital | (3.88) | 8.82 | (152.44) | 4.93 | (155.55) |
| Add: Interest accrued on loan/non-convertible debentures issued to IndiGrid | 395.06 | 225.98 | 334.89 | 621.04 | 639.14 |
| 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; | - | - | - | - | - |
| -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 | - | - | - | - | - |
| 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; | (99.43) | (60.72) | (97.37) | (160.15) | (185.97) |
| - 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) | - | - | - | - | - |
| 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) | 875.73 | 26.55 | 86.65 | 902.28 | 303.51 |
| Net Distributable Cash Flows (C)=(A+B) | (8.79) | 26.43 | (146.19) | 17.64 | (151.00) |

Note: During the year, an amount of Rs. 17.97 million (being at least 90%) has already been distributed to IndiGrid.

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

| Description | (Rs in million) | | | | |
|--|------------------------------------|--|------------------------------------|------------------------------|------------------------------|
| | Six months ended March 31, 2020 | Six months ended September 30, 2019 | Six months ended March 31, 2019 | Year ended March 31, 2020 | Year ended March 31, 2019 |
| Profit/(loss) after tax as per profit and loss account (A) | (194.79) | (90.83) | (306.44) | (285.62) | (571.14) |
| Add: Depreciation, impairment and amortisation | 352.83 | 354.21 | 353.23 | 707.04 | 708.48 |
| Add/Less: Decrease/(increase) in working capital | (10.31) | (70.10) | 48.37 | (80.41) | (9.33) |
| Add: Interest accrued on loan/non-convertible debentures issued to IndiGrid or SGL1 | 653.87 | 651.28 | 647.72 | 1,305.15 | 1,298.27 |
| 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; | - | - | - | - | - |
| -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 | 0.08 | (0.90) | (0.02) | (0.82) | (0.09) |
| 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 interest free loan or other debentures; | - | - | - | - | - |
| -portion reserve for major maintenance which has not been accounted for in profit and loss statement; | - | - | - | - | - |
| Amortization of Upfront fees | 2.02 | 2.09 | 4.37 | 4.10 | 4.37 |
| Loss on account of MTM of F/W & ECB | 45.82 | 17.03 | 125.66 | 62.85 | 113.78 |
| Non Cash Income - Reversal of Prepayment penalty | - | - | - | - | - |
| -reserve for debenture/ loan redemption (Excluding any reserve required by any law or as per lender's agreement) | - | - | - | - | - |
| 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 | (40.70) | (80.25) | (314.19) | (120.95) | (622.10) |
| Total Adjustments (B) | 1,003.61 | 873.36 | 865.14 | 1,876.96 | 1,493.38 |
| Net Distributable Cash Flows (C)=(A+B) | 808.82 | 782.53 | 558.70 | 1,591.34 | 922.24 |

Note: During the year, an amount of Rs. 1,522.43 million (being at least 90%) has already been distributed to IndiGrid.

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

(Rs in million)

| Description | Six months ended March 31, 2020 | Six months ended September 30, 2019 | Six months ended March 31, 2019 | Year ended March 31, 2020 | Year ended March 31, 2019 |
|--|------------------------------------|--|------------------------------------|------------------------------|------------------------------|
| Profit/(loss) after tax as per profit and loss account (A) | (988.11) | (115.38) | (578.48) | (1,103.49) | (1,147.58) |
| Add: Depreciation, impairment and amortisation | 389.68 | (424.11) | 442.62 | (34.43) | 899.69 |
| Add/Less: Decrease/(increase) in working capital | (9.63) | 147.04 | 36.70 | 137.41 | (95.22) |
| Add: Interest accrued on loan/non-convertible debentures issued to IndiGrid or SGL1 | 1,295.05 | 1,246.63 | 992.89 | 2,541.68 | 1,905.14 |
| 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; | - | - | - | - | - |
| -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 | (1.12) | (19.96) | - | (21.08) | - |
| 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 interest free loan or other debentures; | - | - | - | - | - |
| -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) | - | - | - | - | - |
| 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) | 1,673.98 | 949.60 | 1,472.21 | 2,623.58 | 2,709.61 |
| Net Distributable Cash Flows (C)=(A+B) | 685.87 | 834.22 | 893.73 | 1,520.09 | 1,562.03 |

Note: During the year, an amount of Rs. 1,604.92 million (being at least 90%) has already been distributed to IndiGrid.

(iv) RAPP Transmission Company Limited (RTCL) (SPV)

(Rs in million)

| Description | Six months ended March 31, 2020 | Six months ended September 30, 2019 | Six months ended March 31, 2019 | Year ended March 31, 2020 | Year ended March 31, 2019 |
|--|------------------------------------|--|------------------------------------|------------------------------|------------------------------|
| Profit/(loss) after tax as per profit and loss account (A) | 12.27 | 15.12 | 15.14 | 27.39 | (7.29) |
| Add: Depreciation, impairment and amortisation | 42.84 | 42.82 | 42.71 | 85.66 | 85.67 |
| Add/Less: Decrease/(increase) in working capital | (7.93) | (23.44) | 233.02 | (31.37) | 184.30 |
| Add: Interest accrued on loan/non-convertible debentures issued to IndiGrid or SGL1 | 168.12 | 177.05 | 190.18 | 345.17 | 381.90 |
| 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; | - | - | - | - | - |
| -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 | - | - | - | - | - |
| 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 interest free loan or other debentures; | - | - | - | - | - |
| -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) | - | - | - | - | - |
| 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) | 203.03 | 196.43 | 465.91 | 399.46 | 651.87 |
| Net Distributable Cash Flows (C)=(A+B) | 215.30 | 211.55 | 481.05 | 426.85 | 644.58 |

Note: During the year, an amount of Rs. 477.41 million (being at least 90%) has already been distributed to IndiGrid.

(v) Purulia & Kharagpur Transmission Company Limited (PKTCL)(SPV)

(Rs in million)

| Description | Six months ended March 31, 2020 | Six months ended September 30, 2019 | Six months ended March 31, 2019 | Year ended March 31, 2020 | Year ended March 31, 2019 |
|--|------------------------------------|--|------------------------------------|------------------------------|------------------------------|
| Profit/(loss) after tax as per profit and loss account (A) | (10.03) | (11.16) | (14.90) | (21.19) | (36.47) |
| Add: Depreciation, impairment and amortisation | 71.44 | 71.45 | 71.26 | 142.89 | 142.91 |
| Add/Less: Decrease/(increase) in working capital | (3.73) | 3.86 | 12.95 | 0.13 | (72.02) |
| Add: Interest accrued on loan/non-convertible debentures issued to IndiGrid or SGL1 | 292.80 | 299.89 | 298.26 | 592.69 | 598.15 |
| 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; | - | - | - | - | - |
| -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 | - | - | - | - | - |
| 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 interest free loan or other debentures; | - | - | - | - | - |
| -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) | - | - | - | - | - |
| 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) | 360.51 | 375.20 | 382.47 | 735.71 | 669.04 |
| Net Distributable Cash Flows (C)=(A+B) | 350.48 | 364.04 | 367.57 | 714.52 | 632.57 |

Note: During the year, an amount of Rs. 755.39 million (being at least 90%) has already been distributed to IndiGrid.

(vi) Maheshwaram Transmission Limited (MTL)(SPV)

(Rs in million)

| Description | Six months ended March 31, 2020 | Six months ended September 30, 2019 | Six months ended March 31, 2019 | Year ended March 31, 2020 | Year ended March 31, 2019 |
|--|------------------------------------|--|------------------------------------|------------------------------|------------------------------|
| Profit/(loss) after tax as per profit and loss account (A) | (71.07) | (74.97) | (81.80) | (146.04) | (155.22) |
| Add: Depreciation, impairment and amortisation | 60.89 | 60.89 | 60.74 | 121.78 | 121.78 |
| Add/Less: Decrease/(increase) in working capital | (5.82) | (2.39) | 10.65 | (8.21) | (15.12) |
| Add: Interest accrued on loan/non-convertible debentures issued to IndiGrid or SGL1 | 284.29 | 284.29 | 281.24 | 568.58 | 562.52 |
| 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; | - | - | - | - | - |
| -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 | - | - | - | - | - |
| 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 interest free loan or other debentures; | - | - | - | - | - |
| -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) | - | - | - | - | - |
| 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) | 339.36 | 342.79 | 352.63 | 682.15 | 669.18 |
| Net Distributable Cash Flows (C)=(A+B) | 268.29 | 267.82 | 270.83 | 536.11 | 513.96 |

Note: During the year, an amount of Rs. 574.97 million (being at least 90%) has already been distributed to IndiGrid.

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

(Rs in million)

| Description | Six months ended March 31, 2020 | Six months ended September 30, 2019 | Six months ended March 31, 2019 | Year ended March 31, 2020 | August 30, 2018* to March 31, 2019 |
|--|------------------------------------|--|------------------------------------|------------------------------|---------------------------------------|
| Profit/(loss) after tax as per profit and loss account (A) (pertaining to period post acquisition by IndiGrid) | (83.12) | (85.02) | (177.38) | (168.14) | (183.29) |
| Add: Depreciation, impairment and amortisation | 102.79 | 102.79 | 181.25 | 205.58 | 184.36 |
| Add/Less: Decrease/(increase) in working capital | (0.92) | (7.02) | (1.39) | (7.94) | 5.55 |
| Add: Interest accrued on loan/non-convertible debentures issued to IndiGrid or SGL1 | 117.50 | 119.21 | 118.56 | 236.71 | 139.97 |
| 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; | - | - | - | - | - |
| -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 | - | - | - | - | - |
| Add/less: Any other item of non-cash expense / non cash income (net of actual cash flows for these items) | - | - | 2.37 | - | - |
| -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 interest free loan or other debentures; | - | - | - | - | - |
| -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) | - | - | - | - | - |
| 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) | 219.38 | 214.98 | 300.79 | 434.35 | 329.88 |
| Net Distributable Cash Flows (C)=(A+B) | 136.26 | 129.96 | 123.41 | 266.21 | 146.58 |

* Being the date of acquisition of PTCL by IndiGrid.

Note: During the year, an amount of Rs. 274.08 million (being at least 90%) has already been distributed to IndiGrid.

(viii) Sterlite Grid 2 Limited (SGL2) (Holdco)

(Rs in million)

| Description | Six months ended March 31, 2020 | June 04, 2019* to September 30, 2019 (refer note 3) | June 04, 2019* to March 31, 2020 (refer note 3) |
|--|------------------------------------|---|---|
| Profit/(loss) after tax as per profit and loss account (A) (pertaining to period post acquisition by IndiGrid) | (86.46) | (42.91) | (129.37) |
| Add: Depreciation, impairment and amortisation | 254.03 | (254.03) | - |
| Add/Less: Decrease/(increase) in working capital | (335.31) | 42.47 | (292.84) |
| Add: Interest accrued on loan/non-convertible debentures issued to IndiGrid or SGL1 | 127.71 | - | 127.71 |
| 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; | - | - | - |
| -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 | - | - | - |
| 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 interest free loan or other debentures; | - | - | - |
| -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) | - | - | - |
| 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) | 46.43 | (211.56) | (165.13) |
| Net Distributable Cash Flows (C)=(A+B) | (40.03) | (254.47) | (294.50) |

* Being the date of acquisition of SGL2 by IndiGrid.

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

(Rs in million)

| Description | Six months ended March 31, 2020 | June 04, 2019* to September 30, 2019 (refer note 3) | June 04, 2019* to March 31, 2020 (refer note 3) |
|--|------------------------------------|---|---|
| Profit/(loss) after tax as per profit and loss account (A) (pertaining to period post acquisition by IndiGrid) | 269.26 | 329.38 | 598.65 |
| Add: Depreciation, impairment and amortisation | 414.43 | 269.50 | 683.93 |
| Add/Less: Decrease/(increase) in working capital | (32.08) | (424.03) | (456.11) |
| Add: Interest accrued on loan/non-convertible debentures issued to IndiGrid or SGL1 | 2,071.59 | 1,413.02 | 3,484.61 |
| 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; | - | - | - |
| -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 | - | (3.17) | (3.17) |
| 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; | (95.30) | - | (95.30) |
| -unwinding of Interest cost on interest free loan or other debentures; | - | - | - |
| -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) | - | - | - |
| 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) | 2,358.64 | 1,255.32 | 3,613.96 |
| Net Distributable Cash Flows (C)=(A+B) | 2,627.90 | 1,584.70 | 4,212.61 |

* Being the date of acquisition of NTL by IndiGrid.

Note: During the year, an amount of Rs. 4,222.95 million (being at least 90%) has already been distributed to IndiGrid.

(x) Sterlite Grid 3 Limited (SGL3) (Holdco)

(Rs in million)

| Description | Six months ended March 31, 2020 | June 28, 2019* to September 30, 2019 (refer note 3) | June 28, 2019* to March 31, 2020 (refer note 3) |
|--|------------------------------------|---|---|
| Profit/(loss) after tax as per profit and loss account (A) (pertaining to period post acquisition by IndiGrid) | (45.75) | 831.27 | 785.52 |
| Add: Depreciation, impairment and amortisation | 895.96 | (895.96) | - |
| Add/Less: Decrease/(increase) in working capital | 0.73 | 0.23 | 0.96 |
| Add: Interest accrued on loan/non-convertible debentures issued to IndiGrid or SGL1 | 44.80 | 64.40 | 109.20 |
| 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; | - | - | - |
| -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 | - | - | - |
| 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 interest free loan or other debentures; | - | - | - |
| -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) | - | - | - |
| 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) | 941.49 | (831.33) | 110.16 |
| Net Distributable Cash Flows (C)=(A+B) | 895.74 | (0.06) | 895.68 |

* Being the date of acquisition of SGL3 by IndiGrid.

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

(Rs in million)

| Description | Six months ended March 31, 2020 | June 28, 2019* to September 30, 2019 (refer note 3) | June 28, 2019* to March 31, 2020 (refer note 3) |
|--|------------------------------------|---|---|
| Profit/(loss) after tax as per profit and loss account (A) (pertaining to period post acquisition by IndiGrid) | (97.67) | 724.12 | 626.45 |
| Add: Depreciation, impairment and amortisation | 203.90 | (632.66) | (428.76) |
| Add/Less: Decrease/(increase) in working capital | 50.49 | (126.26) | (75.77) |
| Add: Interest accrued on loan/non-convertible debentures issued to IndiGrid or SGL1 | 444.91 | 176.65 | 621.56 |
| 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; | - | - | - |
| -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 | - | 0.11 | 0.11 |
| 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 interest free loan or other debentures; | - | - | - |
| -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) | - | - | - |
| 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) | 699.30 | (582.16) | 117.14 |
| Net Distributable Cash Flows (C)=(A+B) | 601.63 | 141.96 | 743.59 |

* Being the date of acquisition of OGPTL by IndiGrid.

Note: During the year, an amount of Rs. 667.95 million (being at least 90%) has already been distributed to IndiGrid.

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

(Rs in million)

| Description | March 24, 2020* to March 31, 2020 (refer note 3) |
|--|--|
| Profit/(loss) after tax as per profit and loss account (A) (pertaining to period post acquisition by IndiGrid) | 0.65 |
| Add: Depreciation, impairment and amortisation | 12.27 |
| Add/Less: Decrease/(increase) in working capital | 14.69 |
| Add: Interest accrued on loan/non-convertible debentures issued to IndiGrid or SGL1 | - |
| 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; | - |
| -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 | - |
| 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 interest free loan or other debentures; | - |
| -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) | - |
| 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) | 26.96 |
| Net Distributable Cash Flows (C)=(A+B) | 27.61 |

* Being the date of acquisition of ENICL by IndiGrid.

Note: During the year, an amount of Rs. 26.39 million (being at least 90%) has already been distributed to IndiGrid.

C) **Contingent liabilities**

| Particulars | As at March 31, 2020 | As at September 30, 2019 | As at March 31, 2019 |
|---------------------|----------------------|--------------------------|----------------------|
| - Entry tax demand* | 411.24 | 409.91 | 410.20 |
| - Sales tax demand* | 24.66 | 129.00 | 104.34 |
| Total | 435.90 | 538.91 | 514.54 |

* The total contingent liability is recoverable from SPGVL as per share purchase agreement.

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 Rs. 138.75 million (September 30, 2019: Rs. 138.75 million; March 31, 2019: Rs. 138.70 million) pertains to Jabalpur Transmission Company Limited ('JTCL'), Rs. 165.81 million (September 30, 2019: Rs. 165.80 million; March 31, 2019: Rs. 165.80 million) pertains to Bhopal Dhule Transmission Company Limited ('BDTCL') and Rs. 13.30 million (September 30, 2019: Rs. 13.30 million; March 31, 2019: Rs. 13.30 million) pertains to RAPP Transmission Company Limited ('RTCL') which is pending with High Court, Jabalpur.

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 Rs. 1.33 million (September 30, 2019: Rs. Nil million; March 31, 2019: Rs. Nil million) pertains to Bhopal Dhule Transmission Company Limited ('BDTCL') which is pending with Commissioner (Appeals).

Entry tax cases includes disputes pertaining to demand of entry tax on movement of capital goods in the state of Chhattisgarh. The total demand Rs. 92.05 million (September 30, 2019: Rs. 92.06 million; March 31, 2019: Rs. 92.04 million) pertains to Jabalpur Transmission Company Limited ('JTCL') out of which Rs. 51.55 (September 30, 2019: Rs. 51.55 million; March 31, 2019: Rs. 51.55 million) is pending with the Chhattisgarh High Court and Rs. 40.50 (September 30, 2019: Rs. 40.50 million; March 31, 2019: Rs. 40.48 million) is pending with Chairman Chhattisgarh Commercial tax Tribunal, Raipur (C.G.).

Sales tax demand of Rs 24.66 million (September 30, 2019: Rs. 24.66 million; March 31, 2019: Rs. Nil million) for Sterlite Grid 1 Limited (SG1L) pertains to demand under Delhi VAT Act, 2004 for non-submission of C Forms for the year 2014-15. The Group has filed an objection against the order with Assistant Commissioner of Delhi VAT Authorities.

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

During the year, one of the vendor involved in construction of power transmission infrastructure has filed arbitration proceedings against East-North Interconnection Company Limited ('ENICL') in relation to turnkey construction contract executed by it earlier years which is pending before Arbitral Tribunal. Pursuant to share purchase agreement dated 23 March 2020, the Group has obtained corporate guarantee of INR 500 million from SPGVL in respect of said arbitration. Further, all cost, expenses, liabilities and taxes with respect to the arbitration will be to the sole account of SPGVL. The Group management doesn't expect the claim to succeed and accordingly no provision for the contingent liability has been recognised in the consolidated financial statements.

D) **Statement of Commitments**

(a) The Group has entered into a Framework agreement on 30 April 2019 with Sterlite Grid Ventures Limited ('SPGVL') for acquisition of Gurgaon-Palwal Transmission Limited ('GPTL'), NER II Transmission Limited ('NER') and Khargone Transmission Limited ('KTL'). The board of directors of Sterlite Investment Managers Limited and unit holders of India Grid Trust have approved acquisition of GPTL on April 08, 2020 and May 09, 2020 respectively.

(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. The cash outflows relating to leases have not yet commenced.

E) **Statement of Earnings per unit:**

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

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.

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

| Particulars | Six months ended March 31, 2020 | Six months ended September 30, 2019 | Six months ended March 31, 2019 | Year ended March 31, 2020 | Year ended March 31, 2019 |
|--|---------------------------------|-------------------------------------|---------------------------------|---------------------------|---------------------------|
| Profit after tax for calculating basic and diluted EPU | 2,315.12 | 2,742.08 | 890.68 | 5,057.20 | 1,539.14 |
| Weighted average number of units in calculating basic EPU (No. in million) | 583.49 | 524.53 | 283.80 | 554.01 | 283.80 |
| Effect of dilution: | | | | | |
| Estimated units to be issued to Sponsor/Project manager^ (No. in million) | - | - | 3.75 | - | 5.40 |
| Weighted average number of units in calculating diluted EPU (No. in million) | 583.49 | 524.53 | 287.55 | 554.01 | 289.20 |
| Earnings Per Unit | | | | | |
| Basic (Rupees/unit) | 3.97* | 5.23* | 3.14* | 9.13 | 5.42 |
| Diluted (Rupees/unit) | 3.97* | 5.23* | 3.10* | 9.13 | 5.32 |

^ units issuable pursuant to the Project Implementation and Management Agreement dated November 10, 2016 as amended, towards the additional transmission charges as approved by CERC for the additional expenditure incurred by * not annualised

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

Sterlite Power Grid Ventures Limited (SPGVL)
Esoteric II Pte. Ltd (from May 04, 2019)

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

(a) Parties to IndiGrid

Sterlite Power Grid Ventures Limited (SPGVL) - Sponsor and Project Manager of IndiGrid (refer note 14)
Sterlite Investment Managers Limited (SIML) - Investment Manager of IndiGrid (refer note 15)
Axis Trustee Services Limited (ATSL) - Trustee of IndiGrid

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

Sterlite Power Transmission Limited- Promoter of SIML* (refer note 15)
Sterlite Power Transmission Limited- Promoter of SPGVL
Axis Trustee Limited- Promoter of ATSL
Electron IM Pte. Ltd.- Promoter of SIML (refer note 15)

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

(i) Directors of SPGVL:

Pravin Agarwal
Pratik Agarwal
A. R. Narayanaswamy
Avaantika Kakkar
Ved Mani Tiwari
Arun Tadarwal Lalchand (from July 22, 2019)
Zhao Haixia (from September 11, 2019)

(ii) Directors of SIML:

Pratik Agarwal
Kuldip Kumar Kaura (till June 07, 2019)
Tarun Kataria
Shashikant Bhojani
Rahul Asthana
Harsh Shah (whole time director)
Sanjay Omprakash Nayar (from June 07, 2019)

(iii) Directors of ATSL:

Srinivasan Varadarajan (till December 20, 2018)
Ram Bharoseylal Vaish (till November 08, 2019)
Sidharth Rath (till June 01, 2018)
Rajaraman Viswanathan (till October 10, 2018)
Raghuraman Mahalingam (till September 30, 2018)
Raiesh Kumar Dahiya (from July 11, 2018)
Sanjay Sinha (from October 10, 2018)
Ganesh Sankaran (from April 18, 2019)

(iv) Relative of directors mentioned above:

Sonakshi Agarwal
Jyoti Agarwal
Sujata Asthana

(v) Firm in which director of sponsor is partner:

Cyril Amarchand Mangaldas

III. Transactions with related parties during the period

(Rs in million)

| Sr. No. | Particulars | Relation | Six months ended March 31, 2020 | Six months ended September 30, 2019 | Six months ended March 31, 2019 | Year ended March 31, 2020 | Year ended March 31, 2019 |
|---------|--|---|--|--|---|--|---|
| 1 | Purchase of equity shares of SGL2 Sterlite Power Grid Ventures Limited | Sponsor and Project Manager/Entity with significant influence | (17.56) | 12,644.22 | - | 12,626.66 | - |
| 2 | Purchase of equity shares of SGL3 Sterlite Power Grid Ventures Limited | Sponsor and Project Manager/Entity with significant influence | 52.40 | 465.91 | - | 518.31 | - |
| 3 | Purchase of loan to SGL3 Sterlite Power Grid Ventures Limited | Sponsor and Project Manager/Entity with significant influence | - | 2,289.49 | - | 2,289.49 | - |
| 4 | Purchase of equity shares of ENICL Sterlite Power Grid Ventures Limited Sterlite Power Transmission Limited | Sponsor and Project Manager/Entity with significant influence Promoter of project manager | 1,259.46 29.09 | - - | - - | 1,259.46 29.09 | - - |
| 5 | Purchase of loan to ENICL Sterlite Power Grid Ventures Limited | Sponsor and Project Manager/Entity with significant influence | 587.00 | - | - | 587.00 | - |
| 6 | Received towards indemnification of liabilities Sterlite Power Grid Ventures Limited# | Sponsor and Project Manager/Entity with significant influence | 21.13 | 25.23 | 53.47 | 46.36 | 53.47 |
| 7 | Issue of unit capital Sterlite Power Grid Ventures Limited Esoteric II Pte. Ltd | Sponsor and Project Manager/Entity with significant influence Entity with significant influence over the Trust | - - | 2,300.13 11,412.04 | - - | 2,300.13 11,412.04 | - - |
| 8 | Purchase of projected assets in earlier years Sterlite Grid 2 Limited | Subsidiary of Sponsor | - | - | 252.80 | - | 252.80 |
| 9 | Project Manager Fees Sterlite Power Grid Ventures Limited | Sponsor and Project Manager | 31.99 | 31.67 | 19.95 | 63.66 | 39.54 |
| 10 | Investment Manager Fees Sterlite Investment Managers Limited | Investment Manager | 131.28 | 107.51 | 67.11 | 238.79 | 130.53 |
| 11 | Distribution to unit holders Sterlite Power Grid Ventures Limited Esoteric II Pte. Ltd Pravin Agarwal Pratik Agarwal Harsh Shah Sonakshi Agarwal Jyoti Agarwal Sujata Asthana Arun Todarwal A. R. Narayanaswamy | Sponsor and Project Manager Entity with significant influence over the Trust Director of Sponsor Director of Sponsor and Investment Manager Whole time director of Investment Manager Relative of director Relative of director Relative of director Director of Sponsor Director of Sponsor | 525.29 816.21 - 2.20 0.06 0.09 0.12 0.28 - 0.09 | 443.03 408.11 3.06 2.20 0.06 0.09 0.12 0.40 0.06 0.06 | 356.38 - 6.12 - 0.06 - - - - - | 968.32 1,224.32 3.06 4.41 0.12 0.18 0.24 0.67 0.06 0.15 | 709.20 - 11.60 1.22 0.06 - - - - - |
| 12 | Purchase of Project stores Sterlite Power Transmission Limited | Promoter of project manager | 0.58 | 5.09 | 7.91 | 5.67 | 7.91 |
| 13 | Sale of Plant and Machinery Sterlite Power Transmission Limited | Promoter of project manager | - | - | 9.44 | - | 9.44 |
| 14 | Trustee fee Axis Trustee Services Limited (ATSL) | Trustee | 1.18 | 1.18 | 1.10 | 2.36 | 2.16 |
| 15 | Rent Sterlite Power Transmission Limited | Promoter of project manager | - | 1.18 | - | 1.18 | - |
| 16 | Legal and professional services taken Cyril Amarchand Mangaldas | Firm in which director of sponsor is partner | 21.27 | 5.35 | - | 26.62 | - |

IV. Outstanding balances

(Rs in Millions)

| Sr. No. | Particulars | Relation | As at March 31, 2020 | As at September 30, 2019 | As at March 31, 2019 |
|---------|--|---|----------------------|--------------------------|----------------------|
| 1 | Project Manager fees payable Sterlite Power Grid Ventures Limited | Sponsor and Project Manager | 29.39 | 37.80 | 18.25 |
| 2 | Investment Manager fees payable Sterlite Investment Managers Limited | Investment Manager | 125.13 | 101.37 | 61.42 |
| 3 | Purchase of project stores Sterlite Power Transmission Limited | Promoter of project manager | - | - | 0.69 |
| 4 | Sale of plant and machinery Sterlite Power Transmission Limited | Promoter of project manager | - | - | 7.44 |
| 5 | Payable towards project acquired Sterlite Power Grid Ventures Limited | Sponsor and Project Manager/Entity with significant influence | 1,925.09 | 1,451.99 | - |
| 6 | Management fees payable Sterlite Power Grid Ventures Limited | Sponsor and Project Manager/Entity with significant influence | 2.52 | 2.44 | - |
| 7 | Payable for purchase of property, plant and equipment Sterlite Power Grid Ventures Limited | Sponsor and Project Manager/Entity with significant influence | 23.83 | 265.86 | - |
| 8 | Legal and professional services taken Cyril Amarchand Mangaldas | Firm in which director of sponsor is partner | 5.18 | - | - |

* During the year, Electron IM Pte. Ltd. purchased 40% stake in Sterlite Investment Managers Limited (SIML) from Sterlite Power Transmission Limited post which Electron IM Pte. Ltd. holds 60% of stake in SIML.
During the year, the Sponsor has paid to IndiGrid towards deposits paid by IndiGrid for tax litigations for which the Sponsor is liable.

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 financial year ended March 31, 2020: Refer disclosure below:

For the financial year ended March 31, 2019: No acquisition of InvIT assets from related parties during the year.

(A) Summary of the valuation reports (issued by the independent valuer appointed under the InvIT Regulations):

| Particulars | (Rs in million) | | |
|--------------------------|----------------------|--------|--------|
| | NTL | OGPTL | ENICL |
| Enterprise value | 41,626 | 12,840 | 11,355 |
| Method of valuation | Discounted Cash Flow | | |
| Discounting rate (WACC): | 8.12% | 8.42% | 8.77% |

(B) Material conditions or obligations in relation to the transactions:

Acquisition of NRSS XXIX Transmission Limited (NTL) (through acquisition of Sterlite Grid 2 Limited):

Pursuant to the share purchase agreements dated April 30, 2019 ("SPA") executed among Sterlite Power Grid Ventures Limited, Axis Trustee Services Limited, Sterlite Investment Managers Limited, Sterlite Grid 2 Limited and NRSS XXIX Transmission Limited for acquisition of equity stake in NTL. The Group has acquired 100% of equity in Sterlite Grid 2 Limited which is the holding company of NTL.

The acquisition of NTL and SG2L was financed by money raised through Qualified Institutional Placement (QIP) of Rs. 25,140 million and from issue of Non-Convertible Debentures of Rs. 21,000 million (rate of interest- 8.60% to 9.10%) by IndiGrid. No fees or commission were received/to be received by any associate of the related party in relation to the transaction.

Acquisition of Odisha Generation Phase-II Transmission Limited (OGPTL) (through acquisition of Sterlite Grid 3 Limited):

Pursuant to the share purchase agreements dated April 30, 2019 as amended on June 28, 2019 ("SPA") executed among Sterlite Power Grid Ventures Limited, Axis Trustee Services Limited, Sterlite Investment Managers Limited, Sterlite Grid 3 Limited and Odisha Generation Phase-II Transmission Limited for acquisition of equity stake in OGPTL. The Group has acquired 100% of equity in Sterlite Grid 3 Limited which is the holding company of OGPTL.

The acquisition of OGPTL and SG3L were financed by issue of Non-Convertible Debentures of Rs. 21,000 million (rate of interest- 8.60% to 9.10%) by IndiGrid. No fees or commission were received/to be received by any associate of the related party in relation to the transaction.

Acquisition of East-North Interconnection Company Limited (ENICL):

Pursuant to the share purchase agreements dated March 23, 2020 ("SPA") executed among Sterlite Power Grid Ventures Limited, Axis Trustee Services Limited, Sterlite Investment Managers Limited, Sterlite Power Transmission Limited and East-North Interconnection Limited ("ENICL") for acquisition of equity stake in ENICL. IndiGrid has acquired 49% of equity in ENICL.

The acquisition of ENICL was financed by money raised through Qualified Institutional Placement (QIP) of Rs. 25,140 million by IndiGrid and from issue of Non-Convertible Debentures of Rs. 22,750 million (rate of interest- 8.40% to 9.10%) by IndiGrid and from internal accruals during the year. No fees or commission were received/to be received by any associate of the related party in relation to the transaction.

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

HARSH
DINESH
SHAH

Harsh Shah
CEO & Whole Time Director
DIN: 02496122

Place: Mumbai
Date: May 27, 2020

| Additional disclosure as per SEBI circular SEBI/HO/DDHS/DDHS/CIR/P/2019/59 dated April 23, 2019 | | |
|--|-----------------------------|-----------|
| A. | Debt equity ratio | 1.27 |
| B. | Debt service coverage ratio | 2.78 |
| C. | Interest coverage ratio | 2.98 |
| D. | Asset cover ratio | 1.69 |
| E. | Net worth (Rs. in Million) | 50,486.25 |

INDIA GRID TRUST
BALANCE SHEET AS AT 31 MARCH 2020
(All amounts in Rs. million unless otherwise stated)

| | Notes | 31 March 2020 (Rs. in million) | 31 March 2019 (Rs. in million) |
|---|-------|-----------------------------------|-----------------------------------|
| ASSETS | | | |
| Non-current assets | | | |
| Investment in subsidiaries | 3 | 15,169.05 | 735.53 |
| Financial assets | | | |
| i. Investments | 4 | 3,314.99 | 5,338.62 |
| ii. Loans | 5 | 70,713.80 | 37,064.04 |
| | | 89,197.84 | 43,138.19 |
| Current assets | | | |
| Financial assets | | | |
| i. Cash and cash equivalents | 7 | 2,128.83 | 1,290.23 |
| ii. Bank balances other than (i) above | 8 | 798.90 | - |
| iii. Loans | 5 | 560.61 | - |
| iv. Other current financial assets | 6 | 331.49 | 462.06 |
| | | 3,819.83 | 1,752.29 |
| Total Assets | | 93,017.67 | 44,890.48 |
| EQUITY AND LIABILITIES | | | |
| Equity | | | |
| Unit capital | 9 | 53,145.69 | 28,380.00 |
| Other equity | 10 | (1,713.72) | (519.17) |
| Retained earnings / (accumulated deficit) | | | |
| Total Unit holders' equity | | 51,431.97 | 27,860.83 |
| Non-current liabilities | | | |
| Financial liabilities | | | |
| i. Borrowings | 11 | 39,482.21 | 16,795.46 |
| ii. Other financial liabilities | 12 | - | 156.72 |
| | | 39,482.21 | 16,952.18 |
| Current liabilities | | | |
| Financial liabilities | | | |
| i. Other financial liabilities | 12 | 2,090.33 | 74.96 |
| Other current liabilities | 13 | 9.06 | 2.44 |
| Current tax liability | 14 | 4.10 | 0.07 |
| | | 2,103.49 | 77.47 |
| Total liabilities | | 41,585.70 | 17,029.65 |
| Total equity and liabilities | | 93,017.67 | 44,890.48 |

Summary of significant accounting policies 2.2

The accompanying notes are an integral part of the financial statements.

As per our report of even date

For S R B C & Co LLP
Chartered Accountants
Firm Registration No. 324982E/E300003

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

per Arvind Sethi
Partner
Membership Number : 089802
Place : Pune
Date : 27 May 2020

Harsh Shah
CEO & Whole Time Director
DIN: 02496122
Place : Mumbai
Date : 27 May 2020

Swapnil Patil
Company Secretary
Place : Mumbai
Date : 27 May 2020

INDIA GRID TRUST
STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31 MARCH 2020
(All amounts in Rs. million unless otherwise stated)

| | Notes | 31 March 2020 (Rs. in million) | 31 March 2019 (Rs. in million) |
|---|-------|-----------------------------------|-----------------------------------|
| INCOME | | | |
| Revenue from operations | 15 | 10,554.10 | 5,525.07 |
| Income from investment in mutual funds | | 97.44 | 10.52 |
| Interest income on investment in fixed deposits | | 80.22 | 16.72 |
| Other income | | - | 0.23 |
| Total income (I) | | 10,731.76 | 5,552.54 |
| EXPENSES | | | |
| Legal and professional fees | | 97.90 | 74.99 |
| Annual listing fee | | 6.30 | 3.80 |
| Rating fee | | 34.74 | 6.15 |
| Valuation expenses | | 4.89 | 3.70 |
| Trustee fee | | 3.46 | 2.16 |
| Payment to auditors | | | |
| - Statutory audit | | 2.36 | 2.36 |
| - Tax audit fees | | 0.24 | 0.24 |
| - Other services (including certification) | | - | 3.02 |
| Other expenses | | 8.50 | 5.17 |
| Finance costs | 16 | 2,980.99 | 1,015.45 |
| Impairment of investments in subsidiary | 18 | 2,627.22 | 2,316.84 |
| Total expenses (II) | | 5,766.60 | 3,433.88 |
| Profit before tax (I) - (II) | | 4,965.16 | 2,118.66 |
| Tax expense | | | |
| Current tax | | 56.96 | 6.08 |
| Income tax for earlier years | | - | 0.16 |
| Profit for the year | | 4,908.20 | 2,112.42 |
| 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 for the year | | 4,908.20 | 2,112.42 |
| Earnings per unit (Computed on the basis of profit for the year (Rs.)) | 17 | | |
| Basic | | 8.86 | 7.44 |
| Diluted | | 8.86 | 7.30 |
| Summary of significant accounting policies | 2.2 | | |

The accompanying notes are an integral part of the standalone financial statements.

As per our report of even date

For S R B C & Co LLP
Chartered Accountants
Firm Registration No. 324982E/E300003

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

per Arvind Sethi
Partner
Membership Number : 089802
Place : Pune
Date : 27 May 2020

Harsh Shah
CEO & Whole Time Director
DIN: 02496122
Place : Mumbai
Date : 27 May 2020

Swapnil Patil
Company Secretary
Place : Mumbai
Date : 27 May 2020

INDIA GRID TRUST
STATEMENT OF CHANGES IN UNIT HOLDERS' EQUITY FOR THE YEAR ENDED 31 MARCH 2020
 (All amounts in Rs. million unless otherwise stated)

A. Unit capital

| | Nos. in million | Rs. in million |
|---|-----------------|------------------|
| Balance as at 1 April 2018 | 283.80 | 28,380.00 |
| Units issued during the year | - | - |
| Balance as at 31 March 2019 | 283.80 | 28,380.00 |
| Units issued during the year (refer note 9) | 299.69 | 25,140.48 |
| Issue expenses (refer note 9) | - | (374.79) |
| Balance as at 31 March 2020 | 583.49 | 53,145.69 |

B. Other equity

| | (Rs. in million) | |
|---|---|--------------------|
| | Retained earnings /(accumulated deficit) | Total other equity |
| As at 1 April 2018 | 774.00 | 774.00 |
| Profit for the year | 2,112.42 | 2,112.42 |
| Other comprehensive income | - | - |
| Less: Distribution during the year (refer note below) | (3,405.59) | (3,405.59) |
| As at 31 March 2019 | (519.17) | (519.17) |
| Profit for the year | 4,908.20 | 4,908.20 |
| Other comprehensive income | - | - |
| Less: Distribution during the year (refer note below) | (6,102.75) | (6,102.75) |
| As at 31 March 2020 | (1,713.72) | (1,713.72) |

Note:

The distribution relates to the distributions made during the financial year along with the distribution related to the last quarter of FY 2018-19 and does not include the distribution relating to the last quarter of FY 2019-20 which will be paid after 31 March 2020.

The distributions made by IndiGrid to its unitholders are based on the Net Distributable Cash Flows (NDCF) of IndiGrid under the InvIT Regulations and hence part of the same includes repayment of capital as well.

As per our report of even date

For S R B C & Co LLP
 Chartered Accountants
 Firm Registration No. 324982E/E300003

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

per Arvind Sethi
 Partner
 Membership Number : 089802
 Place : Pune
 Date : 27 May 2020

Harsh Shah
 CEO & Whole Time Director
 DIN: 02496122
 Place : Mumbai
 Date : 27 May 2020

Swapnil Patil
 Company Secretary
 Place : Mumbai
 Date : 27 May 2020

INDIA GRID TRUST
CASH FLOW STATEMENT FOR THE YEAR ENDED 31 MARCH 2020
(All amounts in Rs. million unless otherwise stated)

| | 31 March 2020 (Rs. in million) | 31 March 2019 (Rs. in million) |
|--|-----------------------------------|-----------------------------------|
| A. Cash flow from operating activities | | |
| Net profit as per statement of profit and loss | 4,908.20 | 2,112.42 |
| Adjustment for taxation | 56.96 | 6.24 |
| Profit before tax | 4,965.16 | 2,118.66 |
| Non-cash adjustment to reconcile profit before tax to net cash flows | | |
| Interest income on non convertible debentures | (603.59) | (638.62) |
| Impairment of investment in subsidiary | 2,627.22 | 2,316.84 |
| Finance costs | 2,980.99 | 1,015.45 |
| Interest income on loans given to subsidiaries | (9,950.51) | (4,886.45) |
| Income from investment in mutual fund | (97.44) | (10.52) |
| Interest income on investment in fixed deposits | (80.22) | (16.72) |
| Operating loss before working capital changes | (158.39) | (101.36) |
| Movements in working capital : | | |
| Increase/(decrease) in other current financial liabilities | 80.20 | 13.78 |
| Increase/(decrease) in other current liabilities | 6.62 | 0.09 |
| Decrease/(increase) in other current financial asset | 13.39 | (7.96) |
| Decrease/(increase) in other current assets | - | 0.02 |
| Change in working capital | 100.21 | 5.93 |
| Cash generated used in operations | (58.18) | (95.43) |
| Direct taxes paid (net of refunds) | (52.93) | (6.17) |
| Net cash flow used in operating activities (A) | (111.11) | (101.60) |
| B. Cash flow from investing activities | | |
| Purchase of equity shares of subsidiaries | (13,280.25) | (735.53) |
| Loans given to subsidiaries | (40,375.65) | (6,321.06) |
| Loans repaid by subsidiaries | 6,752.28 | 303.37 |
| Interest income on loans given to subsidiaries | 10,114.90 | 4,447.45 |
| Interest income on investment in fixed deposits | 33.01 | 14.28 |
| Income from investment in mutual funds | 97.44 | 10.52 |
| Investment in mutual funds | (32,913.12) | - |
| Proceeds from mutual funds | 32,913.12 | - |
| Investment in fixed deposits (net) | (798.90) | - |
| Net cash flow used in investing activities (B) | (37,457.17) | (2,280.98) |
| C. Cash flow from financing activities | | |
| Proceeds from issue of unit capital | 25,140.48 | - |
| Unit issue expenses incurred | (374.79) | - |
| Proceeds of long term borrowings | 22,748.58 | 6850.00 |
| Payment of upfront fees of long term borrowings | (259.93) | - |
| Finance costs | (2,746.30) | (961.57) |
| Payment of distributions to unitholders | (6,101.16) | (3,399.88) |
| Net cash flow from financing activities (C) | 38,406.88 | 2,488.55 |
| Net increase in cash and cash equivalents (A + B + C) | 838.60 | 105.98 |
| Cash and cash equivalents as at beginning of year | 1,290.23 | 1,184.25 |
| Cash and cash equivalents as at year end | 2,128.83 | 1,290.23 |

INDIA GRID TRUST
CASH FLOW STATEMENT FOR THE YEAR ENDED 31 MARCH 2020
(All amounts in Rs. million unless otherwise stated)

Components of Cash and cash equivalents:

| | 31 March 2020 | 31 March 2019 |
|--|-------------------------|-------------------------|
| | (Rs. in million) | (Rs. in million) |
| Balances with banks: | | |
| - On current accounts [^] | 2,079.93 | 6.78 |
| - Cheques on hand | - | 199.00 |
| - Deposits with original maturity of less than 3 months* | 48.90 | 1,084.45 |
| Total cash and cash equivalents (refer note 7) | 2,128.83 | 1,290.23 |

[^] Out of total amount, Rs. 7.34 million (March 31, 2019: Rs. 5.75 million) pertains to unclaimed distribution to unitholders.

* Includes amount of Rs. Nil million (31 March 2019: Rs. 429.67 million) is kept in Interest Service Reserve Account ('ISRA')/Debt Service Reserve Account ('DSRA') as per borrowing agreements with lenders.

Reconciliation between opening and closing balances for liabilities arising from financing activities:-

| Particulars | Long term borrowings |
|-------------------------|-----------------------------|
| 01 April 2018 | 9,943.73 |
| Cash flow | |
| - Interest | (961.57) |
| - Proceeds/(repayments) | 6,850.00 |
| Accrual | 1,015.45 |
| 31 March 2019 | 16,847.61 |
| Cash flow | |
| - Interest | (2,746.30) |
| - Proceeds/(repayments) | 22,488.65 |
| Accrual | 2,980.99 |
| 31 March 2020 | 39,570.95 |

Summary of significant accounting policies

2.2

As per our report of even date

For S R B C & Co LLP
Chartered Accountants
Firm Registration No. 324982E/E300003

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

per Arvind Sethi
Partner
Membership Number : 089802
Place : Pune
Date : 27 May 2020

Harsh Shah
CEO & Whole Time Director
DIN: 02496122
Place : Mumbai
Date : 27 May 2020

Swapnil Patil
Company Secretary
Place : Mumbai
Date : 27 May 2020

INDIA GRID TRUST**DISCLOSURES PURSUANT TO SEBI CIRCULARS**

(SEBI Circular No. CIR/IMD/DF/114/2016 dated 20-Oct-2016 and No. CIR/IMD/DF/127/2016 dated 29-Nov-2016 issued under the InvIT Regulations)

A. STATEMENT OF NET ASSETS AT FAIR VALUE AS AT

| Particulars | (Rs. in millions) | | | |
|--------------------------------|-------------------|-------------|---------------|------------|
| | 31 March 2020 | | 31 March 2019 | |
| | Book value | Fair value | Book value | Fair value |
| A. Assets | 93,017.67 | 1,01,624.29 | 44,890.48 | 45,008.33 |
| B. Liabilities (at book value) | 41,585.70 | 41,585.70 | 17,029.65 | 17,029.65 |
| C. Net Assets (A-B) | 51,431.97 | 60,038.59 | 27,860.83 | 27,978.68 |
| D. Number of units | 583.49 | 583.49 | 283.80 | 283.80 |
| E. NAV (C/D) | 88.15 | 102.90 | 98.17 | 98.59 |

Total assets after provision for impairment on investment in subsidiary determined based on fair valuation.

Project wise breakup of fair value of assets as at

| Project | (Rs. in millions) | |
|---|--------------------|------------------|
| | 31 March 2020 | 31 March 2019 |
| Sterlite Grid 1 Limited | 40,065.03 | 41,259.92 |
| Sterlite Grid 2 Limited^ | 44,604.81 | - |
| Sterlite Grid 3 Limited^ | 8,967.44 | - |
| Patran Transmission Company Limited | 2,377.46 | 2,442.23 |
| East-North Interconnection Company Limited^ | 2,067.45 | - |
| Subtotal | 98,082.20 | 43,702.15 |
| Assets (in IndiGrid) | 3,542.09 | 1,306.19 |
| Total assets | 1,01,624.28 | 45,008.33 |

^ In the current year, the Trust has acquired Sterlite Grid 2 Limited (SGL2) which is the holding company of NRSS XXIX Transmission Limited ('NTL') and Sterlite Grid 3 Limited (SGL3) which is the holding company of Odisha Generation Phase-II Transmission Limited ('OGPTL') on June 04, 2019 and June 28, 2019 respectively. Also the Trust acquired East-North Interconnection Company Limited ('ENICL') with effect from March 24, 2020 in the current year.

B. STATEMENT OF TOTAL RETURNS AT FAIR VALUE

| Particulars | 31 March 2020 | 31 March 2019 |
|--|------------------|------------------|
| | (Rs. in million) | (Rs. in million) |
| Total comprehensive income (as per the statement of profit and loss) | 4,908.20 | 2,112.42 |
| Add/(less): other changes in fair value (e.g., in investment property, property, plant & equipment (if cost model is followed)) not recognized in total comprehensive income | 8,488.77 | 117.85 |
| Total Return | 13,396.97 | 2,230.27 |

Notes:

- Fair value of assets as at March 31, 2020 and as at March 31, 2019 and other changes in fair value for the year then ended as disclosed in the above tables are based on fair valuation report issued by the independent valuer appointed under the InvIT regulations.
- Sensitivity analysis with respect to significant unobservable inputs used in the fair value measurement has been disclosed in Note 19A.

INDIA GRID TRUST**DISCLOSURES PURSUANT TO SEBI CIRCULARS**

(SEBI Circular No. CIR/IMD/DF/114/2016 dated 20-Oct-2016 and No. CIR/IMD/DF/127/2016 dated 29-Nov-2016 issued under the InvIT Regulations)

STATEMENTS OF NET DISTRIBUTABLE CASH FLOWS (NDCF's)**A) Statement of Net Distributable Cash Flows (NDCFs) of India Grid Trust**

(Rs in million)

| Description | Year ended 31 March 2020 | Year ended 31 March 2019 |
|--|--------------------------|--------------------------|
| Cash flows received from the Portfolio Assets in the form of interest | 10,114.90 | 4,447.45 |
| Cash flows received from the Portfolio Assets in the form of dividend | - | - |
| Any other income accruing at IndiGrid level and not captured above, including but not limited to interest/return on surplus cash invested by IndiGrid | 177.66 | 27.47 |
| Cash flows received from the Portfolio Assets towards the repayment of the debt issued to the Portfolio Assets by IndiGrid | 6,752.28 | 303.37 |
| 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) | 17,044.84 | 4,778.29 |
| Less: Any payment of fees, interest and expense incurred at IndiGrid level, including but not limited to the fees of the Investment Manager and Trustee (refer note i) | (2,941.27) | (1,158.18) |
| 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) | - | - |
| Less: Income tax (if applicable) at the standalone IndiGrid level | (56.96) | (6.24) |
| Less: Amount invested in any of the Portfolio Assets for service of debt or interest | (6,843.29) | (261.80) |
| Less: Repair work in relation to the projects undertaken by any of the Portfolio Assets | - | - |
| Total cash outflows / retention at IndiGrid level (B) | (9,841.52) | (1,426.22) |
| Net Distributable Cash Flows (C) = (A+B) (refer note iii) | 7,203.33 | 3,352.07 |

Notes to the Statement of Net Distributable Cash Flows of IndiGrid

i. Does not include interest accrued but not due of Rs. 150.51 million related to market linked non convertible debentures ('MLDs') which is payable on maturity of these MLDs in FY 2022-2024.

India Grid Trust
Notes to financial statements for the year ended March 31, 2020

1. Trust information

India Grid Trust ("the Trust" or "IndiGrid") is an irrevocable trust settled by Sterlite Power Grid Ventures Limited (the "Sponsor") on October 21, 2016 pursuant to the Trust Deed under the provisions of the Indian Trusts Act, 1882 and registered with Securities Exchange Board of India ("SEBI") under the SEBI (Infrastructure Investment Trust) Regulations, 2014 as an Infrastructure Investment Trust on November 28, 2016 having registration number IN/InvIT/16-17/0005. The Trustee of IndiGrid is Axis Trustee Services Limited (the "Trustee"). The Investment manager for IndiGrid is Sterlite Investment Managers Limited (the "Investment Manager" or the "Management").

The objectives of IndiGrid are to undertake activities as an infrastructure investment trust in accordance with the provisions of the InvIT Regulations and the Trust Deed. The principal activity of IndiGrid is to own and invest in power transmission assets in India with the objective of producing stable and sustainable distributions to unitholders.

As at March 31, 2020, IndiGrid has following project entities which are transmission infrastructure projects developed on Build, Own, Operate and Maintain ('BOOM') basis:

1. Bhopal Dhule Transmission Company Limited ('BDTCL')
2. Jabalpur Transmission Company Limited ('JTCL')
3. RAPP Transmission Company Limited ('RTCL')
4. Purulia & Kharagpur Transmission Company Limited ('PKTCL')
5. Maheshwaram Transmission Limited ('MTL')
6. Patran Transmission Company Limited ('PTCL')
7. NRSS XXIX Transmission Limited ('NTL')
8. Odisha Generation Phase-II Transmission Limited ('OGPTL')
9. East-North Interconnection Company Limited ('ENICL')

These SPVs have executed Transmission Services Agreements ("TSAs") with Long term transmission customers under which the SPVs have to maintain the transmission infrastructure for 25 or 35 years post commissioning.

The address of the registered office of the Investment Manager is Maker Maxity, 5 North Avenue, Level 5, Bandra Kurla Complex, Bandra East Mumbai Maharashtra, India 400 051. The financial statements were authorised for issue in accordance with resolution passed by the Board of Directors of the Investment Manager on May 27, 2020.

2. Significant Accounting Policies

2.1 Basis of preparation

These financial statements are the separate financial statements of the Trust and comprise of the Balance Sheet as at March 31, 2020, the Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Statement of Cash Flow and the Statement of Changes in Unit Holders' Equity for the year then ended and the Statement of Net Assets at fair value as at March 31, 2020 and the Statement of Total Returns at fair value and the Statement of Net Distributable Cash Flows ('NDCFs') for the year then ended and a summary of significant accounting policies and other explanatory notes in accordance with Indian Accounting Standards as defined in Rule 2(1)(a) of the Companies (Indian Accounting Standards) Rules, 2015 (as amended), prescribed under Section 133 of the Companies Act, 2013 ("Ind AS") read with SEBI (Infrastructure Investment Trusts) Regulations, 2014, as amended and the circulars issued thereunder ("InvIT Regulations").

The financial statements have been prepared on a historical cost basis, except for the following assets which have been measured at fair value:

- Certain financial assets measured at fair value (refer accounting policy regarding financial instruments).

The financial statements are presented in Indian Rupees Millions, except when otherwise indicated.

2.2 Summary of significant accounting policies

The following is the summary of significant accounting policies applied by the Trust in preparing its financial statements:

a) Current versus non-current classification

The Trust presents assets and liabilities in the balance sheet based on current/non-current classification. An asset is current when it is:

- Expected to be realised or intended to be sold or consumed in the normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realised within twelve months after the reporting period or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in the normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The Trust classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

Operating cycle of the Trust is the time between the acquisition of assets for processing and their realisation in cash or cash equivalents. The Trust has identified twelve months as its operating cycle.

b) Foreign currencies

The Trust's financial statements are presented in INR, which is its functional currency. The Trust does not have any foreign operation.

Transactions and balances

Transactions in foreign currencies are initially recorded by the Trust at their respective functional currency spot rates at the date the transaction first qualifies for recognition. Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date.

Exchange differences arising on settlement or translation of monetary items are recognised in profit or loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions.

c) Fair value measurement

The Trust measures financial instruments such as mutual funds at fair value at each balance sheet date.

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 measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible by the Trust.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

India Grid Trust
Notes to financial statements for the year ended March 31, 2020

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Trust uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1- Quoted (unadjusted) market prices in active markets for identical assets or liabilities;

Level 2- Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable;

Level 3- Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Trust determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

In estimating the fair value of investments in subsidiaries, the Trust engages independent qualified external valuers to perform the valuation. The management works closely with the external valuers to establish the appropriate valuation techniques and inputs to the model. The management in conjunction with the external valuers also compares the change in fair value with relevant external sources to determine whether the change is reasonable. The management reports the valuation report and findings to the Board of the Investment Manager half yearly to explain the cause of fluctuations in the fair value of the transmission projects.

At each reporting date, the management analyses the movement in the values of assets and liabilities which are required to be remeasured or reassessed as per the Trust's accounting policies. For this analysis, the management verifies the major inputs applied in the latest valuation by agreeing the information in the valuation computation to contracts and other relevant documents.

For the purpose of fair value disclosures, the Trust has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy, as explained above.

This note summarises accounting policy for fair value. Other fair value related disclosures are given in the relevant notes.

- Quantitative disclosures of fair value measurement hierarchy (Note 19B)
- Disclosures for valuation methods, significant estimates and assumptions (Note 18 and 19A)
- Financial instruments (including those carried at amortised cost) (Note 4,5,6,7,8)

d) Revenue Recognition

The specific recognition criteria described below must be met before revenue is recognised.

Interest income

For all debt instruments measured at amortised cost, interest income is recorded using the effective interest rate (EIR). EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset or to the amortised cost of a financial liability. When calculating the effective interest rate, the Trust estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses.

Dividends

Income from dividend on investments is accrued in the year in which it is declared, whereby the Trust's right to receive is established.

e) Taxation

Current income tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted at the reporting date.

Current income tax relating to items recognised outside statement of profit or loss is recognised outside statement of profit or loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred tax

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognised for all taxable temporary differences, except:

- When the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss;
- In respect of taxable temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are recognized for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognized to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilized, except:

- When the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss;
- In respect of deductible temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, deferred tax assets are recognized only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilized.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognised outside statement of profit or loss is recognised outside statement of profit or loss. Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

Sales/value added/goods and service taxes paid on acquisition of assets or on incurring expenses

Expenses and assets are recognised net of the amount of sales/value added/goods and service taxes paid, except:

- When the tax incurred on a purchase of assets or services is not recoverable from the tax authority, in which case, the tax paid is recognised as part of the cost of acquisition of the asset or as part of the expense item, as applicable.
- When receivables and payables are stated with the amount of tax included.

The net amount of tax recoverable from, or payable to, the tax authority is included as part of receivables or payables in the balance sheet.

f) Borrowing Costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that the Trust incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

g) Leases

The Trust assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Trust as lessee

The Trust applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Trust recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

Right-of-use assets

The Trust recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets.

Lease Liabilities

At the commencement date of the lease, the Trust recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the payments of penalties for terminating the lease, if the lease term reflects the Trust exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Trust uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

Short-term leases and leases of low-value assets

The Trust applies the short-term lease recognition exemption to its short-term leases of machinery and equipment (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases of office equipment that are considered to be low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

h) Impairment of non-financial assets

The Trust assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Trust estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.

The Trust bases its impairment calculations on detailed budget and forecast calculations. These budgets are prepared for the entire project life.

Impairment losses of continuing operations are recognised in the statement of profit and loss.

An assessment is made at each reporting date as to whether there is any indication that previously recognised impairment losses may no longer exist or may have decreased. If such indication exists, the Trust estimates the asset's or cash-generating unit's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the statement of profit and loss unless the asset is carried at a revalued amount, in which case the reversal is treated as a revaluation increase.

i) Provisions

Provisions are recognised when the Trust has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the Trust expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of profit or loss net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

j) Investments in subsidiaries

The Trust accounts for its investments in subsidiaries at cost less accumulated impairment losses (if any) in its separate financial statements. Investments accounted for at cost are accounted for in accordance with Ind AS 105, Non-current Assets Held for Sale and Discontinued Operations, when they are classified as held for sale.

k) Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial assets

Initial recognition and measurement

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Trust commits to purchase or sell the asset.

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Trust's business model for managing them. With the exception of trade receivables that do not contain a significant financing component or for which the Trust has applied the practical expedient, the Trust initially measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs. Trade receivables that do not contain a significant financing component or for which the Trust has applied the practical expedient are measured at the transaction price determined under Ind AS 115. Refer to the accounting policies in section (d) Revenue from contracts with customers.

Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in four categories:

- i. Debt instruments at amortised cost
- ii. Debt instruments at fair value through other comprehensive income (FVTOCI)
- iii. Debt instruments, derivatives and equity instruments at fair value through profit or loss (FVTPL)
- iv. Equity instruments measured at fair value through other comprehensive income (FVTOCI)

Debt instruments at amortised cost

A 'debt instrument' is measured at the amortised cost if both the following conditions are met:

- a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

This category is most relevant to the Trust. After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the statement of profit or loss. The losses arising from impairment are recognised in the statement of profit or loss. This category generally applies to interest receivable and loans given to subsidiaries (Refer Note 5 and 6)

Debt instrument at FVTOCI

A 'debt instrument' is classified as FVTOCI if both of the following criteria are met:

- a) The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and
- b) The asset's contractual cash flows represent SPPI.

Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income (OCI). However, interest income, impairment losses and reversals and foreign exchange gain or loss are recognised in the statement of profit or loss. On derecognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from the equity to statement of profit or loss. Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the EIR method. The Trust does not have financial assets which are subsequently measured at FVTOCI.

Debt instrument at FVTPL

FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL.

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Notes to financial statements for the year ended March 31, 2020

In addition, the Trust may elect to designate a debt instrument, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch'). The Trust has not designated any debt instrument as at FVTPL.

Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the statement of profit or loss.

Equity investments

All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading and contingent consideration recognised by an acquirer in a business combination to which Ind AS 103 applies are classified as at FVTPL. For all other equity instruments, the Trust may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Trust makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

If the Trust decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to statement of profit or loss, even on sale of investment. However, the Trust may transfer the cumulative gain or loss within equity.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the statement of profit or loss.

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e. removed from the Trust's balance sheet) when:

- The rights to receive cash flows from the asset have expired, or
- The Trust has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Trust has transferred substantially all the risks and rewards of the asset, or (b) the Trust has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Trust has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Trust continues to recognise the transferred asset to the extent of the Trust's continuing involvement. In that case, the Trust also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Trust has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Trust could be required to repay.

Impairment of financial assets

Majority of the financial assets of the Trust which are not reflected at fair value pertain to loans to subsidiaries and other receivables. Considering the nature of business, the Trust does not foresee any credit risk on its loans and other receivables which may cause an impairment. Majority of the other receivable pertain to receivable from subsidiary companies only. Also, the Trust does not have any history of impairment of other receivables.

For the financial assets which are reflected at fair value, no further impairment allowance is necessary as they reflect the fair value of the relevant financial asset itself.

Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

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Notes to financial statements for the year ended March 31, 2020

The Trust's financial liabilities include borrowings and related costs, trade and other payables and derivative financial instrument.

Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Trust that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments.

Gains or losses on liabilities held for trading are recognised in the profit or loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/losses attributable to changes in own credit risk are recognized in OCI. These gains/losses are not subsequently transferred to P&L. However, the Trust may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the statement of profit or loss.

Loans and borrowings

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit or loss.

This category generally applies to borrowings. For more information refer Note 11.

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

Embedded derivatives

An embedded derivative is a component of a hybrid (combined) instrument that also includes a non-derivative host contract – with the effect that some of the cash flows of the combined instrument vary in a way similar to a stand-alone derivative. An embedded derivative cause some or all of the cash flows that otherwise would be required by the contract to be modified according to a specified interest rate, financial instrument price, commodity price, foreign exchange rate, index of prices or rates, credit rating or credit index, or other variable, provided in the case of a non-financial variable that the variable is not specific to a party to the contract. Reassessment only occurs if there is either a change in the terms of the contract that significantly modifies the cash flows that would otherwise be required or a reclassification of a financial asset out of the fair value through profit or loss.

If the hybrid contract contains a host that is a financial asset within the scope of Ind AS 109, the Trust does not separate embedded derivatives. Rather, it applies the classification requirements contained in Ind AS 109 to the entire hybrid contract. Derivatives embedded in all other host contracts are accounted for as separate derivatives and recorded at fair value if their economic characteristics and risks are not closely related to those of the host contracts and the host contracts are not held for trading or designated at fair value through profit or loss. These embedded derivatives are measured at fair value with changes in fair value recognised in profit or loss, unless designated as effective hedging instruments.

India Grid Trust
Notes to financial statements for the year ended March 31, 2020

Reclassification of financial assets

The Trust determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities. For financial assets which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets. Changes to the business model are expected to be infrequent. The Trust's senior management determines change in the business model as a result of external or internal changes which are significant to the Trust's operations. Such changes are evident to external parties. A change in the business model occurs when the Trust either begins or ceases to perform an activity that is significant to its operations. If the Trust reclassifies financial assets, it applies the reclassification prospectively from the reclassification date which is the first day of the immediately next reporting period following the change in business model. The Trust does not restate any previously recognised gains, losses (including impairment gains or losses) or interest.

The following table shows various reclassification and how they are accounted for:

| Original classification | Revised Classification | Accounting Treatment |
|--------------------------------|-------------------------------|--|
| Amortised Cost | FVTPL | Fair value is measured at reclassification date. Difference between previous amortised cost and fair value is recognised in statement of profit or loss. |
| FVTPL | Amortised Cost | Fair value at reclassification date becomes its new gross carrying amount. EIR is calculated based on the new gross carrying amount. |
| Amortised cost | FVTOCI | Fair value is measured at reclassification date. Difference between previous amortised cost and fair value is recognised in OCI. No change in EIR due to reclassification. |
| FVTOCI | Amortised cost | Fair value at reclassification date becomes its new amortised cost carrying amount. However, cumulative gain or loss in OCI is adjusted against fair value. Consequently, the asset is measured as if it had always been measured at amortised cost. |
| FVTPL | FVTOCI | Fair value at reclassification date becomes its new carrying amount. No other adjustment is required. |
| FVTOCI | FVTPL | Assets continue to be measured at fair value. Cumulative gain or loss previously recognised in OCI is reclassified to statement of profit or loss at the reclassification date. |

Offsetting of financial instruments

Financial assets and financial liabilities are offset, and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

l) Cash and cash equivalents

Cash and cash equivalents in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, that are readily convertible to a known amount of cash and subject to an insignificant risk of changes in value.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts (if any) as they are considered an integral part of the Trust's cash management.

m) Cash distribution to unit holders

The Trust recognises a liability to make cash distributions to unit holders when the distribution is authorised, and a legal obligation has been created. As per the InvIT Regulations, a distribution is authorised when it is approved by the Board of Directors of the Investment Manager. A corresponding amount is recognised directly in equity.

India Grid Trust
Notes to financial statements for the year ended March 31, 2020

n) Earnings per unit

Basic earnings per unit is calculated by dividing the net profit or loss attributable to unit holders of the Trust (after deducting preference dividends and attributable taxes if any) by the weighted average number of units outstanding during the period. The weighted average number of units outstanding during the period is adjusted for events such as bonus issue, bonus element in a rights issue, split, and reverse split (consolidation of units) that have changed the number of units outstanding, without a corresponding change in resources.

For the purpose of calculating diluted earnings per unit, the net profit or loss for the period attributable to unit holders of the Trust and the weighted average number of units outstanding during the period are adjusted for the effects of all dilutive potential units.

Changes in accounting policies and disclosures

Ind AS 116 Leases

The Trust applied Ind AS 116 Leases for the first time. The nature and effect of the changes as a result of adoption of this new accounting standard is described below.

Ind AS 116 supersedes Ind AS 17 Leases, including Appendix A of Ind AS 17 Operating Leases-Incentives, Appendix B of Ind AS 17 Evaluating the Substance of Transactions Involving the Legal Form of a Lease and Appendix C of Ind AS 17, Determining whether an Arrangement contains a Lease. The standard sets out the principles for the recognition, measurement, presentation and disclosure of leases and requires lessees to recognise most leases on the balance sheet.

Lessor accounting under Ind AS 116 is substantially unchanged from Ind AS 17. Lessors will continue to classify leases as either operating or finance leases using similar principles as in Ind AS 17. Therefore, Ind AS 116 did not have an impact for leases where the Trust is the lessor.

Other Amendments to Standards, which are either not applicable to the Trust or the impact is not expected to be material

- Amendments to Ind AS 19: Plan Amendment, Curtailment or Settlement
- Amendments to Ind AS 28: Long-term interests in associates and joint ventures
- Amendments to Ind AS 109: Prepayment Features with Negative Compensation
- Appendix C to Ind AS 12 Uncertainty over Income Tax Treatment
- Annual Improvements to Ind AS 2018:
 - Amendments to Ind AS 103 Business Combinations
 - Amendments to Ind AS 111 Joint Arrangements
 - Amendments to Ind AS 12 Income Taxes
 - Amendments to Ind AS 23 Borrowing Costs

INDIA GRID TRUST
Notes to Financial Statements for the year ended 31 March 2020

Note 3: Investments in subsidiaries

| | 31 March 2020 (Rs. in million) | 31 March 2019 (Rs. in million) |
|---|-----------------------------------|-----------------------------------|
| Equity investments, at cost (unquoted) | | |
| Sterlite Grid 1 Limited ("SGL1") [17.67 million (31 March 2019: 17.67 million) equity shares of Rs 10 each fully paid-up] Less: Provision for impairment (refer note 18) | 1,929.22 (1,929.22) | 699.82 (699.82) |
| Patran Transmission Company Limited ("PTCL") [50 million (31 March 2019: 50 million) equity shares of Rs 10 each fully paid-up] | 735.53 | 735.53 |
| Sterlite Grid 2 Limited ("SGL2") [87.30 million equity shares (31 March 2019: Nil) of Rs. 10 each fully paid up] | 12,626.66 | - |
| Sterlite Grid 3 Limited ("SGL3") [26.05 million equity shares (31 March 2019: Nil) of Rs. 10 each fully paid up] | 518.31 | - |
| East-North Interconnection Company Limited ("ENICL") [0.05 million equity shares (31 March 2019: Nil) of Rs. 10 each fully paid up] | 1,288.55 | - |
| | 15,169.05 | 735.53 |
| Preference shares, at cost (unquoted) | | |
| Sterlite Grid 1 Limited ("SGL1") [665.82 million (31 March 2019: 665.82 million) 0.01% Optionally convertible redeemable non cumulative preference shares ("OCRPS") of Rs. 10 each fully paid-up*] Less: Provision for impairment (refer note 18) | 1,001.96 (1,001.96) | 1,001.96 (1,001.96) |
| | 15,169.05 | 735.53 |

Includes amount of Rs. 1,754.50 million (31 March 2019: Rs. 525.10 million) towards equity component of Non- Convertible Debentures issued by Sterlite Grid 1 Limited. Refer note 4 for details.

* The OCRPS are either convertible into equity shares of SGL1 in the ratio of 1:1 or redeemable solely at the option of SGL1 within a period of 7 years from the date of issue.

Details of the subsidiaries are as follows:

| Name of subsidiary | Country of incorporation | Ownership interest % | |
|---|--------------------------|----------------------|---------------|
| | | 31 March 2020 | 31 March 2019 |
| Directly held by the Trust: | | | |
| Sterlite Grid 1 Limited ("SGL1") | India | 100% | 100% |
| Sterlite Grid 2 Limited ("SGL2")# | India | 100% | - |
| Sterlite Grid 3 Limited ("SGL3")* | India | 100% | - |
| Patran Transmission Company Limited ("PTCL")** | India | 74% | 74% |
| East-North Interconnection Company Limited@ | India | 49% | - |
| Indirectly held by the Trust (through subsidiaries): | | | |
| Bhopal Dhule Transmission Company Limited ("BDTCL") | India | 100% | 100% |
| Jabalpur Transmission Company Limited ("JTCL") | India | 100% | 100% |
| Purulia & Kharagpur Transmission Company Limited ("PKTCL") | India | 100% | 100% |
| RAPP Transmission Company Limited ("RTCL") | India | 100% | 74% |
| Maheshwaram Transmission Limited ("MTL") | India | 100% | 49% |
| NRSS XXIX Transmission Limited ("NTL")# | India | 100% | - |
| Odisha Generation Phase-II Transmission Limited ("OGPTL")* | India | 100% | - |

INDIA GRID TRUST
Notes to Financial Statements for the year ended 31 March 2020

** Pursuant to Share Purchase agreement/Shareholders' Agreement ("SPA") dated 19 February 2018, the Trust acquired Patran Transmission Company Limited (PTCL) (referred as "the SPV"), from Techno Power Grid Company Limited and Techno Electric and Engineering Company Limited with effect from 30 August 2018. The Trust holds 74% equity stake in the SPV and on the remaining 26%, the Trust has beneficial interest based on the rights available to it under the SPA.

The Trust has acquired Sterlite Grid 2 Limited (SGL2), which is the holding company of NRSS XXIX Transmission Limited ("NTL") from Sterlite Power Grid Ventures Limited ("SPGVL") pursuant to share purchase agreements dated 30 April 2019 on 04 June 2019. 100% equity share capital of SGL2 is acquired by the Trust as per the share purchase agreement dated 30 April 2019.

* The Trust has acquired Sterlite Grid 3 Limited which is the holding company of Odisha Generation Phase-II Transmission Limited ("OGPTL") from Sterlite Power Grid Ventures Limited ("SPGVL") pursuant to share purchase agreements dated 30 April 2019 on 28 June 2019 respectively. 100% equity share capital of SGL3 is acquired by the Trust as per the share purchase agreement dated 30 April 2019.

@ The Trust acquired 49% of paid up equity capital of East-North Interconnection Company Limited ("ENICL") with effect from 24 March 2020 from Sterlite Power Grid Ventures Limited ("SPGVL") and Sterlite Power Transmission Limited ("SPTL") (together referred as "the Selling Shareholders") pursuant to Share Purchase Agreement dated 23 March 2020 ("SPA"). The Trust has finalised purchase consideration for acquisition of entire stake in ENICL and has entered into a binding agreement with the Selling Shareholders to acquire remaining 51% paid up equity capital in ENICL from the Selling Shareholders. The Trust has acquired remaining 51% equity stake in ENICL on 26 May 2020.

Note 4: Non-current Investments

| | 31 March 2020 (Rs. in million) | 31 March 2019 (Rs. in million) |
|---|-----------------------------------|-----------------------------------|
| Non-convertible debentures (unquoted) (at amortised cost) | | |
| Sterlite Grid 1 Limited (665.82 million (31 March 2019: 665.82 million) 0.01% Non-convertible debentures of Rs 10 each)# | 5,823.90 | 6,449.71 |
| Less: Provision for impairment (refer note 18) | (2,508.91) | (1,111.09) |
| Total | 3,314.99 | 5,338.62 |

Non Convertible debenture (NCD) of Face value of Rs.10 each are issued by Sterlite Grid 1 Limited. The NCD were redeemable at the option of the NCD holder anytime after 22 July 2019 but the NCD holders did not exercise their right of redeeming the NCDs, hence the NCDs are due for repayment at the end of July 2021. Since the interest rate for the NCD is below market rate, an amount of Rs. 1,754.50 million (31 March 2019: Rs 525.10 million) has been re-classified as equity contribution in subsidiary disclosed under investment in subsidiary.

Note 5: Loans (unsecured, considered good)

| | 31 March 2020 (Rs. in million) | 31 March 2019 (Rs. in million) |
|---------------------------------------|-----------------------------------|-----------------------------------|
| Non-current | | |
| Loan to subsidiaries (refer note 20)* | 70,713.80 | 37,064.04 |
| Current | 70,713.80 | 37,064.04 |
| Loan to subsidiaries (refer note 20)# | 560.61 | - |
| | 560.61 | - |
| Total | 71,274.41 | 37,064.04 |

* Loans are non-derivative financial assets which are repayable by subsidiaries upon expiry of period of their respective Transmission Services Agreement. Further, the subsidiaries are entitled to prepay all or any portion of the outstanding principal with a prior notice. The loans to subsidiaries carry interest @ 15% - 15.75% p.a.

Loan given to wholly owned subsidiaries is repayable on demand.

Note 6: Other current financial assets

| | 31 March 2020 (Rs. in million) | 31 March 2019 (Rs. in million) |
|---|-----------------------------------|-----------------------------------|
| Interest receivable from subsidiaries (refer note 20) | 281.64 | 446.03 |
| Advances receivable in cash | 0.21 | - |
| Interest accrued on deposits | 49.64 | 2.43 |
| Receivable from subsidiaries (refer note 20) | - | 13.60 |
| Total | 331.49 | 462.06 |

INDIA GRID TRUST
Notes to Financial Statements for the year ended 31 March 2020

Note 7: Cash and cash equivalents

| | 31 March 2020 (Rs. in million) | 31 March 2019 (Rs. in million) |
|---|-----------------------------------|-----------------------------------|
| Balance with banks | | |
| - on current accounts ^ | 2,079.93 | 6.78 |
| - cheques on hand * | - | 199.00 |
| Deposits with original maturity of less than 3 months # | 48.90 | 1,084.45 |
| Total | 2,128.83 | 1,290.23 |

Balances with banks on current accounts does not earn interest. Short-term deposits are made for varying periods of between one day and three months, depending on the immediate cash-requirement of the Group and earn interest at the respective short-term deposit rates.

* Pertains to remittances received from subsidiaries in respect of interest/principal repayments of loans.

Includes amount of Rs. Nil (31 March 2019: Rs. 357.17 million) is kept in Interest Service Reserve Account ('ISRA') as per borrowing agreements with lenders.

^ Out of total amount, Rs. 7.34 million (March 31, 2019: Rs. 5.75 million) pertains to unclaimed distribution to unitholders.

Note 8: Other bank balances

| | 31 March 2020 (Rs. in million) | 31 March 2019 (Rs. in million) |
|---|-----------------------------------|-----------------------------------|
| Deposits with original maturity for more than 3 months but less than 12 months# | 798.90 | - |
| Total | 798.90 | - |

Includes amount of Rs. 798.40 million (31 March 2019: Rs. Nil) is kept in Interest Service Reserve Account ('ISRA') as per borrowing agreements with lenders.

Note 9: Unit capital

| | Number of units (In million) | Unit capital (Rs. in million) |
|---|---------------------------------|----------------------------------|
| As at 1 April 2018 | 283.80 | 28,380.00 |
| Issued during the year | - | - |
| As at 31 March 2019 | 283.80 | 28,380.00 |
| Issued during the year (refer note below) | 299.69 | 25,140.48 |
| Issue expenses (refer note below) | - | (374.79) |
| As at 31 March 2020 | 583.49 | 53,145.69 |

Note:

During the year ended 31 March 2020, the Trust raised Rs. 25,140.48 million of primary capital through a qualified institutional placement of units. The Trust issued and allotted 299,683,881 units at a price of Rs. 83.89 per unit as per the placement agreement dated May 04, 2019. Issue expenses of Rs. 374.79 million incurred in connection with issue of units have been reduced from the Unitholders capital as at 31 March 2020 in accordance with Ind AS 32 Financial Instruments: Presentation.

a. Terms/rights attached to units

The Trust has only one class of units. Each Unit represents an undivided beneficial interest in the Trust. Each holder of unit is entitled to one vote per unit. The Unitholders have the right to receive at least 90% of the Net Distributable Cash Flows of the Trust at least once in every six months in each financial year in accordance with the InvIT Regulations. The Investment Manager approves distributions. The distribution will be in proportion to the number of units held by the unitholders. The Trust declares and pays distribution in Indian rupees.

A Unitholder has no equitable or proprietary interest in the projects of IndiGrid and is not entitled to any share in the transfer of the projects (or any part thereof) or any interest in the projects (or any part thereof) of IndiGrid. A Unitholder's right is limited to the right to require due administration of IndiGrid in accordance with the provisions of the Trust Deed and the Investment Management Agreement.

b. Unitholders holding more than 5 percent Units in the Trust

| | 31 March 2020 | | 31 March 2019 | |
|--------------------------------------|-----------------|-----------|----------------|-----------|
| | Nos. in million | % holding | No. in million | % holding |
| Esoteric II Pte. Limited | 136.03 | 23.31% | - | - |
| Government of Singapore | 116.82 | 20.02% | - | - |
| Sterlite Power Grid Ventures Limited | 87.55 | 15.00% | 60.13 | 21.19% |
| Schroder Asian Asset Income Fund | 19.78 | 3.39% | 14.33 | 5.05% |

c. The Trust has not allotted any fully paid-up units by way of bonus units nor has it bought back any class of units from the date of incorporation till the balance sheet date. Further the Trust has not issued any units for consideration other than cash from the date of incorporation till the balance sheet date.

Note 10: Other Equity

| | 31 March 2020 (Rs. in million) | 31 March 2019 (Rs. in million) |
|--|-----------------------------------|-----------------------------------|
| Retained earnings / (accumulated deficit) | | |
| Balance as per last financial statements | (519.17) | 774.00 |
| Add: Profit for the year | 4,908.20 | 2,112.42 |
| Less: Distribution during the year | (6,102.75) | (3,405.59) |
| Total | (1,713.72) | (519.17) |

INDIA GRID TRUST
Notes to Financial Statements for the year ended 31 March 2020

Note 11: Long term borrowings

| | 31 March 2020 (Rs. in million) | 31 March 2019 (Rs. in million) |
|---|-----------------------------------|-----------------------------------|
| Non-Current Debentures | | |
| 8.9922% Non-convertible debentures (secured) (refer note A below) | 4,350.00 | 4,350.00 |
| 8.60% Non-convertible debentures (secured) (refer note A below) | 2,500.00 | 2,500.00 |
| 9.10% Non-convertible debentures (secured) (refer note A below) | 2,956.96 | - |
| 8.40% Non-convertible market linked debentures (secured) (refer note C below) | 1,725.66 | - |
| 9.00% Non-convertible market linked debentures (secured) (refer note B below) | 2,100.12 | - |
| 8.85% Non-convertible debentures (secured) (refer note A below) | 1,969.00 | - |
| 9.10% Non-convertible debentures (secured) (refer note A below) | 13,930.42 | - |
| Term loans | | |
| Indian rupee term loan from bank (secured) (refer note D below) | 9,950.05 | 9,945.46 |
| Total | 39,482.21 | 16,795.46 |
| The above amount includes | | |
| Secured borrowings | 39,482.21 | 16,795.46 |
| Unsecured borrowings | - | - |
| Total non-current borrowings | 39,482.21 | 16,795.46 |
| Current maturities | | |
| Interest accrued but not due on borrowings | 88.74 | 52.15 |
| | 88.74 | 52.15 |
| Less :Amount disclosed under the head "Other current financial liabilities" (refer note 12) | 88.74 | 52.15 |
| Net borrowings | - | - |

Notes:

(A) Secured Non-convertible debentures referred above to the extent of:

- (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 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 51% of the share capital of specified SPVs

(B) Secured market linked non-convertible debentures referred above to the extent of:

- (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 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 51% of the share capital of specified SPVs

(C) Secured market linked non-convertible debentures referred above to the extent of:

- (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 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) First pari-passu charge on the ISRA and DSRA accounts.
 - (iv) Pledge over 51% of the share capital of specified SPVs
- The Trust has created security charge on the above NCDs on 13 April 2020.

| Rate of Interest | Frequency of repayment | Repayment Commencement Date | 2022-2023 | 2023-2024 | 2024-2025 | 2028-2029 |
|--|-------------------------|-----------------------------|-----------|-----------|-----------|-----------|
| 4,350 8.992% Non-convertible debentures of Rs. 10,00,000 each | At the time of maturity | 14 February 2029 | - | - | - | 4,350 |
| 2,500 8.60% Non-convertible debentures of Rs. 10,00,000 each | At the time of maturity | 31 August 2028 | - | - | - | 2,500 |
| 3000 9.10% Non-convertible debentures of Rs. 10,00,000 each | At the time of maturity | 29 July 2024 | - | - | 3,000 | - |
| 1740 8.40% market linked non-convertible debentures of Rs. 10,00,000 each | At the time of maturity | 24 January 2024 | - | 1,740 | - | - |
| 2,000 9.00% market linked non-convertible debentures of Rs. 10,00,000 each | At the time of maturity | 04 January 2023 | 2,000 | - | - | - |
| 2,000 8.85% Non-convertible debentures of Rs. 10,00,000 each | At the time of maturity | 02 November 2022 | 2,000 | - | - | - |
| 14,000 9.10% Non-convertible debentures of Rs. 10,00,000 each | At the time of maturity | 03 June 2022 | 14,000 | - | - | - |

INDIA GRID TRUST
Notes to Financial Statements for the year ended 31 March 2020

(D) Term loan from bank

The Indian rupee term loan from bank carries interest at the rate of 8.25% p.a. payable monthly. Entire loan amount shall be repayable as a bullet repayment at the end of 10 years from the date of disbursement. The term loan is 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 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.

Financial covenants

Loans from bank, financial institution contain certain debt covenants relating to limitation on interest service coverage ratio, debt service coverage ratio, Net Debt to AUM, Net Debt to EBITDA etc. The financial covenants are reviewed on availability of audited accounts of the respective borrower periodically. For the financial year ended 31 March 2020, the Trust has satisfied all debt covenants prescribed in the terms of loan from bank and financial institutions, where applicable.

Note 12: Other financial liabilities

| | 31 March 2020 | 31 March 2019 |
|--|-------------------------|-------------------------|
| | (Rs. in million) | (Rs. in million) |
| Non-Current | | |
| Payable towards project acquired * | - | 156.72 |
| Total | - | 156.72 |
| Current | | |
| Other financial liabilities at amortised cost | | |
| Interest accrued but not due on borrowings (refer note 11) | 88.74 | 52.15 |
| Distribution payable | 7.34 | 5.75 |
| Payable towards project acquired # | 1,897.00 | - |
| Others | 97.25 | 17.06 |
| Total | 2,090.33 | 74.96 |

Other payables are non-interest bearing and have an average term of six months.

*Includes Rs. Nil million (31 March 2019: Rs. 156.72 million) payable to Sterlite Power Grid Ventures Limited pursuant to the Project Implementation and Management Agreement dated 10 November 2016 as amended ("PIMA") towards additional tariff on account of change in law received by Bhopal Dhule Transmission Company Limited, subsidiary of the Group, as approved by Central Electricity Regulatory Commission.

Liability of Rs. 1,897.00 million (31 March 2019: Nil million) is towards acquisition of equity shares of NRSS XXIX Transmission Limited, Odisha Generation Phase-II Transmission Limited and East-North Interconnection Company Limited pursuant to respective share purchase agreements.

Note 13: Other current liabilities

| | 31 March 2020 | 31 March 2019 |
|---------------------------------|-------------------------|-------------------------|
| | (Rs. in million) | (Rs. in million) |
| Withholding taxes (TDS) payable | 9.06 | 2.01 |
| GST payable | - | 0.43 |
| Total | 9.06 | 2.44 |

Note 14: Current tax liability

| | 31 March 2020 | 31 March 2019 |
|-----------------------|-------------------------|-------------------------|
| | (Rs. in million) | (Rs. in million) |
| Current tax liability | 4.10 | 0.07 |
| Total | 4.10 | 0.07 |

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Notes to Financial Statements for the year ended 31 March 2020

Note 9: Deferred tax liability (net)

| | 31 March 2020 (Rs. in million) | 31 March 2019 (Rs. in million) |
|---|---|---|
| Gross deferred tax liability (A) | - | - |
| Gross deferred tax asset (B) | - | - |
| Net deferred tax liability (C=A-B) | - | - |
| Reconciliation of deferred tax asset | 31 March 2020 (Rs. in million) | 31 March 2019 (Rs. in million) |
| Opening deferred tax asset, net | - | - |
| Deferred tax credit / (charge) recorded in statement of profit and loss | - | - |
| Deferred tax (credit) / charge recorded in OCI | - | - |
| Closing deferred tax asset, net | - | - |

The major components of income tax expense for the years ended 31 March 2020 and 31 March 2019 are:

| | 31 March 2020 (Rs. in million) | 31 March 2019 (Rs. in million) |
|--------------------------------|-----------------------------------|-----------------------------------|
| - Current tax | 56.96 | 6.08 |
| - Deferred tax | - | - |
| - Income tax for earlier years | - | 0.16 |

Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate for 31 March 2020 and 31 March 2019:

| | 31 March 2020 (Rs. in million) | 31 March 2019 (Rs. in million) |
|---|-----------------------------------|-----------------------------------|
| Accounting profit before income tax | 4,965.16 | 2,118.66 |
| At India's statutory income tax rate of 42.74% (31 March 2019: 42.74%) | 2,122.11 | 905.52 |
| Impact of exemption u/s 10(23FC) of the Income Tax Act, 1961 available to the Trust | (2,065.15) | (899.44) |
| Charge/(reversal) of excess provision of tax created in previous year | - | 0.16 |
| At effective tax rate | 56.96 | 6.24 |
| Income tax expense reported in the statement of profit and loss | 56.96 | 6.24 |

Note 15: Revenue from operations

| | 31 March 2020 (Rs. in million) | 31 March 2019 (Rs. in million) |
|--|-----------------------------------|-----------------------------------|
| Interest income on loans given to subsidiaries (refer note 20) | 9,950.51 | 4,886.45 |
| Finance income on non-convertible debentures issued by subsidiary on EIR basis | 603.59 | 638.62 |
| Total | 10,554.10 | 5,525.07 |

Note 16: Finance costs

| | 31 March 2020 (Rs. in million) | 31 March 2019 (Rs. in million) |
|--|-----------------------------------|-----------------------------------|
| Interest on financial liabilities measured at amortised cost | 2,979.83 | 1,003.75 |
| Other finance cost | 1.16 | 11.70 |
| Total | 2,980.99 | 1,015.45 |

INDIA GRID TRUST
Notes to Financial Statements for the year ended 31 March 2020

Note 17: Earnings per unit (EPU)

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

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.

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

| | 31 March 2020 | 31 March 2019 |
|--|---------------|---------------|
| Profit after tax for calculating basic and diluted EPU (Rs. in million) | 4,908.20 | 2,112.42 |
| Weighted average number of units in calculating basic and diluted EPU (No. in million) | 554.01 | 283.80 |
| Effect of dilution: | | |
| Estimated units to be issued to Sponsor/Project manager* (No. in million) | - | 5.40 |
| Weighted average number of units in calculating diluted EPU (No. in million) | 554.01 | 289.20 |
| Earnings Per Unit | | |
| Basic (Rupees/unit) | 8.86 | 7.44 |
| Diluted (Rupees/unit) | 8.86 | 7.30 |

* units which were issuable pursuant to the Project Implementation and Management Agreement dated November 10, 2016 as amended, towards the additional transmission charges as approved by CERC for the change in tax rates which resulted in increase in non escalable tariff revenue for BDTCL.

Note 18: Significant accounting judgements, estimates and assumptions

The preparation of the Trust's financial statements requires management to make judgments, estimates and assumptions that affect the reported amounts of revenue, expenses, assets and liabilities and the accompanying disclosures. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

Judgements

In the process of applying the Trust's accounting policies, management has made the following judgements, which have the most significant effect on the amounts recognised in the financial statements.

Classification of Unitholders' funds

Under the provisions of the InvIT Regulations, IndiGrid is required to distribute to Unitholders not less than ninety percent of the net distributable cash flows of IndiGrid for each financial year. Accordingly, a portion of the unitholders' funds contains a contractual obligation of the Trust to pay to its Unitholders cash distributions. The Unitholders' funds could therefore have been classified as compound financial instrument which contain both equity and liability components in accordance with Ind AS 32 - Financial Instruments: Presentation. However, in accordance with SEBI Circulars (No. CIR/IMD/DF/114/2016 dated 20-Oct-2016 and No. CIR/IMD/DF/127/2016 dated 29-Nov-2016) issued under the InvIT Regulations, the unitholders' funds have been classified as equity in order to comply with the mandatory requirements of Section H of Annexure A to the SEBI Circular dated 20-Oct-2016 dealing with the minimum disclosures for key financial statements. In line with the above, the distribution payable to unit holders is recognised as liability when the same is approved by the Investment Manager.

Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities or fair value disclosures within the next financial year, are described below. The Trust based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Trust. Such changes are reflected in the assumptions when they occur.

Fair valuation and disclosures

SEBI Circulars issued under the InvIT Regulations require disclosures relating to net assets at fair value and total returns at fair value (refer Note 19A and 19B). In estimating the fair value of investments in subsidiaries (which constitute substantial portion of the net assets), the Trust engages independent qualified external valuers to perform the valuation. The management works closely with the valuers to establish the appropriate valuation techniques and inputs to the model. The management reports the valuation report and findings to the Board of the Investment Manager half yearly to explain the cause of fluctuations in the fair value of the transmission projects. The inputs to the valuation models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as WACC, Tax rates, Inflation rates, etc. Changes in assumptions about these factors could affect the fair value. (refer Note 19A for details).

Impairment of non-financial assets

Non-financial assets of the Trust primarily comprise of investments in subsidiaries. Impairment exists when the carrying value of an asset or cash generating unit exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use. The recoverable amounts for the investments in subsidiaries are based on value in use of the underlying projects. The value in use calculation is based on a DCF model. The cash flows are derived from the budgets/forecasts over the life of the projects.

As at 31 March 2020, an amount of Rs. 2,627.22 million (31 March 2019: Rs. 2,316.84 million) has been provided as impairment on investment in subsidiary. The recoverable amount of the investment in subsidiary has been computed based on value in use calculation for the underlying projects. The key assumptions used to determine the recoverable amount for the underlying projects are disclosed and further explained in Note 19A.

INDIA GRID TRUST
Notes to Financial Statements for the year ended 31 March 2020

Note 19A : Fair value

The management has assessed that the financial assets and financial liabilities as at year end are reasonable approximations of their fair values.

The Trust is required to present the statement of total assets at fair value and statement of total returns at fair value as per SEBI Circular No. CIR/IMD/DF/114/2016 dated 20 October 2016 as part of these financial statements- Refer Statement of Net Assets at Fair Value and Statement of Total Returns at Fair Value.

The inputs to the valuation models for computation of fair value of assets for the above mentioned statements are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as WACC, Tax rates, Inflation rates, etc.

The significant unobservable inputs used in the fair value measurement required for disclosures as above categorised within Level 3 of the fair value hierarchy as above together with a quantitative sensitivity analysis as at 31 March 2020 are as shown below:

| Description of significant unobservable inputs to valuation: | Input for 31 March 2020 | Input for 31 March 2019 | Sensitivity of input to the fair value | Rs in million | |
|--|--|--|--|---|------------------------|
| | | | | Increase / (decrease) in fair value 31 March 2020 | 31 March 2019 |
| WACC | 8.44% to 9.09% | 8.12% to 8.40% | + 0.5% - 0.5% | (4,769.00) 5,655.00 | (2,445.95) 2,726.84 |
| Tax rate (normal tax and MAT) | Normal Tax - 25.168% MAT - Nil | Normal Tax - 29.12% MAT - 21.55% | + 2% - 2% | (1,277.63) 1,311.93 | (306.91) 260.35 |
| Inflation rate | Revenue: 5.00% Expenses: 2.72% to 4.56% | Revenue: 5.73% Expenses: 3.20% to 4.35% | + 1% - 1% | (788.38) 529.45 | (432.64) 360.78 |
| Additional tariff (applicable only for BDTCL) | NA | 2.39% | + 1% - 1% | NA | 210.48 (210.48) |

The independent valuer has considered effect of COVID-19 on the significant unobservable inputs used in fair valuation as referred above.

Note 19B: Fair value hierarchy

The following table provides the fair value measurement hierarchy of the Trust's assets and liabilities:

Quantitative disclosures fair value measurement hierarchy for assets and liabilities as at 31 March 2020 and 31 March 2019:

| | Date of valuation | Fair value measurement using | | |
|--|-------------------|---|---|---|
| | | Quoted prices in active markets (Level 1) | Significant observable inputs (Level 2) | Significant unobservable inputs (Level 3) |
| Assets for which fair values are disclosed: | | | | |
| Investment in subsidiaries (including loan to subsidiaries)* | 31 March 2020 | - | - | 98,365.08 |
| | 31 March 2019 | - | - | 43,702.15 |

There have been no transfers between Level 1, Level 2 during the year ended 31 March 2020 and 31 March 2019.

* Statement of net assets at fair value and statement of total returns at fair value require disclosures regarding fair value of assets (liabilities are considered at book values). Since the fair value of assets other than investments in subsidiaries approximate their book values, hence only investment in subsidiaries including loans to subsidiaries has been disclosed above.

INDIA GRID TRUST
Notes to Financial Statements for the year ended 31 March 2020

Note 20: Related party disclosures

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

Sterlite Grid 1 Limited (SGL1)
Sterlite Grid 2 Limited (SGL2)
Sterlite Grid 3 Limited (SGL3)
Bhopal Dhule Transmission Company Limited (BDTCL)
Jabalpur Transmission Company Limited (JTCL)
RAPP Transmission Company Limited (RTCL)
Purulia & Kharagpur Transmission Company Limited (PKTCL)
Maheshwaram Transmission Limited (MTL)
Patran Transmission Company Limited (PTCL)
NRSS XXIX Transmission Limited ("NTL")
Odisha Generation Phase II Transmission Limited ("OGPTL")
East-North Interconnection Company Limited ("ENICL")

(B) Other related parties under Ind AS-24 with whom transactions have taken place during the year

Entity with significant influence over the Trust

Sterlite Power Grid Ventures Limited (SPGVL)
Esoteric II Pte. Ltd. (from 04 May 2019)

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

(A) Parties to IndiGrid

Sterlite Power Grid Ventures Limited (SPGVL) - Sponsor and Project Manager of IndiGrid (refer note 1 below)
Sterlite Investment Managers Limited (SIML) - Investment Manager of IndiGrid (refer note 2 below)
Axis Trustee Services Limited (ATSL) - Trustee of IndiGrid

(B) Promoters of the parties to IndiGrid specified in (A) above

Sterlite Power Transmission Limited- Promoter of SIML (refer note 2 below)
Sterlite Power Transmission Limited- Promoter of SPGVL
Axis Trustee Limited- Promoter of ATSL
Electron IM Pte. Ltd.- Promoter of SIML

(C) Directors of the parties to IndiGrid specified in (A) above

(i) Directors of SPGVL:

Pravin Agarwal
Pratik Agarwal
A. R. Narayanaswamy
Avaantika Kakkar
Ved Mani Tiwari
Arun Todarwal Lalchand (from 22 July 2019)
Zhao Haixia (from 11 September 2019)

(ii) Directors of SIML:

Pratik Agarwal
Kuldip Kumar Kaura (till June 07, 2019)
Tarun Kataria
Shashikant Bhojani
Rahul Asthana
Harsh Shah (whole time director)
Sanjay Omprakash Nayar (from 07 June 2019)

(iii) Directors of ATSL:

Srinivasan Varadarajan (till 20 December 2018)
Ram Bharoseylal Vaish (till 08 November 2019)
Sidharth Rath (till 01 June 2018)
Rajaraman Viswanathan (till 10 October 2018)
Raghuraman Mahalingam (till 30 September 2018)
Rajesh Kumar Dahiya (from 11 July 2018)
Sajnay Sinha (from 10 October 2018)
Ganesh Sankaran (from 18 April 2019)

(iv) Relative of directors mentioned above:

Sonakshi Agarwal
Jyoti Agarwal
Sujata Asthana

(v) Firm in which director of sponsor is partner:

Cyril Amarchand Mangaldas

INDIA GRID TRUST
Notes to Financial Statements for the year ended 31 March 2020

(C) The transactions with related parties during the year are as follows:-

| Particulars | Relation | (Rs. in millions) | |
|---|---|-------------------|----------|
| | | 2019-20 | 2018-19 |
| 1. Unsecured loans given to subsidiaries | | | |
| Jabalpur Transmission Company Limited | Subsidiary | 1,203.10 | 4,321.37 |
| Bhopal Dhule Transmission Company Limited | Subsidiary | 166.20 | 20.00 |
| RAPP Transmission Company Limited | Subsidiary | - | - |
| Purulia & Kharagpur Transmission Company Limited | Subsidiary | - | - |
| Maheshwaram Transmission Limited | Subsidiary | - | 40.00 |
| Patran Transmission Company Limited | Subsidiary | - | 1,686.89 |
| Sterlite Grid 1 Limited | Subsidiary | - | 252.80 |
| Sterlite Grid 2 Limited | Subsidiary | 1,089.93 | - |
| Sterlite Grid 3 Limited | Subsidiary | - | - |
| NRSS XXIX Transmission Limited | Subsidiary | 29,483.42 | - |
| Odisha Generation Phase-II Transmission Limited | Subsidiary | 6,143.52 | - |
| 2. Interest income from subsidiaries | | | |
| Jabalpur Transmission Company Limited | Subsidiary | 2,541.68 | 1,905.14 |
| Bhopal Dhule Transmission Company Limited | Subsidiary | 1,305.15 | 1,298.27 |
| RAPP Transmission Company Limited | Subsidiary | 345.17 | 381.89 |
| Purulia & Kharagpur Transmission Company Limited | Subsidiary | 592.69 | 598.15 |
| Maheshwaram Transmission Limited | Subsidiary | 568.58 | 562.52 |
| Patran Transmission Company Limited | Subsidiary | 236.71 | 139.97 |
| Sterlite Grid 1 Limited | Subsidiary | 17.45 | 0.52 |
| Sterlite Grid 2 Limited | Subsidiary | 127.71 | - |
| Sterlite Grid 3 Limited | Subsidiary | 109.20 | - |
| NRSS XXIX Transmission Limited | Subsidiary | 3,484.61 | - |
| Odisha Generation Phase-II Transmission Limited | Subsidiary | 621.56 | - |
| 3. Repayment of loan from subsidiaries | | | |
| Jabalpur Transmission Company Limited | Subsidiary | 109.19 | - |
| Bhopal Dhule Transmission Company Limited | Subsidiary | 90.11 | - |
| RAPP Transmission Company Limited | Subsidiary | 131.17 | 201.60 |
| Purulia & Kharagpur Transmission Company Limited | Subsidiary | 126.25 | - |
| Maheshwaram Transmission Limited | Subsidiary | - | - |
| Patran Transmission Company Limited | Subsidiary | 33.71 | 101.77 |
| Sterlite Grid 1 Limited | Subsidiary | 252.80 | - |
| Sterlite Grid 2 Limited | Subsidiary | - | - |
| Sterlite Grid 3 Limited | Subsidiary | 2,059.72 | - |
| NRSS XXIX Transmission Limited | Subsidiary | 3,778.81 | - |
| Odisha Generation Phase-II Transmission Limited | Subsidiary | 144.13 | - |
| East-North Interconnection Company Limited | Subsidiary | 26.39 | - |
| 4. Purchase of equity shares of SGL2 | | | |
| Sterlite Power Grid Ventures Limited | Sponsor and Project Manager/Entity with significant influence | 12,626.66 | - |
| 5. Purchase of equity shares of SGL3 | | | |
| Sterlite Power Grid Ventures Limited | Sponsor and Project Manager/Entity with significant influence | 518.31 | - |
| 6. Purchase of loan to SGL3 | | | |
| Sterlite Power Grid Ventures Limited | Sponsor and Project Manager/Entity with significant influence | 2,289.49 | - |
| 7. Purchase of equity shares of ENICL | | | |
| Sterlite Power Grid Ventures Limited | Sponsor and Project Manager/Entity with significant influence | 1,259.46 | - |
| Sterlite Power Transmission Limited | Promoters of the parties to IndiGrid | 29.09 | - |
| 8. Purchase of loan to ENICL | | | |
| Sterlite Power Grid Ventures Limited | Sponsor and Project Manager/Entity with significant influence | 587.00 | - |
| 9. Received towards indemnification of liabilities | | | |
| Sterlite Power Grid Ventures Limited | Sponsor and Project Manager/Entity with significant influence | 18.66 | 53.47 |
| 10. Reimbursement of expenses paid | | | |
| Jabalpur Transmission Company Limited | Subsidiary | - | 0.32 |
| Bhopal Dhule Transmission Company Limited | Subsidiary | - | 0.15 |
| 11. Issue of unit capital | | | |
| Esoteric II Pte. Ltd | Entity with significant influence over the Trust | 11,412.04 | - |
| Sterlite Power Grid Ventures Limited | Sponsor and Project Manager/Entity with significant influence | 2,300.13 | - |

INDIA GRID TRUST
Notes to Financial Statements for the year ended 31 March 2020

| | | | | |
|--|---|--|----------|--------|
| 12. Distribution to unit holders | | | | |
| Esoteric II Pte. Ltd | Entity with significant influence over the Trust | | 1,224.32 | - |
| Sterlite Power Grid Ventures Limited | Sponsor and Project Manager/Entity with significant influence | | 968.32 | 709.20 |
| Pravin Agarwal | Director of Sponsor | | 3.06 | 11.60 |
| Pratik Agarwal | Director of Sponsor and Investment Manager | | 4.41 | 1.22 |
| Harsh Shah | Whole time director of Investment Manager | | 0.12 | 0.06 |
| Sonakshi Agarwal | Relative of director | | 0.18 | - |
| Jyoti Agarwal | Relative of director | | 0.24 | - |
| Sujata Asthana | Relative of director | | 0.67 | - |
| Arun Tadarwal | Director of Sponsor | | 0.06 | - |
| A. R. Narayanaswamy | Director of Sponsor | | 0.15 | - |
| 13. Advance receivable in cash | | | | |
| Sterlite Grid 1 Limited | Subsidiary | | - | 9.00 |
| 14. Trustee Fee | | | | |
| Axis Trustee Services Limited (ATSL) | Trustee | | 2.36 | 2.16 |
| 15. Legal and professional services taken | | | | |
| Cyril Amarchand Mangaldas | Firm in which director of sponsor is partner | | 26.62 | - |
| 16. Amount paid against indemnification of dues | | | | |
| Jabalpur Transmission Company Limited# | Subsidiary | | - | 50.41 |

(D) The outstanding balances of related parties are as follows:-

| Particulars | Relation | (Rs in Million) | |
|---|---|-----------------|---------------|
| | | 31 March 2020 | 31 March 2019 |
| 1. Unsecured loan receivable | Subsidiary | 71,274.41 | 37,064.04 |
| 2. Interest receivable from subsidiaries | Subsidiary | 281.64 | 446.03 |
| 3. Advance receivable in cash | Subsidiary | - | 13.60 |
| 4. Non-Convertible Debentures of subsidiary (including accrued interest on EIR) | Subsidiary | 5,823.90 | 6,449.71 |
| 5. Investment in equity shares of subsidiary (excluding provision for impairment) | Subsidiary | 17,098.27 | 1,435.35 |
| 6. Optionally convertible redeemable preference shares (excluding provision for impairment) | Subsidiary | 1,001.96 | 1,001.96 |
| 7. Payable towards project acquired | Sponsor and Project Manager/Entity with significant influence | 1,897.00 | - |
| 8. Payable towards legal and professional services | Firm in which director of sponsor is partner | 5.18 | - |

Note 1: Sterlite Power Grid Ventures Limited ("SPGVL") has entered into "Inter-se sponsor agreement" dated April 30, 2019 ("the Agreement") with Esoteric II Pte. Ltd. to designate Esoteric II Pte. Ltd as a "Sponsor" of the Trust subject to approval from SEBI in terms of SEBI InvIT Regulations.

Note 2: Pursuant to "Share Subscription and Purchase Agreement" ("the agreement") executed between Electron IM Pte. Ltd. and Sterlite Power Transmission Limited ["SPTL", the holding company of Sterlite Investment Managers Limited ("SIML"), the Investment Managers of the Trust] on April 30, 2019, SPTL shall sell 74% of its stake in SIML as specified in the agreement.

#Sponsor has paid to IndiGrid towards deposits paid by IndiGrid's subsidiaries for tax litigations for which Sponsor is liable.

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 20 October 2016 are as follows:

For the financial year ended 31 March 2020: Refer disclosure below:

For the financial year ended 31 March 2019: No acquisition of InvIT assets from related parties during the year.

(A) Summary of the valuation reports (issued by the independent valuer appointed under the InvIT Regulations):

| Particulars | (Rs in million) | | |
|--------------------------|----------------------|--------|--------|
| | NTL | OGPTL | ENICL |
| Enterprise value | 41,626 | 12,840 | 11,355 |
| Method of valuation | Discounted Cash Flow | | |
| Discounting rate (WACC): | 8.12% | 8.42% | 8.77% |

INDIA GRID TRUST
Notes to Financial Statements for the year ended 31 March 2020

(B) Material conditions or obligations in relation to the transactions:

Acquisition of NRSS XXIX Transmission Limited (NTL) (through acquisition of Sterlite Grid 2 Limited):

Pursuant to the share purchase agreements dated April 30, 2019 ("SPA") executed among Sterlite Power Grid Ventures Limited, Axis Trustee Services Limited, Sterlite Investment Managers Limited, Sterlite Grid 2 Limited and NRSS XXIX Transmission Limited for acquisition of equity stake in NTL. IndiGrid has acquired 100% of equity in Sterlite Grid 2 Limited which is the holding company of NTL.

The acquisition of NTL and SG2L was financed by money raised through Qualified Institutional Placement (QIP) of Rs. 25,140 million and from issue of Non-Convertible Debentures of Rs. 21,000 million (rate of interest- 8.60% to 9.10%) by IndiGrid. No fees or commission were received/to be received by any associate of the related party in relation to the transaction.

Acquisition of Odisha Generation Phase-II Transmission Limited (OGPTL) (through acquisition of Sterlite Grid 3 Limited):

Pursuant to the share purchase agreements dated April 30, 2019 as amended on June 28, 2019 ("SPA") executed among Sterlite Power Grid Ventures Limited, Axis Trustee Services Limited, Sterlite Investment Managers Limited, Sterlite Grid 3 Limited and Odisha Generation Phase-II Transmission Limited for acquisition of equity stake in OGPTL. IndiGrid has acquired 100% of equity in Sterlite Grid 3 Limited which is the holding company of OGPTL.

The acquisition of OGPTL and SG3L were financed by issue of Non-Convertible Debentures of Rs. 21,000 million (rate of interest- 8.60% to 9.10%) by IndiGrid. No fees or commission were received/to be received by any associate of the related party in relation to the transaction.

Acquisition of East-North Interconnection Company Limited (ENICL):

Pursuant to the share purchase agreements dated March 23, 2020 ("SPA") executed among Sterlite Power Grid Ventures Limited, Axis Trustee Services Limited, Sterlite Investment Managers Limited, Sterlite Power Transmission Limited and East-North Interconnection Limited ("ENICL") for acquisition of equity stake in ENICL. IndiGrid has acquired 49% of equity in ENICL.

The acquisition of ENICL was financed by money raised through Qualified Institutional Placement (QIP) of Rs. 25,140 million by IndiGrid and from issue of Non-Convertible Debentures of Rs. 22,750 million (rate of interest- 8.40% to 9.10%) by IndiGrid and from internal accruals during the year. No fees or commission were received/to be received by any associate of the related party in relation to the transaction.

Note 21: Segment reporting

The Trust's activities comprise of owning and investing in transmission SPVs to generate cash flows for distribution to unitholders. Based on the guiding principles given in Ind AS - 108 "Operating Segments", this activity falls within a single operating segment and accordingly the disclosures of Ind AS -108 have not separately been given

Note 22: Financial risk management objectives and policies

The Trust's principal financial liabilities comprise of borrowings and other financial liabilities. The main purpose of these financial liabilities is to finance the Trust's operations. The Trust's principal financial assets include investments, loans, cash and bank balances and other financial assets that derive directly from its operations.

The Trust may be exposed to market risk, credit risk and liquidity risk. The Investment Manager oversees the management of these risks. All derivative activities for risk management purposes are carried out by specialist teams that have the appropriate skills, experience and supervision. It is the Trust's policy that no trading in derivatives for speculative purposes may be undertaken. The management reviews and agrees policies for managing each of these risks, which are summarised below.

The Risk Management policies of the Trust are established to identify and analyse the risks faced by the Trust, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Trust's activities.

Management has overall responsibility for the establishment and oversight of the Trust's risk management framework.

(A) Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk such as equity price risk. Financial instruments affected by market risk include loans and borrowings and investments.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Trust's borrowings are at fixed rate, hence the Trust is not exposed to Interest rate risk.

Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Trust did not have any exposure in foreign currency as at 31 March 2020 and 31 March 2019

Equity price risk

The Trust's investments in equity shares of subsidiaries are susceptible to market price risk arising from uncertainties about future values of those investments. Reports on the equity portfolio are submitted to the senior management on a regular basis. The Board of Directors of the Investment Manager reviews and approves all equity investment decisions.

At the reporting date, the exposure to equity investments in subsidiary at carrying value was Rs. 15,169.05 million (31 March 2019: Rs. 735.53 million). Sensitivity analyses of significant unobservable inputs used in the fair value measurement are disclosed in Note 19A.

INDIA GRID TRUST
Notes to Financial Statements for the year ended 31 March 2020

(B) Credit risk

Credit risk is the risk that a counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Trust is exposed to credit risk from its investing activities including loans to subsidiaries, deposits with banks and other financial instruments. As at 31 March 2020 and 31 March 2019, the credit risk is considered low since substantial transactions of the Trust are with its subsidiaries.

(C) Liquidity risk

Liquidity risk is the risk that the Trust may encounter difficulty in meeting its present and future obligations associated with financial liabilities that are required to be settled by delivering cash or another financial asset. The Trust's objective is to, at all times, maintain optimum levels of liquidity to meet its cash and collateral obligations. The Trust requires funds both for short term operational needs as well as for long term investment programs mainly in transmission projects. The Trust closely monitors its liquidity position and deploys a robust cash management system. It aims to minimise these risks by generating sufficient cash flows from its current operations, which in addition to the available cash and cash equivalents and liquid investments will provide liquidity.

The liquidity risk is managed on the basis of expected maturity dates of the financial liabilities. The other financial liabilities are with short term durations. The table below summarises the maturity profile of the Trust's financial liabilities based on contractual undiscounted payments:

| Particulars | Rs in million | | | | |
|-------------------------------|--------------------|-----------------------|------------------|-------------------|------------------|
| | Less than 3 months | 3 months to 12 months | 1 to 5 years | More than 5 years | Total |
| 31 March 2020 | | | | | |
| Borrowings | - | - | 22,682.16 | 16,800.05 | 39,482.21 |
| Other financial liabilities * | 193.33 | 1,897.00 | - | - | 2,090.33 |
| Total | 193.33 | 1,897.00 | 22,682.16 | 16,800.05 | 41,572.54 |
| 31 March 2019 | | | | | |
| Borrowings | - | - | - | 16,795.46 | 16,795.46 |
| Other financial liabilities * | 231.68 | - | - | - | 231.68 |
| Total | 231.68 | - | - | 16,795.46 | 17,027.14 |

* Includes amount of Rs. Nil (31 March 2019: Rs. 156.72 million) being payable towards project acquired.

Note 23: Impact of COVID-19

The management has evaluated the impact of COVID 19 pandemic & lockdown imposed by the Government of India on the Trust.

The Trust receives income mainly in the form of interest income on loans given to subsidiaries which are engaged in the construction and operation & maintenance of power transmission lines and substations ('power transmission infrastructure'). These subsidiaries are governed by section 63 of The Electricity Act 2003 where in as per the Transmission Service Agreements ('TSAs') tariff revenue is accrued based on availability of power transmission infrastructure. Further, the Government of India has declared power transmission as "an essential service" therefore the subsidiaries are able to ensure availability of power transmission infrastructure and carry out maintenance activities during the lockdown period.

As the tariff revenues of the subsidiaries are linked to availability, irrespective of the quantum of power transmitted through the power transmission infrastructure and considering the Point of Connection ('PoC') mechanism the risk of non-collection of transmission charges receivables as of March 31, 2020 is minimum, however there could be delays in collection of trade receivables and unbilled revenue of the subsidiaries.

Therefore, the management believes that the Trust will be able to receive interest income from the subsidiaries. In assessing the recoverability of receivables and investment in subsidiaries, the Trust has considered internal and external information up to the date of approval of these standalone financial statements including communication from regulatory agencies and LTTCs. Further, the management believes that there is no risk in the Trust's ability to continue as going concern and meeting its liabilities as and when they fall due.

The management will continue to monitor and assess impact of economic conditions arising due to COVID 19. The impact of COVID 19 may differ from that expected at the date of approval of these standalone financial statements

Note 24: Contingent liabilities

The Trust has no contingent liability to be reported.

INDIA GRID TRUST
Notes to Financial Statements for the year ended 31 March 2020

Note 25: Capital management

For the purpose of the Trust's capital management, capital includes issued unit capital and all other reserves attributable to the unit holders of the Trust. The primary objective of the Trust's capital management is to ensure that it maintains a strong credit rating and healthy capital ratios in order to support its business and maximise unit holder value.

The Trust manages its capital structure and makes adjustments to it in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Trust may adjust the distribution to unitholders (subject to the provisions of InVIT regulations which require distribution of at least 90% of the net distributable cash flows of the Trust to unit holders), return capital to unitholders or issue new units. The Trust monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. The Trust's policy is to keep the gearing ratio optimum. The Trust includes within net debt, interest bearing loans and borrowings and other payables less cash and cash equivalents, other bank balances and short term investments.

| Particulars | 31 March 2020 (Rs. in million) | 31 March 2019 (Rs. in million) |
|---|---|---|
| Borrowings | 39,482.21 | 16,795.46 |
| Other financial liabilities | 2,090.33 | 231.68 |
| Less: Cash and cash equivalents, other bank balances and short term investments | (2,927.73) | (1,290.23) |
| Net debt (A) | 38,644.81 | 15,736.91 |
| Unit capital | 53,145.69 | 28,380.00 |
| Other equity | (1,713.72) | (519.17) |
| Total capital (B) | 51,431.97 | 27,860.83 |
| Capital and net debt [(C) = (A) + (B)] | 90,076.78 | 43,597.74 |
| Gearing ratio (C) / (A) | 42.90% | 36.10% |

Note 26: Capital and other Commitments

The Trust has entered into a Framework agreement on 30 April 2019 with Sterlite Grid Ventures Limited ('SPGVL') for acquisition of Gurgaon-Palwal Transmission Limited ('GPTL'), NER II Transmission Limited ('NER') and Khargone Transmission Limited ('KTL'). The board of directors of Sterlite Investment Managers Limited and unitholders of India Grid Trust have approved acquisition of GPTL on April 08, 2020 and May 09, 2020 respectively.

Note 27: Subsequent event

On May 27, 2020, the Board of directors of the Investment Manager approved a distribution of Rs. 3 per unit for the period 1 January 2020 to 31 March 2020 to be paid on or before 15 days from the date of declaration.

As per our report of even date

For S R B C & Co LLP
Chartered Accountants
Firm Registration No. 324982E/E300003

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

per Arvind Sethi
Partner
Membership Number : 089802
Place : Pune
Date : 27 May 2020

Harsh Shah
CEO & Whole Time Director
DIN: 02496122
Place : Mumbai
Date : 27 May 2020

Swapnil Patil
Company Secretary
Place : Mumbai
Date : 27 May 2020

Independent Auditor's Report on the Half Yearly audited Standalone Financial Results of the Trust Pursuant to Regulation 23 of the SEBI (Infrastructure Investment Trusts) Regulations, 2014, as amended

To
Board of Directors of
Sterlite Investment Managers Limited
(as Investment Manager of India Grid Trust)
Maker Maxity, 5 North Avenue, Level 5,
Bandra Kurla Complex, Bandra East Mumbai
Mumbai MH 400051

Report on the audit of the Standalone Financial Results**Opinion**

We have audited the accompanying statement of standalone financial results of India Grid Trust ('the InvIT') consisting of the Statement of profit and loss, explanatory notes thereto and the additional disclosures as required in paragraph 6 of Annexure A to the SEBI Circular No. CIR/IMD/DF/127/2016 dated November 29, 2016 ("SEBI Circular") for the half year ended March 31, 2020 and for the year ended March 31, 2020 ('the Statement'), attached herewith, being submitted by the InvIT pursuant to the requirements of Regulation 23 of the SEBI (Infrastructure Investment Trusts) Regulations, 2014, as amended from time to time read with SEBI Circular.

In our opinion and to the best of our information and according to the explanations given to us, the Statement:

- i. is presented in accordance with the requirements of Regulation 23 of the SEBI (Infrastructure Investment Trusts) Regulations, 2014, as amended from time to time read with read with SEBI Circular No. CIR/IMD/DF/127/2016 dated November 29, 2016 in this regard; and
- ii. gives a true and fair view in conformity with the applicable accounting standards and other accounting principles generally accepted in India, of the net profit and other comprehensive income and other financial information of the InvIT for the half year ended March 31, 2020 and for the year ended March 31, 2020.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs), issued by Institute of Chartered Accountants of India. Our responsibilities under those Standards are further described in the "Auditor's Responsibilities for the Audit of the Standalone Financial Results" section of our report. We are independent of the InvIT in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India and we have fulfilled our ethical responsibilities in accordance with the Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our opinion.

Management’s Responsibilities for the Standalone Financial Results

The Statement has been prepared on the basis of the standalone annual financial statements. Management of Sterlite Investment Managers Limited (“the Management”) is responsible for the preparation and presentation of the Statement that gives a true and fair view of the net profit and other comprehensive income and other financial information of the InvIT in accordance with the requirements of SEBI (Infrastructure Investment Trusts) Regulations, 2014, as amended from time to time (“the InvIT Regulations”); Indian Accounting Standards as defined 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 InvIT regulations. This responsibility includes the design, implementation and maintenance of adequate internal financial controls for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Statement, the Management is responsible for assessing the InvIT’s ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the management either intends to liquidate the InvIT or to cease operations, or has no realistic alternative but to do so.

The Management is also responsible for overseeing the InvIT’s financial reporting process.

Auditor’s Responsibilities for the Audit of the Standalone Financial Results

Our objectives are to obtain reasonable assurance about whether the Statement as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor’s report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the Statement.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Statement, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the InvIT’s internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- Conclude on the appropriateness of the management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the InvIT's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial results or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the InvIT to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Statement, including the disclosures, and whether the Statement represents the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Other Matter

The Statement includes the standalone financial results for the half year ended March 31,2020 being the balancing figures between the audited figures in respect of the full financial year ended March 31, 2020 and the published unaudited year-to-date figures up to September 30, 2019, being the date of the end of the first half of the current financial year, which were subject to limited review as required under Regulation 23 of the SEBI (Infrastructure Investment Trusts) Regulations, 2014 as amended from time to time read with SEBI Circular No. CIR/IMD/DF/127/2016 dated November 29, 2016.

For S R B C & CO. LLP

Chartered Accountants

ICAI Firm Registration Number: 324982E/E300003

ARVIND
SETHI

Digitally signed by ARVIND SETHI
DN: cn=ARVIND SETHI, c=IN,
o=Personal,
email=arvind.sethi@srb.in
Location: Pune
Date: 2020.05.27 14:58:07 +05'30'

per Arvind Sethi

Partner

Membership Number: 089802

UDIN: 20089802AAAACQ7811

Place of signature: Pune

Date: May 27,2020

INDIA GRID TRUST
CONSOLIDATED BALANCE SHEET AS AT 31 MARCH 2020
(All amounts in Rs. million unless otherwise stated)

| | Notes | 31 March 2020 (Rs. in million) | 31 March 2019 (Rs. in million) |
|---|-------|-----------------------------------|-----------------------------------|
| ASSETS | | | |
| Non-current assets | | | |
| Property, plant and equipment | 3 | 1,08,163.16 | 49,827.62 |
| Financial assets | | | |
| i. Other financial assets | 5 | 9.86 | 3.57 |
| Other assets | 6 | 382.34 | 192.25 |
| | | 1,08,555.36 | 50,023.44 |
| Current assets | | | |
| Financial assets | | | |
| i. Investments | 4 | - | 75.72 |
| ii. Trade receivables | 7 | 2,458.33 | 1,140.61 |
| iii. Cash and cash equivalents | 8 | 4,088.41 | 1,603.66 |
| iv. Bank balances other than (iii) above | 9 | 1,299.74 | 19.66 |
| v. Other financial assets | 5 | 1,282.63 | 553.26 |
| Other current assets | 6 | 235.72 | 45.91 |
| | | 9,364.83 | 3,438.82 |
| Total assets | | 1,17,920.19 | 53,462.26 |
| EQUITY AND LIABILITIES | | | |
| Equity | | | |
| Unit capital | 10 | 53,145.69 | 28,380.00 |
| Other equity | 11 | | |
| Retained earnings / (accumulated deficit) | | (2,659.44) | (1,613.89) |
| Total Unit holders' equity | | 50,486.25 | 26,766.11 |
| Non-current liabilities | | | |
| Financial liabilities | | | |
| i. Borrowings | 12 | 62,637.00 | 25,902.00 |
| ii. Other financial liabilities | 14 | - | 156.72 |
| Deferred tax liabilities (net) | 17 | 602.06 | - |
| | | 63,239.06 | 26,058.72 |
| Current liabilities | | | |
| Financial liabilities | | | |
| i. Trade payables | 13 | | |
| a. Total outstanding dues of micro enterprises and small enterprises | | 105.32 | 54.10 |
| b. Total outstanding dues of creditors other than micro enterprises and small enterprises | | 227.59 | 107.86 |
| ii. Other financial liabilities | 14 | 3,617.60 | 462.98 |
| Other current liabilities | 15 | 240.27 | 12.42 |
| Current tax liability | 16 | 4.10 | 0.07 |
| | | 4,194.88 | 637.43 |
| Total liabilities | | 67,433.94 | 26,696.15 |
| Total equity and liabilities | | 1,17,920.19 | 53,462.26 |

Summary of significant accounting policies 2.3

The accompanying notes are an integral part of the consolidated financial statements.

As per our report of even date

For S R B C & Co LLP
Chartered Accountants
Firm Registration No. 324982E/E300003

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

per Arvind Sethi
Partner
Membership Number : 089802
Place : Pune
Date : 27 May 2020

Harsh Shah
CEO & Whole Time Director
DIN: 02496122
Place : Mumbai
Date : 27 May 2020

Swapnil Patil
Company Secretary
Place : Mumbai
Date : 27 May 2020

INDIA GRID TRUST
CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31 MARCH 2020
(All amounts in Rs. million unless otherwise stated)

| | Notes | 31 March 2020 (Rs. in million) | 31 March 2019 (Rs. in million) |
|---|-------|-----------------------------------|-----------------------------------|
| INCOME | | | |
| Revenue from contracts with customers | 18 | 12,427.13 | 6,655.70 |
| Income from investment in mutual funds | | 190.89 | 48.64 |
| Interest income on investment in fixed deposits | | 102.09 | 22.63 |
| Other finance income | | 0.32 | - |
| Other income | 19 | 65.51 | 12.08 |
| Total income (I) | | 12,785.94 | 6,739.05 |
| EXPENSES | | | |
| Transmission infrastructure maintenance charges | | 240.38 | 175.57 |
| Insurance expenses | | 147.02 | 87.00 |
| Investment manager fees (refer note 36) | | 238.79 | 130.53 |
| Project manager fees (refer note 36) | | 63.66 | 39.54 |
| Legal and professional fees | | 117.85 | 82.34 |
| Valuation expenses | | 4.89 | 3.70 |
| Trustee fee | | 3.60 | 2.16 |
| Vehicle hire charges | | 13.51 | 7.26 |
| Rates & taxes | | 37.76 | 34.68 |
| Payment to auditors (including for subsidiaries) | | | |
| - Statutory audit fees | | 7.07 | 4.74 |
| - Tax audit fees | | 2.71 | 1.67 |
| - Other services (including certification) | | 1.22 | 3.11 |
| Other expenses | | 110.07 | 59.24 |
| Depreciation expense | | 3,101.12 | 1,809.22 |
| Impairment / (reversal of impairment) of property, plant and equipment | | (456.96) | 456.96 |
| Finance costs | 20 | 4,153.38 | 2,295.83 |
| Total expenses (II) | | 7,786.07 | 5,193.55 |
| Profit before tax (I) - (II) | | 4,999.87 | 1,545.50 |
| Tax expense | | | |
| Current tax | 17 | 56.96 | 6.08 |
| Deferred tax | 17 | (114.29) | - |
| Income tax for earlier years | | - | 0.28 |
| Profit for the year | | 5,057.20 | 1,539.14 |
| 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 | | 5,057.20 | 1,539.14 |
| Earnings per unit (Computed on the basis of profit for the year (Rs.)) | | | |
| | 21 | | |
| Basic | | 9.13 | 5.42 |
| Diluted | | 9.13 | 5.32 |
| Summary of significant accounting policies | 2.3 | | |

The accompanying notes are an integral part of the consolidated financial statements.

As per our report of even date

For S R B C & Co LLP
Chartered Accountants
Firm Registration No. 324982E/E300003

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

per Arvind Sethi
Partner
Membership Number : 089802
Place : Pune
Date : 27 May 2020

Harsh Shah
CEO & Whole Time Director
DIN: 02496122
Place : Mumbai
Date : 27 May 2020

Swapnil Patil
Company Secretary
Place : Mumbai
Date : 27 May 2020

INDIA GRID TRUST
CONSOLIDATED STATEMENT OF CHANGES IN UNIT HOLDERS' EQUITY FOR THE YEAR ENDED 31 MARCH 2020
(All amounts in Rs. million unless otherwise stated)

A. Unit capital

| | Nos. in million | Rs. in million |
|--|-----------------|------------------|
| Balance as at 1 April 2018 | 283.80 | 28,380.00 |
| Units issued during the year | - | - |
| Balance as at 31 March 2019 | 283.80 | 28,380.00 |
| Units issued during the year (refer note 10) | 299.69 | 25,140.48 |
| Issue expenses (refer note 10) | - | (374.79) |
| Balance as at 31 March 2020 | 583.49 | 53,145.69 |

B. Other equity

| | Retained earnings /(accumulated deficit) | (Rs. in million) Total other equity |
|---|---|--|
| As at 1 April 2018 | 252.56 | 252.56 |
| Profit for the year | 1,539.14 | 1,539.14 |
| Other comprehensive income | - | - |
| Less: Distribution during the year (refer note below) | (3,405.59) | (3,405.59) |
| As at 31 March 2019 | (1,613.89) | (1,613.89) |
| Profit for the year | 5,057.20 | 5,057.20 |
| Other comprehensive income | - | - |
| Less: Distribution during the year (refer note below) | (6,102.75) | (6,102.75) |
| As at 31 March 2020 | (2,659.44) | (2,659.44) |

Note:

The distribution relates to the distributions made during the financial year along with the distribution related to the last quarter of FY 2018-19 and does not include the distribution relating to the last quarter of FY 2019-20 which will be paid after 31 March 2020.

The distributions made by IndiGrid to its unitholders are based on the Net Distributable Cash Flows (NDCF) of IndiGrid under the InvIT Regulations and hence part of the same includes repayment of capital as well.

As per our report of even date

For S R B C & Co LLP
Chartered Accountants
Firm Registration No. 324982E/E300003

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

per Arvind Sethi
Partner
Membership Number : 089802
Place : Pune
Date : 27 May 2020

Harsh Shah
CEO & Whole Time Director
DIN: 02496122
Place : Mumbai
Date : 27 May 2020

Swapnil Patil
Company Secretary
Place : Mumbai
Date : 27 May 2020

INDIA GRID TRUST
CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31 MARCH 2020
(All amounts in Rs. million unless otherwise stated)

| | 31 March 2020 (Rs. in million) | 31 March 2019 (Rs. in million) |
|--|-----------------------------------|-----------------------------------|
| A. Cash flow from operating activities | | |
| Net Profit as per statement of profit and loss | 5,057.20 | 1,539.14 |
| Adjustment for taxation | (57.33) | 6.36 |
| Profit before tax | 4,999.87 | 1,545.50 |
| Non-cash adjustment to reconcile profit before tax to net cash flows | | |
| Depreciation expenses | 3,101.12 | 1,809.22 |
| Impairment / (reversal of impairment) of property plant & equipment | (456.96) | 456.96 |
| Reversal of prepayment charges | - | (2.37) |
| Foreign exchange loss on borrowing | 62.85 | 113.78 |
| Finance costs | 4,090.53 | 2,182.05 |
| Income from investment in mutual funds | (190.89) | (48.64) |
| Interest income on investment in fixed deposits | (102.09) | (22.63) |
| Gain on sale of property, plant and equipment | - | (7.00) |
| Operating profit before working capital changes | 11,504.43 | 6,026.87 |
| Movements in working capital : | | |
| Increase/(decrease) in trade payables | 3.08 | 31.83 |
| Increase/(decrease) in other current financial liabilities | 194.12 | 5.10 |
| Increase/(decrease) in other current liabilities | (378.88) | (9.41) |
| Decrease/(increase) in trade receivables | 31.07 | (236.38) |
| Decrease/(increase) in other non current financial asset | (5.82) | 9.45 |
| Decrease/(increase) in other non current asset | (10.72) | 6.79 |
| Decrease/(increase) in other current financial asset | 49.71 | (50.54) |
| Decrease/(increase) in other current assets | (12.03) | 22.73 |
| Changes in working capital | (129.47) | (220.43) |
| Cash generated from operations | 11,374.96 | 5,806.44 |
| Direct taxes paid (net of refunds) | (125.92) | (6.29) |
| Net cash flow from operating activities (A) | 11,249.04 | 5,800.15 |
| B. Cash flow from investing activities | | |
| Acquisition of property, plant and equipment | (59,156.47) | (2,252.05) |
| Acquisition of other assets (net of other liabilities) | (779.36) | (51.69) |
| Proceeds from sale of property plant and equipment | - | 8.40 |
| Acquisition of mutual fund investments | (2,604.21) | - |
| Interest income on investment in fixed deposits | 41.91 | 18.76 |
| Income from investment in mutual funds | 190.89 | 48.64 |
| Purchase of mutual fund investments | (28,774.82) | (11,309.26) |
| Redemption of mutual fund investments | 31,454.75 | 11,233.54 |
| Investment in fixed deposits (net) | (1,280.08) | - |
| Net cash flow used in investing activities (B) | (60,907.39) | (2,303.67) |
| C. Cash flow from financing activities | | |
| Proceeds from issue of unit capital | 25,140.48 | - |
| Unit issue expenses | (374.79) | - |
| Proceeds from issue of debentures / long term borrowings | 28,248.58 | 6850.00 |
| Repayment of long term borrowings | (273.91) | (6,520.21) |
| Acquisition of borrowings | 9,600.00 | 1675.00 |
| Payment of upfront fees of long term borrowings | (272.91) | - |
| Finance costs | (3,823.19) | (2,170.70) |
| Distributions to unitholders | (6,101.16) | (3,399.84) |
| Net cash flow from / (used in) financing activities (C) | 52,143.10 | (3,565.75) |
| Net increase / (decrease) in cash and cash equivalents (A + B + C) | 2,484.75 | (69.26) |
| Cash and cash equivalents as at beginning of year | 1,603.66 | 1,672.92 |
| Cash and cash equivalents as at year end | 4,088.41 | 1,603.66 |

INDIA GRID TRUST
CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31 MARCH 2020
(All amounts in Rs. million unless otherwise stated)

Components of cash and cash equivalents:

| | 31 March 2020 | 31 March 2019 |
|--|-------------------------|-------------------------|
| | (Rs. in million) | (Rs. in million) |
| Balances with banks: | | |
| - On current accounts ^ | 3,467.87 | 519.10 |
| - Deposit with original maturity of less than 3 months | 620.54 | 1,084.56 |
| Total cash and cash equivalents (refer note 8) | 4,088.41 | 1,603.66 |

^ Out of total amount, Rs. 7.34 million (31 March 2019: Rs. 5.75 million) pertains to unclaimed dividend to unitholders.

* Includes amount of Rs. Nil million (31 March 2019: Rs. 429.67 million) is kept in Interest Service Reserve Account ('ISRA')/Debt Service Reserve Account ('DSRA') as per borrowing agreements with lenders.

Reconciliation between opening and closing balances for liabilities arising from financing activities:-

| Particulars | Long term borrowings | Short term borrowings |
|------------------------------------|-----------------------------|------------------------------|
| 01 April 2018 | 19,766.46 | 4,230.00 |
| Cash flow | | |
| - Interest | (2,199.99) | (127.07) |
| - Proceeds/(repayments) | 6,280.68 | (4,230.00) |
| - Lease liability | - | |
| Foreign exchange loss on borrowing | 156.37 | - |
| Accrual | 2,168.76 | 127.07 |
| 31 March 2019 | 26,172.27 | - |
| Cash flow | | |
| - Interest | (3,823.19) | - |
| - Proceeds/(repayments) | 37,301.76 | - |
| - Lease liability | 45.87 | - |
| Foreign exchange loss on borrowing | 209.56 | - |
| Accrual | 4,090.53 | - |
| 31 March 2020 | 63,996.80 | - |

Summary of significant accounting policies

2.3

As per our report of even date

For S R B C & Co LLP
Chartered Accountants
Firm Registration No. 324982E/E300003

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

per Arvind Sethi
Partner
Membership Number : 089802
Place : Pune
Date : 27 May 2020

Harsh Shah
CEO & Whole Time Director
DIN: 02496122
Place : Mumbai
Date : 27 May 2020

Swapnil Patil
Company Secretary
Place : Mumbai
Date : 27 May 2020

INDIA GRID TRUST

DISCLOSURES PURSUANT TO SEBI CIRCULARS

(SEBI Circular No. CIR/IMD/DF/114/2016 dated 20-Oct-2016 and No. CIR/IMD/DF/127/2016 dated 29-Nov-2016 issued under the InvIT Regulations)

A. CONSOLIDATED STATEMENT OF NET ASSETS AT FAIR VALUE AS AT:

| Particulars | (Rs. in million) | | | |
|--------------------------------|------------------|-------------|---------------|------------|
| | 31 March 2020 | | 31 March 2019 | |
| | Book value | Fair value | Book value | Fair value |
| A. Assets | 1,17,920.19 | 1,27,100.52 | 53,462.26 | 54,097.07 |
| B. Liabilities (at book value) | 67,433.94 | 67,433.94 | 26,696.15 | 26,696.15 |
| C. Net assets (A-B) | 50,486.25 | 59,666.58 | 26,766.11 | 27,400.93 |
| D. Number of units | 583.49 | 583.49 | 283.80 | 283.80 |
| E. NAV (C/D) | 86.52 | 102.26 | 94.31 | 96.55 |

Project wise breakup of fair value of assets as at

| Project | (Rs. in million) | |
|---|------------------|---------------|
| | 31 March 2020 | 31 March 2019 |
| Bhopal Dhule Transmission Company Limited | 18,781.64 | 19,621.32 |
| Jabalpur Transmission Company Limited | 14,490.39 | 14,811.09 |
| RAPP Transmission Company Limited | 4,035.67 | 4,113.56 |
| Purulia & Kharagpur Transmission Company Limited | 6,501.67 | 6,490.78 |
| Maheshwaram Transmission Limited | 5,466.06 | 5,342.48 |
| Patran Transmission Company Limited | 2,386.61 | 2,444.73 |
| NRSS XXIX Transmission Limited | 45,382.69 | - |
| Odisha Generation Phase-II Transmission Limited | 14,371.15 | - |
| East-North Interconnection Company Limited | 12,581.81 | - |
| Subtotal | 1,23,997.69 | 52,823.96 |
| Assets (in IndiGrid and Sterlite Grid 1 Limited, Sterlite Grid 2 Limited and Sterlite Grid 3 Limited) | 3,102.83 | 1,273.11 |
| Total assets | 1,27,100.52 | 54,097.07 |

B. CONSOLIDATED STATEMENT OF TOTAL RETURNS AT FAIR VALUE FOR THE YEAR ENDED

| Particulars | (Rs. in million) | |
|---|------------------|---------------|
| | 31 March 2020 | 31 March 2019 |
| Total Comprehensive Income (As per the statement of profit and loss) | 5,057.20 | 1,539.14 |
| Add/ (less): Other changes in fair value (e.g., in investment property, property, plant & equipment (if cost model is followed)) not recognized in total comprehensive income | 8,545.52 | 356.86 |
| Total Return | 13,602.72 | 1,896.00 |

Note:

1. Fair value of assets and other changes in fair value for the year then ended as disclosed in the above tables are derived based on the fair valuation reports issued by the independent valuer appointed under the InvIT Regulations.

2. Sensitivity analysis with respect to significant unobservable inputs used in the fair value measurement has been disclosed in Note 25A.

INDIA GRID TRUST**DISCLOSURES PURSUANT TO SEBI CIRCULARS**

(SEBI Circular No. CIR/IMD/DF/114/2016 dated 20-Oct-2016 and No. CIR/IMD/DF/127/2016 dated 29-Nov-2016 issued under the InvIT Regulations)

STATEMENTS OF NET DISTRIBUTABLE CASH FLOWS (NDCF's)**A) Statement of Net Distributable Cash Flows (NDCFs) of India Grid Trust**

(Rs in million)

| Description | Year ended 31 March 2020 | Year ended 31 March 2019 |
|--|--------------------------|--------------------------|
| Cash flows received from the Portfolio Assets in the form of interest | 10,114.90 | 4,447.45 |
| Cash flows received from the Portfolio Assets in the form of dividend | - | - |
| Any other income accruing at IndiGrid level and not captured above, including but not limited to interest/return on surplus cash invested by IndiGrid | 177.66 | 27.47 |
| Cash flows received from the Portfolio Assets towards the repayment of the debt issued to the Portfolio Assets by IndiGrid | 6,752.28 | 303.37 |
| 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) | 17,044.84 | 4,778.29 |
| Less: Any payment of fees, interest and expense incurred at IndiGrid level, including but not limited to the fees of the Investment Manager and Trustee (refer note i) | (2,941.27) | (1,158.18) |
| 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) | - | - |
| Less: Income tax (if applicable) at the standalone IndiGrid level | (56.96) | (6.24) |
| Less: Amount invested in any of the Portfolio Assets for service of debt or interest | (6,843.29) | (261.80) |
| Less: Repair work in relation to the projects undertaken by any of the Portfolio Assets | - | - |
| Total cash outflows / retention at IndiGrid level (B) | (9,841.52) | (1,426.22) |
| Net Distributable Cash Flows (C) = (A+B) (refer note iii) | 7,203.33 | 3,352.07 |

Notes to the Statement of Net Distributable Cash Flows of IndiGrid

i. Does not include interest accrued but not due of Rs. 150.51 million related to market linked non convertible debentures ('MLDs') which is payable on maturity of these MLDs in FY 2022-2024.

INDIA GRID TRUST

DISCLOSURES PURSUANT TO SEBI CIRCULARS

(SEBI Circular No. CIR/IMD/DF/114/2016 dated 20-Oct-2016 and No. CIR/IMD/DF/127/2016 dated 29-Nov-2016 issued under the InvIT Regulations)

STATEMENTS OF NET DISTRIBUTABLE CASH FLOWS (NDCF's)

B) Statement of Net Distributable Cash Flows (NDCF's) of underlying Holdcos and SPVs

(i) Sterlite Grid 1 Limited (SGL1) (Holdco)

| Description | (Rs in million) | |
|--|-----------------------------|--------------------------|
| | Year ended 31 March 2020 | Year ended 31 March 2019 |
| Profit/(loss) after tax as per profit and loss account (A) | (884.64) | (454.51) |
| Add: Depreciation, impairment and amortisation | 436.45 | 5.89 |
| Add/Less: Decrease/(increase) in working capital | 4.93 | (155.55) |
| Add: Interest accrued on loan/non-convertible debentures issued to IndiGrid or SGL1 | 621.04 | 639.14 |
| 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; | - | - |
| -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 | - | - |
| 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; | (160.15) | (185.97) |
| - 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) | - | - |
| 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) | 902.28 | 303.51 |
| Net Distributable Cash Flows (C)=(A+B) | 17.64 | (151.00) |

Note: During the year, an amount of Rs. 17.97 million (being at least 90%) has already been distributed to IndiGrid.

INDIA GRID TRUST

DISCLOSURES PURSUANT TO SEBI CIRCULARS

(SEBI Circular No. CIR/IMD/DF/114/2016 dated 20-Oct-2016 and No. CIR/IMD/DF/127/2016 dated 29-Nov-2016 issued under the InvIT Regulations)

STATEMENTS OF NET DISTRIBUTABLE CASH FLOWS (NDCF's)

(ii) Sterlite Grid 2 Limited (SGL2) (Holdco)

(Rs in million)

| Description | 04 June 2019* to 31 March 2020 |
|--|-----------------------------------|
| Profit/(loss) after tax as per profit and loss account (A) | (129.37) |
| Add: Depreciation, impairment and amortisation | - |
| Add/Less: Decrease/(increase) in working capital | (292.84) |
| Add: Interest accrued on loan/non-convertible debentures issued to IndiGrid or SGL1 | 127.71 |
| 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; | - |
| -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 | - |
| 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) | - |
| 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) | (165.13) |
| Net Distributable Cash Flows (C)=(A+B) | (294.50) |

INDIA GRID TRUST

DISCLOSURES PURSUANT TO SEBI CIRCULARS

(SEBI Circular No. CIR/IMD/DF/114/2016 dated 20-Oct-2016 and No. CIR/IMD/DF/127/2016 dated 29-Nov-2016 issued under the InvIT Regulations)

STATEMENTS OF NET DISTRIBUTABLE CASH FLOWS (NDCF's)

(iii) Sterlite Grid 3 Limited (SGL3) (Holdco)

(Rs in million)

| Description | 28 June 2019* to 31 March 2020 |
|--|-----------------------------------|
| Profit/(loss) after tax as per profit and loss account (A) | 785.52 |
| Add: Depreciation, impairment and amortisation | - |
| Add/Less: Decrease/(increase) in working capital | 0.96 |
| Add: Interest accrued on loan/non-convertible debentures issued to IndiGrid or SGL1 | 109.20 |
| 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; | - |
| -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) | - |
| 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) | - |
| 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) | 110.16 |
| Net Distributable Cash Flows (C)=(A+B) | 895.68 |

INDIA GRID TRUST

DISCLOSURES PURSUANT TO SEBI CIRCULARS

(SEBI Circular No. CIR/IMD/DF/114/2016 dated 20-Oct-2016 and No. CIR/IMD/DF/127/2016 dated 29-Nov-2016 issued under the InvIT Regulations)

STATEMENTS OF NET DISTRIBUTABLE CASH FLOWS (NDCF's)

(iv) Bhopal Dhule Transmission Company Limited (BDTCL) (SPV)

(Rs in million)

| Description | Year ended 31 March 2020 | Year ended 31 March 2019 |
|--|-----------------------------|--------------------------|
| Profit/(loss) after tax as per profit and loss account (A) | (285.62) | (571.14) |
| Add: Depreciation, impairment and amortisation | 707.04 | 708.48 |
| Add/Less: Decrease/(increase) in working capital | (80.41) | (9.33) |
| Add: Interest accrued on loan/non-convertible debentures issued to IndiGrid or SGL1 | 1,305.15 | 1,298.27 |
| 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; | - | - |
| -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 | (0.82) | (0.09) |
| 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 interest free loan or other debentures; | - | - |
| -portion reserve for major maintenance which has not been accounted for in profit and loss statement; | - | - |
| Amortization of Upfront fees | 4.10 | 4.37 |
| Loss on account of MTM of F/W & ECB | 62.85 | 113.78 |
| Non Cash Income - Reversal of Prepayment penalty | - | - |
| -reserve for debenture/ loan redemption (Excluding any reserve required by any law or as per lender's agreement) | - | - |
| 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 | (120.95) | (622.10) |
| Total Adjustments (B) | 1,876.96 | 1,493.38 |
| Net Distributable Cash Flows (C)=(A+B) | 1,591.34 | 922.24 |

Note: During the year, an amount of Rs. 1,522.43 million (being at least 90%) has already been distributed to IndiGrid.

INDIA GRID TRUST

DISCLOSURES PURSUANT TO SEBI CIRCULARS

(SEBI Circular No. CIR/IMD/DF/114/2016 dated 20-Oct-2016 and No. CIR/IMD/DF/127/2016 dated 29-Nov-2016 issued under the InvIT Regulations)

STATEMENTS OF NET DISTRIBUTABLE CASH FLOWS (NDCF's)

(v) Jabalpur Transmission Company Limited (JTCL) (SPV)

(Rs in million)

| Description | Year ended 31 March 2020 | Year ended 31 March 2019 |
|--|-----------------------------|--------------------------|
| Profit/(loss) after tax as per profit and loss account (A) | (1,103.49) | (1,147.58) |
| Add: Depreciation, impairment and amortisation | (34.43) | 899.69 |
| Add/Less: Decrease/(increase) in working capital | 137.41 | (95.22) |
| Add: Interest accrued on loan/non-convertible debentures issued to IndiGrid or SGL1 | 2,541.68 | 1,905.14 |
| 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; | - | - |
| -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 | (21.08) | - |
| 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 interest free loan or other debentures; | - | - |
| -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) | - | - |
| 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) | 2,623.58 | 2,709.61 |
| Net Distributable Cash Flows (C)=(A+B) | 1,520.09 | 1,562.03 |

Note: During the year, an amount of Rs. 1,604.92 million (being at least 90%) has already been distributed to IndiGrid.

INDIA GRID TRUST

DISCLOSURES PURSUANT TO SEBI CIRCULARS

(SEBI Circular No. CIR/IMD/DF/114/2016 dated 20-Oct-2016 and No. CIR/IMD/DF/127/2016 dated 29-Nov-2016 issued under the InvIT Regulations)

STATEMENTS OF NET DISTRIBUTABLE CASH FLOWS (NDCF's)

(vi) RAPP Transmission Company Limited ('RTCL')

(Rs in million)

| Description | Year ended 31 March 2020 | Year ended 31 March 2019 |
|--|-----------------------------|--------------------------|
| Profit/(loss) after tax as per profit and loss account (A) | 27.39 | (7.29) |
| Add: Depreciation, impairment and amortisation | 85.66 | 85.67 |
| Add/Less: Decrease/(increase) in working capital | (31.37) | 184.30 |
| Add: Interest accrued on loan/non-convertible debentures issued to IndiGrid or SGL1 | 345.17 | 381.90 |
| 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; | - | - |
| -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 | - | - |
| 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 interest free loan or other debentures; | - | - |
| -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) | - | - |
| 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) | 399.46 | 651.87 |
| Net Distributable Cash Flows (C)=(A+B) | 426.85 | 644.58 |

Note: During the year, an amount of Rs. 477.41 million (being at least 90%) has already been distributed to IndiGrid.

INDIA GRID TRUST

DISCLOSURES PURSUANT TO SEBI CIRCULARS

(SEBI Circular No. CIR/IMD/DF/114/2016 dated 20-Oct-2016 and No. CIR/IMD/DF/127/2016 dated 29-Nov-2016 issued under the InvIT Regulations)

STATEMENTS OF NET DISTRIBUTABLE CASH FLOWS (NDCF's)

(vii) Purulia & Kharagpur Transmission Company Limited (PKTCL)(SPV)

(Rs in million)

| Description | Year ended 31 March 2020 | Year ended 31 March 2019 |
|--|-----------------------------|--------------------------|
| Profit/(loss) after tax as per profit and loss account (A) | (21.19) | (36.47) |
| Add: Depreciation, impairment and amortisation | 142.89 | 142.91 |
| Add/Less: Decrease/(increase) in working capital | 0.13 | (72.02) |
| Add: Interest accrued on loan/non-convertible debentures issued to IndiGrid or SGL1 | 592.69 | 598.15 |
| 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; | - | - |
| -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 | - | - |
| 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 interest free loan or other debentures; | - | - |
| -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) | - | - |
| 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) | 735.71 | 669.04 |
| Net Distributable Cash Flows (C)=(A+B) | 714.52 | 632.57 |

Note: During the year, an amount of Rs. 755.39 million (being at least 90%) has already been distributed to IndiGrid.

INDIA GRID TRUST

DISCLOSURES PURSUANT TO SEBI CIRCULARS

(SEBI Circular No. CIR/IMD/DF/114/2016 dated 20-Oct-2016 and No. CIR/IMD/DF/127/2016 dated 29-Nov-2016 issued under the InvIT Regulations)

STATEMENTS OF NET DISTRIBUTABLE CASH FLOWS (NDCF's)

(viii Maheshwaram Transmission Limited (MTL)(SPV)

(Rs in million)

| Description | Year ended 31 March 2020 | Year ended 31 March 2019 |
|--|-----------------------------|--------------------------|
| Profit/(loss) after tax as per profit and loss account (A) | (146.04) | (155.22) |
| Add: Depreciation, impairment and amortisation | 121.78 | 121.78 |
| Add/Less: Decrease/(increase) in working capital | (8.21) | (15.12) |
| Add: Interest accrued on loan/non-convertible debentures issued to IndiGrid or SGL1 | 568.58 | 562.52 |
| 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; | - | - |
| -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 | - | - |
| 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 interest free loan or other debentures; | - | - |
| -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) | - | - |
| 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) | 682.15 | 669.18 |
| Net Distributable Cash Flows (C)=(A+B) | 536.11 | 513.96 |

Note: During the year, an amount of Rs. 574.97 million (being at least 90%) has already been distributed to IndiGrid.

INDIA GRID TRUST

DISCLOSURES PURSUANT TO SEBI CIRCULARS

(SEBI Circular No. CIR/IMD/DF/114/2016 dated 20-Oct-2016 and No. CIR/IMD/DF/127/2016 dated 29-Nov-2016 issued under the InvIT Regulations)

STATEMENTS OF NET DISTRIBUTABLE CASH FLOWS (NDCF's)

(ix) Patran Transmission Limited (PTCL)(SPV)

(Rs in million)

| Description | Year ended 31 March 2020 | 30 August 2018* to 31 March 2019 |
|--|-----------------------------|-------------------------------------|
| Profit/(loss) after tax as per profit and loss account (A) (pertaining to period post acquisition by IndiGrid) | (168.14) | (183.29) |
| Add: Depreciation, impairment and amortisation | 205.58 | 184.36 |
| Add/Less: Decrease/(increase) in working capital | (7.94) | 5.55 |
| Add: Interest accrued on loan/non-convertible debentures issued to IndiGrid or SGL1 | 236.71 | 139.97 |
| 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; | - | - |
| -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 | - | - |
| 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 interest free loan or other debentures; | - | - |
| -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) | - | - |
| 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) | 434.35 | 329.88 |
| Net Distributable Cash Flows (C)=(A+B) | 266.21 | 146.59 |

* Being the date of acquisition of PTCL by IndiGrid.

Note: During the year, an amount of Rs. 274.08 million (being at least 90%) has already been distributed to IndiGrid.

INDIA GRID TRUST

DISCLOSURES PURSUANT TO SEBI CIRCULARS

(SEBI Circular No. CIR/IMD/DF/114/2016 dated 20-Oct-2016 and No. CIR/IMD/DF/127/2016 dated 29-Nov-2016 issued under the InvIT Regulations)

STATEMENTS OF NET DISTRIBUTABLE CASH FLOWS (NDCF's)

(x) NRSS XXIX Transmission Limited (NTL)(SPV)

(Rs in million)

| Description | 04 June 2019* to 31 March 2020 |
|--|-----------------------------------|
| Profit/(loss) after tax as per profit and loss account (A) (pertaining to period post acquisition by IndiGrid) | 598.65 |
| Add: Depreciation, impairment and amortisation | 683.93 |
| Add/Less: Decrease/(increase) in working capital | (456.11) |
| Add: Interest accrued on loan/non-convertible debentures issued to IndiGrid or SGL1 | 3,484.61 |
| 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; | - |
| -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 | (3.17) |
| Add/less: Any other item of non-cash expense / non cash income (net of actual cash flows for these | - |
| -any decrease/increase in carrying amount of an asset or a liability recognised in profit and loss | - |
| -interest cost as per effective interest rate method (difference between accrued and actual paid); | - |
| -deferred tax; | (95.30) |
| -unwinding of Interest cost on interest free loan or other debentures; | - |
| -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) | - |
| 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) | 3,613.97 |
| Net Distributable Cash Flows (C)=(A+B) | 4,212.61 |

* Being the date of acquisition of NTL by IndiGrid.

Note: During the year, an amount of Rs. 4,222,95 million (being at least 90%) has already been distributed to IndiGrid.

INDIA GRID TRUST

DISCLOSURES PURSUANT TO SEBI CIRCULARS

(SEBI Circular No. CIR/IMD/DF/114/2016 dated 20-Oct-2016 and No. CIR/IMD/DF/127/2016 dated 29-Nov-2016 issued under the InvIT Regulations)

STATEMENTS OF NET DISTRIBUTABLE CASH FLOWS (NDCF's)

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

(Rs in million)

| Description | 28 June 2019* to 31 March 2020 |
|--|--------------------------------|
| Profit/(loss) after tax as per profit and loss account (A) (pertaining to period post acquisition by | 626.45 |
| Add: Depreciation, impairment and amortisation | (428.76) |
| Add/Less: Decrease/(increase) in working capital | (75.77) |
| Add: Interest accrued on loan/non-convertible debentures issued to IndiGrid or SGL1 | 621.56 |
| 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; | - |
| -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 | 0.11 |
| 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 interest free loan or other debentures; | - |
| -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) | - |
| 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) | 117.14 |
| Net Distributable Cash Flows (C)=(A+B) | 743.59 |

* Being the date of acquisition of OGPTL by IndiGrid.

Note: During the year, an amount of Rs. 667.95 million (being at least 90%) has already been distributed to IndiGrid.

INDIA GRID TRUST

DISCLOSURES PURSUANT TO SEBI CIRCULARS

(SEBI Circular No. CIR/IMD/DF/114/2016 dated 20-Oct-2016 and No. CIR/IMD/DF/127/2016 dated 29-Nov-2016 issued under the InvIT Regulations)

STATEMENTS OF NET DISTRIBUTABLE CASH FLOWS (NDCF's)

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

(Rs in million)

| Description | 24 March 2020* to 31 March 2020 |
|--|---------------------------------|
| Profit/(loss) after tax as per profit and loss account (A) (pertaining to period post acquisition by IndiGrid) | 0.65 |
| Add: Depreciation, impairment and amortisation | 12.27 |
| Add/Less: Decrease/(increase) in working capital | 14.69 |
| Add: Interest accrued on loan/non-convertible debentures issued to IndiGrid or SGL1 | - |
| 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; | - |
| -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 | - |
| 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 interest free loan or other debentures; | - |
| -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) | - |
| 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) | 26.96 |
| Net Distributable Cash Flows (C)=(A+B) | 27.62 |

* Being the date of acquisition of ENICL by IndiGrid.

Note: During the year, an amount of Rs. 26.39 million (being at least 90%) has already been distributed to IndiGrid.

1. Group information

The consolidated financial statements comprise financial statements of India Grid Trust (“the Trust” or “IndiGrid”) and its subsidiaries (collectively, the Group) for the year ended March 31, 2020. IndiGrid is an irrevocable trust settled by Sterlite Power Grid Ventures Limited (the "Sponsor") on October 21, 2016 pursuant to the Trust Deed under the provisions of the Indian Trusts Act, 1882 and registered with Securities Exchange Board of India (“SEBI”) under the SEBI (Infrastructure Investment Trust) Regulations, 2014 as an Infrastructure Investment Trust on November 28, 2016 having registration number IN/InvIT/16-17/0005. The Trustee of IndiGrid is Axis Trustee Services Limited (the "Trustee"). The Investment manager for IndiGrid is Sterlite Investment Managers Limited (the "Investment Manager" or the "Management").

The objectives of IndiGrid are to undertake activities as an infrastructure investment trust in accordance with the provisions of the InvIT Regulations and the Trust Deed. The principal activity of IndiGrid is to own and invest in power transmission assets in India with the objective of producing stable and sustainable distributions to unitholders.

As at March 31, 2020, IndiGrid has following project entities which are transmission infrastructure projects developed on Build, Own, Operate and Maintain (‘BOOM’) basis:

1. Bhopal Dhule Transmission Company Limited (‘BDTCL’)
2. Jabalpur Transmission Company Limited (‘JTCL’)
3. RAPP Transmission Company Limited (‘RTCL’)
4. Purulia & Kharagpur Transmission Company Limited (‘PKTCL’)
5. Maheshwaram Transmission Limited (‘MTL’)
6. Patran Transmission Company Limited (‘PTCL’)
7. NRSS XXIX Transmission Limited (‘NRSS’)
8. Odisha Generation Phase-II Transmission Limited (‘OGPTL’)
9. East-North Interconnection Company Limited (‘ENICL’)

These SPVs have executed Transmission Services Agreements (“TSAs”) with Long term transmission customers under which the SPVs have to maintain the transmission infrastructure for 35-25 years post commissioning.

The address of the registered office of the Investment Manager is Maker Maxity, 5 North Avenue, Level 5, Bandra Kurla Complex, Bandra East Mumbai Maharashtra, India 400 051. The consolidated financial statements were authorised for issue in accordance with resolution passed by the Board of Directors of the Investment Manager on April 28, 2020.

2. Significant Accounting Policies

2.1 Basis of preparation

The consolidated financial statements comprise of the Consolidated Balance Sheet as at March 31, 2020, the Consolidated Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Consolidated Statement of Cash Flow and the Consolidated Statement of Changes in Unit Holders’ Equity for the year then ended and the Consolidated Statement of Net Assets at fair value as at March 31, 2020 and the Consolidated Statement of Total Returns at fair value and the Statement of Net Distributable Cash Flows (‘NDCF’s’) of the Trust, the underlying holding company (“HoldCo”) and each of its subsidiaries for the year then ended and a summary of significant accounting policies and other explanatory notes prepared in accordance with Indian Accounting Standards as defined in Rule 2(1)(a) of the Companies (Indian Accounting Standards) Rules, 2015(as amended), prescribed under Section 133 of the Companies Act, 2013 ("Ind AS") read with SEBI (Infrastructure Investment Trusts) Regulations, 2014, as amended and the circulars issued thereunder ("InvIT Regulations").

The consolidated financial statements have been prepared on a historical cost basis, except for the following assets and liabilities which have been measured at fair value:

- Derivative financial instruments
- Certain financial assets measured at fair value (e.g. Liquid mutual funds)

The consolidated financial statements are presented in Indian Rupees Millions, except when otherwise indicated.

2.2 Basis of consolidation

The consolidated financial statements comprise the financial statements of the Trust and its subsidiaries as at 31 March 2020. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the Group controls an investee if and only if the Group has:

- Power over the investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investee)
- Exposure, or rights, to variable returns from its involvement with the investee, and
- The ability to use its power over the investee to affect its returns

Generally, there is a presumption that a majority of voting rights result in control. To support this presumption and when the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- The contractual arrangement with the other vote holders of the investee
- Rights arising from other contractual arrangements
- The Group's voting rights and potential voting rights
- The size of the Group's holding of voting rights relative to the size and dispersion of the holdings of the other voting rights holders

The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated financial statements from the date the Group gains control until the date the Group ceases to control the subsidiary.

Consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances. If a member of the group uses accounting policies other than those adopted in the consolidated financial statements for like transactions and events in similar circumstances, appropriate adjustments are made to that group member's financial statements in preparing the consolidated financial statements to ensure conformity with the group's accounting policies.

The financial statements of all entities used for the purpose of consolidation are drawn up to same reporting date as that of the parent company, i.e., year ended on 31 March.

Consolidation procedure:

- (a). Combine like items of assets, liabilities, equity, income, expenses and cash flows of the parent with those of its subsidiaries. For this purpose, income and expenses of the subsidiary are based on the amounts of the assets and liabilities recognized in the consolidated financial statements at the acquisition date.
- (b). Offset (eliminate) the carrying amount of the parent's investment in each subsidiary and the parent's portion of equity of each subsidiary. Business combinations policy explains how to account for any related goodwill.
- (c). Eliminate in full intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between entities of the group (profits or losses resulting from intragroup transactions that are recognized in assets, such as inventory and fixed assets, are eliminated in full). Intragroup losses may indicate an impairment that requires recognition in the consolidated financial statements. Ind AS 12 *Income Taxes* applies to temporary differences that arise from the elimination of profits and losses resulting from intragroup transactions.

Profit or loss and each component of other comprehensive income (OCI) are attributed to the unit holders of the Trust and to the non-controlling interests (if any), even if this results in the non-controlling interests having a deficit balance. When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with the Group's accounting policies. All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction. If the Group loses control over a subsidiary, it:

- Derecognizes the assets (including goodwill) and liabilities of the subsidiary
- Derecognizes the carrying amount of any non-controlling interests
- Derecognizes the cumulative translation differences recorded in equity
- Recognizes the fair value of the consideration received
- Recognizes the fair value of any investment retained
- Recognizes any surplus or deficit in profit or loss

- Reclassifies the parent's share of components previously recognized in OCI to profit or loss or retained earnings, as appropriate, as would be required if the Group had directly disposed of the related assets or liabilities.

2.3 Summary of significant accounting policies

The following is the summary of significant accounting policies applied by the Group in preparing its consolidated financial statements:

a) Current versus non-current classification

The Group presents assets and liabilities in the balance sheet based on current/non-current classification. An asset is current when it is:

- Expected to be realised or intended to be sold or consumed in the normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realised within twelve months after the reporting period or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in the normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The Group classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

The Operating cycle is the time between the acquisition of assets for processing and their realisation in cash or cash equivalents. The Group has identified twelve months as its operating cycle.

b) Foreign currencies

The Group's consolidated financial statements are presented in INR, which is its functional currency. The Group does not have any foreign operation.

Transactions and balances

Transactions in foreign currencies are initially recorded by the Group at their respective functional currency spot rates at the date the transaction first qualifies for recognition. Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date.

Exchange differences arising on settlement or translation of monetary items are recognised in profit or loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions.

c) Fair value measurement

The Group measures financial instruments such as mutual funds at fair value at each balance sheet date.

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 measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible by the Group.

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The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the consolidated financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1- Quoted (unadjusted) market prices in active markets for identical assets or liabilities;

Level 2- Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable;

Level 3- Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For assets and liabilities that are recognised in the consolidated financial statements on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

In estimating the fair value of transmission assets/projects, the Group engages independent qualified external valuers to perform the valuation. The management works closely with the external valuers to establish the appropriate valuation techniques and inputs to the model. The management in conjunction with the external valuers also compares the change in fair value with relevant external sources to determine whether the change is reasonable. The management reports the valuation report and findings to the Board of the Investment Manager half yearly to explain the cause of fluctuations in the fair value of the transmission projects.

At each reporting date, the management analyses the movement in the values of assets and liabilities which are required to be re-measured or reassessed as per the Group's accounting policies. For this analysis, the management verifies the major inputs applied in the latest valuation by agreeing the information in the valuation computation to contracts and other relevant documents.

For the purpose of fair value disclosures, the Group has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy, as explained above.

This note summarises accounting policy for fair value. Other fair value related disclosures are given in the relevant notes.

- Quantitative disclosures of fair value measurement hierarchy (Note 25B)
- Disclosures for valuation methods, significant estimates and assumptions (Note 25A and Note 22)
- Financial instruments (including those carried at amortised cost) (Note 25A and Note 25B)

d) Revenue from contracts with customers

Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods or services. The Group has concluded that it is the principal in its revenue arrangements because it typically controls the services before transferring them to the customer.

Power transmission services

Revenue from contracts with customers comprises of revenue from power transmission services rendered in India to Long Term Transmission Customers (LTTCs) pursuant to the respective Transmission Services Agreements (TSAs) executed by the Group with LTTCs for periods of 35 years. The Group is required to ensure that the transmission assets meet the minimum availability criteria under the respective TSAs. The Group's performance obligation under the TSAs is to provide power transmission services. The performance obligation is satisfied over time as the customers receive and consume the benefits provided by the Group's performance as the Group performs. Accordingly, the revenue from power transmission services is recognised over time based on the transmission asset availabilities and the tariff charges approved under the respective CERC tariff orders and includes unbilled revenues accrued up to the end of the accounting period. The payment is generally due within 60 days upon receipt of monthly invoice by the customer.

Contract balances

A receivable represents the Group's right to an amount of consideration that is unconditional (i.e. only the passage of time is required before payment of the consideration is due). Amounts which have been billed to the customers are disclosed as Trade receivables and amounts which are to be billed to the customers (and not conditional on the group's future performance) are disclosed under Other financial assets. Refer accounting policies for financial assets in Financial instruments – initial recognition and subsequent measurement.

e) Interest income/Dividend income

Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable.

Income from dividend on investments is accrued in the year in which it is declared, whereby the Group's right to receive is established.

f) Taxation

Current income tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the tax authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted at the reporting date.

Current income tax relating to items recognised outside statement of profit or loss is recognised outside statement of profit or loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred tax

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognised for all taxable temporary differences, except:

- When the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss;
- In respect of taxable temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are recognized for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognized to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilized, except:

- When the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss;
- In respect of deductible temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, deferred tax assets are recognized only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilized.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognised outside statement of profit or loss is recognised outside statement of profit or loss. Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

Sales/value added/goods and service taxes paid on acquisition of assets or on incurring expenses

Expenses and assets are recognised net of the amount of sales/value added/goods and service taxes paid, except:

- When the tax incurred on a purchase of assets or services is not recoverable from the tax authority, in which case, the tax paid is recognised as part of the cost of acquisition of the asset or as part of the expense item, as applicable.
- When receivables and payables are stated with the amount of tax included.

The net amount of tax recoverable from, or payable to, the tax authority is included as part of receivables or payables in the balance sheet.

g) Non-current assets held for sale

The Group classifies non-current assets and disposal groups as held for sale/ distribution to owners if their carrying amounts will be recovered principally through a sale/ distribution rather than through continuing use. Actions required to complete the sale/distribution should indicate that it is unlikely that significant changes to the sale/distribution will be made or that the decision to sell/distribute will be withdrawn. Management must be committed to the sale/ distribution expected within one year from the date of classification.

For these purposes, sale transactions include exchanges of non-current assets for other non-current assets when the exchange has commercial substance. The criteria for held for sale/distribution classification is regarded met only when the assets or disposal group is available for immediate sale/ distribution in its present condition, subject only to terms that are usual and customary for sales/ distribution of such assets (or disposal groups), its sale/ distribution is highly probable; and it will genuinely be sold, not abandoned. The group treats sale/distribution of the asset or disposal group to be highly probable when:

- The appropriate level of management is committed to a plan to sell the asset (or disposal group),
- An active program to locate a buyer and complete the plan has been initiated (if applicable),
- The asset (or disposal group) is being actively marketed for sale at a price that is reasonable in relation to its current fair value,
- The sale is expected to qualify for recognition as a completed sale within one year from the date of classification and
- Actions required to complete the plan indicate that it is unlikely that significant changes to the plan will be made or that the plan will be withdrawn.

Non-current assets held for sale/for distribution to owners and disposal groups are measured at the lower of their carrying amount and the fair value less costs to sell/ distribute. Assets and liabilities classified as held for sale/ distribution are presented separately in the balance sheet.

h) Property, plant and equipment

Capital work in progress, property, plant and equipment are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. Such cost includes the cost of replacing part of the plant and equipment and borrowing costs for long-term construction projects if the recognition criteria are met. When significant parts of the plant and equipment are required to be replaced at intervals, the Group depreciates them separately based on their specific useful lives. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in statement of profit or loss as incurred. No decommissioning liabilities are expected or be incurred on the assets of plant and equipment.

Expenditure directly relating to construction activity is capitalised. Indirect expenditure incurred during construction period is capitalised as part of the construction costs to the extent the expenditure can be attributable to construction activity or is incidental there to. Income earned during the construction period is deducted from the total of the indirect expenditure.

Depreciation is calculated on a straight-line basis over the estimated useful lives of the assets as follows:

| Asset Category | Useful Life considered | Useful life (Schedule II#) |
|---|-------------------------------|-----------------------------------|
| Leasehold improvements | Lease Period* | 30 |
| Buildings (substation) | 25 | 30 |
| Substations | 25-35 | 40 |
| Transmission lines (including components) | 25-35 | 40 |
| Plant and machinery | 2-5 | 15 |
| Data Processing Equipment (Computers) | 3-5 | 3-6 |
| Furniture and Fittings | 5-7.5 | 10 |
| Office equipment's | 4-5 | 3 |

Schedule II to the Companies Act, 2013 which is applicable to the subsidiary companies.

*Leasehold improvements are depreciated over the useful life of the asset or the lease period, whichever is lower

The Group, based on technical assessments made by technical experts and management estimates, depreciates buildings (substation) and certain items of plant and equipment, data processing equipment, furniture and fittings, office equipment and vehicles over estimated useful lives which are different from the useful lives prescribed in Schedule II to the Companies Act, 2013 which is applicable to the subsidiary companies. The management believes that these estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used.

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit or loss when the asset is derecognised.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

i) Borrowing Costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that the Group incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

j) Leases

The Group assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Group as lessee

The Group applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Group recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

Right-of-use assets

The Group recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets, as follows:

- Office Premises 5 years

Lease Liabilities

At the commencement date of the lease, the Group recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the payments of penalties for terminating the lease, if the lease term reflects the Group exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Group uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

The Group's lease liabilities are included in Interest-bearing loans and borrowings (see Note 32).

Short-term leases and leases of low-value assets

The Group applies the short-term lease recognition exemption to its short-term leases of machinery and equipment (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases of office equipment that are considered to be low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

Group as lessor

Leases in which the Group does not transfer substantially all the risks and rewards of ownership of an asset are classified as operating leases. Rental income from operating lease is accounted on a straight-line basis over the lease terms. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned.

k) Impairment of non-financial assets

The Group assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Group estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.

The Group bases its impairment calculations on detailed budget and forecast calculations. These budgets are prepared for the entire project life.

Impairment losses of continuing operations are recognised in the statement of profit and loss

An assessment is made at each reporting date as to whether there is any indication that previously recognised impairment losses may no longer exist or may have decreased. If such indication exists, the Group estimates the asset's or cash-generating unit's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the statement of profit and loss unless the asset is carried at a revalued amount, in which case the reversal is treated as a revaluation increase.

l) Provisions

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the Group expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of profit or loss net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

m) Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial assets

Initial recognition and measurement

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Group commits to purchase or sell the asset.

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Group's business model for managing them. With the exception of trade receivables that do not contain a significant financing component or for which the Group has applied the practical expedient, the Group initially measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs. Trade receivables that do not contain a significant financing component or for which the Group has applied the practical expedient are measured at the transaction price determined under Ind AS 115. Refer to the accounting policies in section (d) Revenue from contracts with customers.

Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in four categories:

- i. Debt instruments at amortised cost
- ii. Debt instruments at fair value through other comprehensive income (FVTOCI)
- iii. Debt instruments, derivatives and equity instruments at fair value through profit or loss (FVTPL)
- iv. Equity instruments measured at fair value through other comprehensive income (FVTOCI)

Debt instruments at amortised cost

A 'debt instrument' is measured at the amortised cost if both the following conditions are met:

- a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the statement of profit or loss. The losses arising from impairment are recognised in the statement of profit or loss.

Debt instrument at FVTOCI

A 'debt instrument' is classified as FVTOCI if both of the following criteria are met:

- a) The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and
- b) The asset's contractual cash flows represent SPPI.

Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income (OCI). However, interest income, impairment losses and reversals and foreign exchange gain or loss are recognised in the statement of profit or loss. On derecognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from the equity to statement of profit or loss. Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the EIR method. The Group does not have any financial assets which are subsequently measured at FVTOCI.

Debt instrument at FVTPL

FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL.

In addition, the Group may elect to designate a debt instrument, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch'). The Group has not designated any debt instrument as at FVTPL.

Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the statement of profit or loss.

Equity investments

All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading and contingent consideration recognised by an acquirer in a business combination to which Ind AS 103 applies are classified as at FVTPL. For all other equity instruments, the Group may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Group makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

If the Group decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to statement of profit or loss, even on sale of investment. However, the Group may transfer the cumulative gain or loss within equity.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the statement of profit or loss.

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e. removed from the Group's balance sheet) when:

- The rights to receive cash flows from the asset have expired, or
- The Group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either

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(a) the Group has transferred substantially all the risks and rewards of the asset, or (b) the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Group has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Group continues to recognise the transferred asset to the extent of the Group's continuing involvement. In that case, the Group also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Group has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Group could be required to repay.

Impairment of financial assets

Majority of the financial assets of the Group which are not reflected at fair value pertain to trade and other receivables. Considering the nature of business, the Group does not foresee any credit risk on its trade and other receivables which may cause an impairment. Also, the Group does not have any history of impairment of trade and other receivables.

For the financial assets which are reflected at fair value, no further impairment allowance is necessary as they reflect the fair value of the relevant financial asset itself.

Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Group's financial liabilities include borrowings and related costs, trade and other payables and derivative financial instruments.

Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Group that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments.

Gains or losses on liabilities held for trading are recognised in the profit or loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/losses attributable to changes in own credit risk are recognized in OCI. These gains/losses are not subsequently transferred to P&L. However, the Group may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the statement of profit or loss.

Loans and borrowings

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit or loss.

This category generally applies to borrowings. For more information refer Note 10.

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

Embedded derivatives

An embedded derivative is a component of a hybrid (combined) instrument that also includes a non-derivative host contract – with the effect that some of the cash flows of the combined instrument vary in a way similar to a stand-alone derivative. An embedded derivative causes some or all of the cash flows that otherwise would be required by the contract to be modified according to a specified interest rate, financial instrument price, commodity price, foreign exchange rate, index of prices or rates, credit rating or credit index, or other variable, provided in the case of a non-financial variable that the variable is not specific to a party to the contract. Reassessment only occurs if there is either a change in the terms of the contract that significantly modifies the cash flows that would otherwise be required or a reclassification of a financial asset out of the fair value through profit or loss.

If the hybrid contract contains a host that is a financial asset within the scope of Ind AS 109, the Group does not separate embedded derivatives. Rather, it applies the classification requirements contained in Ind AS 109 to the entire hybrid contract. Derivatives embedded in all other host contracts are accounted for as separate derivatives and recorded at fair value if their economic characteristics and risks are not closely related to those of the host contracts and the host contracts are not held for trading or designated at fair value through profit or loss. These embedded derivatives are measured at fair value with changes in fair value recognised in profit or loss, unless designated as effective hedging instruments.

Reclassification of financial assets

The Group determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities. For financial assets which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets. Changes to the business model are expected to be infrequent. The Group's senior management determines change in the business model as a result of external or internal changes which are significant to the Group's operations. Such changes are evident to external parties. A change in the business model occurs when the Group either begins or ceases to perform an activity that is significant to its operations. If the Group reclassifies financial assets, it applies the reclassification prospectively from the reclassification date which is the first day of the immediately next reporting period following the change in business model. The Group does not restate any previously recognised gains, losses (including impairment gains or losses) or interest.

The following table shows various reclassification and how they are accounted for:

| Original classification | Revised Classification | Accounting Treatment |
|--------------------------------|-------------------------------|--|
| Amortised Cost | FVTPL | Fair value is measured at reclassification date. Difference between previous amortised cost and fair value is recognised in statement of profit or loss. |
| FVTPL | Amortised Cost | Fair value at reclassification date becomes its new gross carrying amount. EIR is calculated based on the new gross carrying amount. |
| Amortised cost | FVTOCI | Fair value is measured at reclassification date. Difference between previous amortised cost and fair value is recognised in OCI. No change in EIR due to reclassification. |
| FVTOCI | Amortised cost | Fair value at reclassification date becomes its new amortised cost carrying amount. However, cumulative gain or loss in OCI is adjusted against fair value. Consequently, the asset is measured as if it had always been measured at amortised cost. |
| FVTPL | FVTOCI | Fair value at reclassification date becomes its new carrying amount. No other adjustment is required. |
| FVTOCI | FVTPL | Assets continue to be measured at fair value. Cumulative gain or loss previously recognised in OCI is reclassified to statement of profit or loss at the reclassification date. |

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

n) Derivative financial instruments and hedge accounting

The Group uses derivative financial instruments, such as forward currency contracts and interest rate swaps to hedge its foreign currency risks and interest rate risks, respectively. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

Since the Group does not meet the strict criteria for hedge accounting, it has not applied hedge accounting in respect of its derivative contracts.

o) Cash and cash equivalents

Cash and cash equivalents in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts (if any) as they are considered an integral part of the Group's cash management.

p) Cash distribution to unit holders

The Group recognises a liability to make cash distributions to unit holders when the distribution is authorised and a legal obligation has been created. As per the InvIT Regulations, a distribution is authorised when it is approved by the Board of Directors of the Investment Manager. A corresponding amount is recognised directly in equity.

q) Earnings per unit

Basic earnings per unit is calculated by dividing the net profit or loss attributable to unit holders of the Trust (after deducting preference dividends and attributable taxes if any) by the weighted average number of units outstanding during the period. The weighted average number of units outstanding during the period is adjusted for events such as bonus issue, bonus element in a rights issue, split, and reverse split (consolidation of units) that have changed the number of units outstanding, without a corresponding change in resources.

For the purpose of calculating diluted earnings per unit, the net profit or loss for the period attributable to unit holders of the Trust and the weighted average number of units outstanding during the period are adjusted for the effects of all dilutive potential units.

Changes in accounting policies and disclosures

Ind AS 116 Leases

The Group applied Ind AS 116 Leases for the first time. The nature and effect of the changes as a result of adoption of this new accounting standard is described below.

Ind AS 116 supersedes Ind AS 17 Leases, including Appendix A of Ind AS 17 Operating Leases-Incentives, Appendix B of Ind AS 17 Evaluating the Substance of Transactions Involving the Legal Form of a Lease and Appendix C of Ind AS 17, Determining whether an Arrangement contains a Lease. The standard sets out the principles for the recognition, measurement, presentation and disclosure of leases and requires lessees to recognise most leases on the balance sheet.

Lessor accounting under Ind AS 116 is substantially unchanged from Ind AS 17. Lessors will continue to classify leases as either operating or finance leases using similar principles as in Ind AS 17. Therefore, Ind AS 116 did not have an impact for leases where the Group is the lessor.

India Grid Trust**Notes to Consolidated Financial Statements for the year ended 31 March 2020**

The Group adopted Ind AS 116 using the modified retrospective method of adoption with the date of initial application of 1 April 2019. Under this method, the standard is applied retrospectively with the cumulative effect of initially applying the standard recognised at the date of initial application. The Group elected to use the transition practical expedient to not reassess whether a contract is or contains a lease at 1 April 2019. Instead, the Group applied the standard only to contracts that were previously identified as leases applying Ind AS 17 and Appendix C to Ind AS 17 at the date of initial application.

Other Amendments to Standards, which are either not applicable to the Group or the impact is not expected to be material

- Amendments to Ind AS 19: Plan Amendment, Curtailment or Settlement
- Amendments to Ind AS 28: Long-term interests in associates and joint ventures
- Amendments to Ind AS 109: Prepayment Features with Negative Compensation
- Appendix C to Ind AS 12 Uncertainty over Income Tax Treatment
- Annual Improvements to Ind AS 2018:
 - Amendments to Ind AS 103 Business Combinations
 - Amendments to Ind AS 111 Joint Arrangements
 - Amendments to Ind AS 12 Income Taxes
 - Amendments to Ind AS 23 Borrowing Costs

INDIA GRID TRUST
Notes to Consolidated Financial Statements for the year ended 31 March 2020

Note 3: Property, plant and equipment

(Rs. in million)

| Particulars | Freehold land | Lease hold land | Building - office (leasehold improvements) | Building - Substations | Substations | Transmission lines | Plant and machinery | Data processing equipments | Furniture and fitting | Vehicle | Office equipment | Roads | Right-of-use asset (Refer note b) | Total |
|---|---------------|-----------------|--|------------------------|------------------|--------------------|---------------------|----------------------------|-----------------------|-------------|------------------|-------------|-----------------------------------|--------------------|
| Gross block | | | | | | | | | | | | | | |
| As at 1 April 2018 | 24.94 | 89.86 | 0.59 | 57.14 | 6,311.64 | 44,916.19 | 17.26 | 1.37 | 1.24 | - | 1.71 | - | - | 51,421.94 |
| Additions on account of acquisition (refer note 22) | 87.34 | - | - | 62.69 | 2,096.00 | - | - | - | - | 0.45 | - | 5.57 | - | 2,252.05 |
| Other additions during the year | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Adjustments | - | - | - | - | (422.78) | - | - | - | - | - | - | - | - | (422.78) |
| Disposals | - | - | - | - | - | - | (11.31) | - | - | - | - | - | - | (11.31) |
| As at 31 March 2019 | 112.28 | 89.86 | 0.59 | 119.83 | 7,984.86 | 44,916.19 | 5.95 | 1.37 | 1.24 | 0.45 | 1.71 | 5.57 | - | 53,239.90 |
| Additions on account of acquisition (refer note 22) | 9.29 | - | - | - | 8,265.89 | 52,619.97 | 0.15 | 0.29 | 0.39 | 2.47 | 2.76 | - | - | 60,901.21 |
| Other additions during the year | - | - | - | - | - | 42.07 | 0.00 | 1.59 | 0.81 | 1.32 | 0.05 | - | 53.67 | 99.51 |
| Disposals | - | - | - | - | - | (24.39) | - | - | - | - | (0.01) | - | - | (24.40) |
| As at 31 March 2020 | 121.57 | 89.86 | 0.59 | 119.83 | 16,250.75 | 97,553.84 | 6.10 | 3.25 | 2.44 | 4.24 | 4.51 | 5.57 | 53.67 | 1,14,216.22 |
| Depreciation | | | | | | | | | | | | | | |
| As at 1 April 2018 | - | 2.93 | 0.04 | 2.00 | 260.00 | 884.15 | 7.23 | 0.48 | 0.18 | - | 0.40 | - | - | 1,157.41 |
| Charge for the year | - | 3.51 | 0.02 | 5.96 | 293.52 | 1,496.89 | 5.98 | 0.44 | 0.35 | 0.15 | 0.55 | 1.85 | - | 1,809.22 |
| Impairment / (reversal), net (refer note 22) | - | - | - | - | - | 456.96 | - | - | - | - | - | - | - | 456.96 |
| Disposals | - | - | - | - | - | - | (11.31) | - | - | - | - | - | - | (11.31) |
| As at 31 March 2019 | - | 6.44 | 0.06 | 7.96 | 553.52 | 2,838.00 | 1.90 | 0.92 | 0.53 | 0.15 | 0.95 | 1.85 | - | 3,412.28 |
| Charge for the year | - | 3.51 | 0.01 | 9.22 | 620.75 | 2,460.48 | 0.56 | 0.31 | 0.58 | 0.50 | 1.33 | 1.20 | 2.67 | 3,101.12 |
| Impairment / (reversal), net (refer note 22) | - | - | - | - | - | (456.96) | - | - | - | - | - | - | - | (456.96) |
| Disposals | - | - | - | - | - | (3.38) | - | - | - | - | - | - | - | (3.38) |
| As at 31 March 2020 | - | 9.95 | 0.07 | 17.18 | 1,174.27 | 4,838.14 | 2.46 | 1.23 | 1.11 | 0.65 | 2.28 | 3.05 | 2.67 | 6,053.06 |
| Net Block | | | | | | | | | | | | | | |
| As at 31 March 2019 | 112.28 | 83.42 | 0.53 | 111.87 | 7,431.34 | 42,078.19 | 4.05 | 0.45 | 0.71 | 0.30 | 0.76 | 3.72 | - | 49,827.62 |
| As at 31 March 2020 | 121.57 | 79.91 | 0.52 | 102.66 | 15,076.48 | 92,715.70 | 3.64 | 2.02 | 1.33 | 3.59 | 2.22 | 2.52 | 51.00 | 1,08,163.16 |

Note a: Certain property, plant and equipment of the Group has been pledged for the borrowing taken by the Group. Also refer note 12.

Note b: Right-of-use asset

The Group has taken office building on lease which has lease term of 5 years with lock-in-period of 3 years. The Group's obligations under its leases are secured by the lessor's title to the leased assets. The cash outflows relating to leases have not yet commenced. The lease liability has been measured by using the incremental borrowing rate.

| Particulars | Right-of-use asset | Lease Liabilities |
|----------------------------|--------------------|-------------------|
| As at 1 April 2019 | - | - |
| Additions | 53.67 | 52.16 |
| Depreciation expense | 2.67 | - |
| Interest expense | - | 1.18 |
| Cash outflow for lease | - | - |
| As at 31 March 2020 | 51.00 | 53.34 |

INDIA GRID TRUST
Notes to Consolidated Financial Statements for the year ended 31 March 2020

Note 4: Investments

| | 31 March 2020 (Rs. in million) | 31 March 2019 (Rs. in million) |
|--|-----------------------------------|-----------------------------------|
| Investment in mutual funds (valued at fair value through profit or loss) | | |
| Quoted | | |
| Nil units (31 March 2019- 75,474 units) of SBI Liquid Fund - Direct Plan - Daily Dividend* | - | 75.72 |
| Total | - | 75.72 |

* Amount of Rs. Nil million (31 March 2019: Rs. 75.72 million) is kept in Debt Service Reserve Account ("DSRA") as per borrowing agreements with lenders.

Note 5: Other financial assets

| | 31 March 2020 (Rs. in million) | 31 March 2019 (Rs. in million) |
|------------------------------------|-----------------------------------|-----------------------------------|
| Non-Current | | |
| Security deposits | 8.87 | 3.45 |
| Other bank balances (refer note 9) | 0.99 | 0.12 |
| Total | 9.86 | 3.57 |
| Current | | |
| Unbilled revenue* | 1,191.66 | 548.84 |
| Advances receivable in cash | 2.27 | - |
| Interest accrued on deposits | 64.59 | 4.41 |
| Security deposits | 0.03 | 0.01 |
| Insurance claim receivable# | 14.15 | - |
| Others | 9.93 | - |
| Total | 1,282.63 | 553.26 |

* Unbilled revenue is the transmission charges for the month of March 2020 amounting to Rs. 1,191.66 million (31 March 2019 : Rs. 548.84 million) billed to transmission utilities in the month of April 2020.

On 8 June 2019, the Jabalpur-Bina transmission line ("JB Line") of Jabalpur Transmission Company Limited ("JTCL") was rendered inoperable due to a storm which damaged certain towers of the transmission line. The carrying amount of assets destroyed amounting to Rs. 21.25 million which has been derecognised. JTCL has a valid insurance policy which covers the reinstatement cost for the above loss and it has filed an insurance claim with the insurer. Pending final approval of claim by the insurers, an amount equivalent to the derecognised assets charged to the statement of profit and loss has been recognised as receivable from the insurance company based on the probability of recovery of the claim by the Group.

Note 6: Other assets

| | 31 March 2020 (Rs. in million) | 31 March 2019 (Rs. in million) |
|---|-----------------------------------|-----------------------------------|
| Non-Current | | |
| Capital advances (unsecured, considered good) | 10.83 | - |
| Less: Provision for doubtful advances | (10.83) | - |
| | - | - |
| Advance income tax, including TDS (net of provisions) | 217.38 | 48.84 |
| Deposits paid under dispute (refer note 28) | 164.91 | 143.14 |
| Others | 0.05 | 0.27 |
| Total | 382.34 | 192.25 |
| Current | | |
| Prepaid expenses | 138.28 | 38.54 |
| Custom deposit | - | 12.79 |
| Less: Provision for non recovery of deposit | - | (12.79) |
| Balance with government authorities | 93.13 | - |
| Others | 4.31 | 7.37 |
| Total | 235.72 | 45.91 |

INDIA GRID TRUST
Notes to Consolidated Financial Statements for the year ended 31 March 2020

Note 7: Trade receivables

| | 31 March 2020 (Rs. in million) | 31 March 2019 (Rs. in million) |
|--|---|---|
| Trade receivables (unsecured, considered good) | 2,458.33 | 1,140.61 |
| Total | 2,458.33 | 1,140.61 |

Break-up of security details:

| | | |
|---|----------|----------|
| -Unsecured, considered good | 2,458.33 | 1,140.61 |
| -Trade receivables which have significant increase in credit risk | - | - |
| -Trade receivables - credit impaired | - | - |

No trade or other receivable are due from directors or other officers of the Group either severally or jointly with any other person. Nor any trade or other receivable are due from firms or private companies respectively in which any director is a partner, a director or a member.

Trade receivables are non-interest bearing and are generally on terms of 60 days

See Note 31 on credit risk of trade receivables, which explains how the Group manages and measures credit quality of trade receivables that are neither past due nor impaired.

Note 8: Cash and cash equivalents

| | 31 March 2020 (Rs. in million) | 31 March 2019 (Rs. in million) |
|---|---|---|
| Balance with banks | | |
| - on current accounts ^ | 3,467.87 | 519.10 |
| - Deposit with original maturity of less than 3 months* | 620.54 | 1,084.56 |
| Total | 4,088.41 | 1,603.66 |

Balances with banks on current accounts does not earn interest. Short-term deposits are made for varying periods of between one day and three months, depending on the immediate cash-requirement of the Group and earn interest at the respective short-term deposit rates.

* Includes amount of Rs. Nil (31 March 2019: Rs. 429.67 million) is kept in Interest Service Reserve Account ('ISRA')/Debt Service Reserve Account ('DSRA') as per borrowing agreements with lenders.

^ Out of total amount, Rs. 7.34 million (31 March 2019: Rs. 5.75 million) pertains to unclaimed distribution to unit holders.

Note 9: Other bank balances

| | 31 March 2020 (Rs. in million) | 31 March 2019 (Rs. in million) |
|--|---|---|
| Non-Current | | |
| Bank deposits with original maturity of more than 12 months | 0.99 | 0.12 |
| Less: Disclosed under head other non current financial asset (refer note 5) | (0.99) | (0.12) |
| Total | - | - |
| Current | | |
| Deposit with original maturity for more than 3 months but less than 12 months* | 1,299.74 | 19.66 |
| Total | 1,299.74 | 19.66 |

* Includes amount of Rs. 1,244.20 million (31 March 2019: Rs. Nil million) is kept in interest service reserve account ('ISRA')/debt service reserve account ('DSRA') as per borrowing agreements with lenders. Further it also includes amount of Rs. 19.69 million (31 March 2019: 19.32 million) held as lien by bank against bank guarantees.

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Notes to Consolidated Financial Statements for the year ended 31 March 2020

Note 10: Unit capital

| | Number of units (In million) | Unit capital (Rs. in million) |
|---|---|--|
| As at 1 April 2018 | 283.80 | 28,380.00 |
| Issued during the year | - | - |
| As at 31 March 2019 | 283.80 | 28,380.00 |
| Issued during the year (refer note below) | 299.69 | 25,140.48 |
| Issue expenses (refer note below) | - | (374.79) |
| As at 31 March 2020 | 583.49 | 53,145.69 |

Note:

During the year ended 31 March 2020, the Trust raised Rs. 25,140.48 million of primary capital through a qualified institutional placement of units. The Trust issued and allotted 299,683,881 units at a price of Rs. 83.89 per unit as per the placement agreement dated May 04, 2019. Issue expenses of Rs. 374.79 million incurred in connection with issue of units have been reduced from the Unitholders capital as at 31 March 2020 in accordance with Ind AS 32 Financial Instruments: Presentation.

a. Terms/rights attached to equity shares

The Trust has only one class of units. Each Unit represents an undivided beneficial interest in the Trust. Each holder of unit is entitled to one vote per unit. The Unitholders have the right to receive at least 90% of the Net Distributable Cash Flows of the Trust at least once in every six months in each financial year in accordance with the InvIT Regulations. The Investment Manager approves distributions. The distribution will be in proportion to the number of units held by the unitholders. The Trust declares and pays distribution in Indian rupees.

A Unitholder has no equitable or proprietary interest in the projects of IndiGrid and is not entitled to any share in the transfer of the projects (or any part thereof) or any interest in the projects (or any part thereof) of IndiGrid. A Unitholder's right is limited to the right to require due administration of IndiGrid in accordance with the provisions of the Trust Deed and the Investment Management Agreement.

b. Unitholders holding more than 5 percent Units in the Trust

| | 31 March 2020 | | 31 March 2019 | |
|--------------------------------------|------------------------|------------------|-----------------------|------------------|
| | Nos. in million | % holding | No. in million | % holding |
| Esoteric II Pte. Limited | 136.03 | 23.31% | - | - |
| Government of Singapore | 116.82 | 20.02% | - | - |
| Sterlite Power Grid Ventures Limited | 87.55 | 15.00% | 60.13 | 21.19% |
| Schroder Asian Asset Income Fund | 19.78 | 3.39% | 14.33 | 5.05% |

c. The Trust has not allotted any fully paid-up units by way of bonus units nor has it bought back any class of units from the date of incorporation till the balance sheet date. Further the Trust has not issued any units for consideration other than cash from the date of incorporation till the balance sheet date.

Note 11: Other Equity

| | 31 March 2020 (Rs. in million) | 31 March 2019 (Rs. in million) |
|--|---|---|
| Retained earnings / (accumulated deficit) | | |
| Balance as per last financial statements | (1,613.89) | 252.56 |
| Add: Profit for the year | 5,057.20 | 1,539.14 |
| Less: Distribution during the year | (6,102.75) | (3,405.59) |
| Closing balance | (2,659.44) | (1,613.89) |

INDIA GRID TRUST**Notes to Consolidated Financial Statements for the year ended 31 March 2020****Note 12: Long term borrowings (secured)**

| | 31 March 2020 (Rs. in million) | 31 March 2019 (Rs. in million) |
|---|-----------------------------------|-----------------------------------|
| Non-Current | | |
| Debentures | | |
| 8.9922% Non-convertible debentures (refer note A below) | 4,350.00 | 4,350.00 |
| 8.60% Non-convertible debentures (refer note A below) | 2,500.00 | 2,500.00 |
| 9.10% Non-convertible debentures (refer note A below) | 2,956.96 | - |
| 8.40% Non-convertible market linked debentures (refer note C below) | 1,725.66 | - |
| 9.00% Non-convertible market linked debentures (refer note B below) | 2,100.12 | - |
| 8.85% Non-convertible debentures (refer note A below) | 1,969.00 | - |
| 9.10% Non-convertible debentures (refer note A below) | 13,930.42 | - |
| 7.85% Non-convertible debentures (refer note E below) | 6,710.00 | 6,820.00 |
| Lease liability (Refer note 32) (unsecured) | 45.87 | - |
| Term loans | | |
| Indian rupee term loan from banks (refer note D, H and G below) | 24,056.61 | 9,945.46 |
| Foreign currency loan from financial institution (refer note F below) | 2,292.36 | 2,286.54 |
| Total | 62,637.00 | 25,902.00 |
| The above amount includes | | |
| Secured borrowings | 62,591.13 | 25,902.00 |
| Unsecured borrowings | 45.87 | - |
| Total non-current borrowings | 62,637.00 | 25,902.00 |
| Current maturities | | |
| 7.85% Non-convertible debentures (refer note E below) | 110.00 | 50.00 |
| 9.25% Non-convertible debentures (refer note I below) | 600.00 | - |
| Indian rupee term loan from banks (refer note D, H and G below) | 325.20 | - |
| Foreign currency loan from financial institution (refer note F below) | 205.84 | 166.65 |
| Lease liability (refer note 32) | 7.47 | - |
| Interest accrued but not due on borrowings | 118.76 | 53.62 |
| | 1,367.27 | 270.27 |
| Less: Amount disclosed under the head "Other current financial liabilities" (note 14) | 1,367.27 | 270.27 |
| Net borrowings | - | - |

India Grid Trust**(A) Non-convertible debentures referred above 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 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 51% of the share capital of specified SPVs

INDIA GRID TRUST

Notes to Consolidated Financial Statements for the year ended 31 March 2020

(B) Market linked non-convertible debentures referred above 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 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 51% of the share capital of specified SPVs

(C) Market linked non-convertible debentures referred above 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 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) First pari-passu charge on the ISRA and DSRA accounts.
- (iv) Pledge over 51% of the share capital of specified SPVs

The Trust has created security charge on the above NCDs on 13 April 2020.

INDIA GRID TRUST
Notes to Consolidated Financial Statements for the year ended 31 March 2020

| Rate of Interest | Frequency of repayment | Repayment Commencement Date | 2022-2023 | 2023-2024 | 2024-2025 | 2028-2029 |
|--|-------------------------|-----------------------------|-----------|-----------|-----------|-----------|
| 4,350 8.992% Non-convertible debentures of Rs. 10,00,000 each | At the time of maturity | 14 February 2029 | - | - | - | 4,350 |
| 2,500 8.60% Non-convertible debentures of Rs. 10,00,000 each | At the time of maturity | 31 August 2028 | - | - | - | 2,500 |
| 3000 9.10% Non-convertible debentures of Rs. 10,00,000 each | At the time of maturity | 29 July 2024 | - | - | 3,000 | - |
| 1740 8.40% market linked non-convertible debentures of Rs. 10,00,000 each | At the time of maturity | 24 January 2024 | - | 1,740 | - | - |
| 2,000 9.00% market linked non-convertible debentures of Rs. 10,00,000 each | At the time of maturity | 04 January 2023 | 2,000 | - | - | - |
| 2,000 8.85% Non-convertible debentures of Rs. 10,00,000 each | At the time of maturity | 02 November 2022 | 2,000 | - | - | - |
| 14,000 9.10% Non-convertible debentures of Rs. 10,00,000 each | At the time of maturity | 03 June 2022 | 14,000 | - | - | - |

(D) Term loan from bank:

The Indian rupee term loan from bank carries interest at the rate of 8.25% p.a. payable monthly. Entire loan amount shall be repayable as a bullet repayment at the end of 10 years from the date of disbursement. The term loan is 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 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.

Bhopal Dhule Transmission Company Limited

(E) Non- Convertible Debentures:

Bhopal Dhule Transmission Company Limited ('BDTCL') had issued 7,350 Non Convertible Debentures ('NCDs') of Rs 1,000,000/- each on private placement basis which carries an interest at the rate of 7.85%. The interest is payable quarterly at the end of each quarter. 11% of the total debentures are redeemable in structured instalments in accordance with the redemption schedule. The balance 89% shall be repayable as a bullet repayment on 4th April 2022. All the NCDs together with interest, additional interest, liquidated damages, premium on prepayment, cost and charges, expenses and all other monies and all other amounts stipulated and payable to the debenture holders are secured by:

(i) First and exclusive charge on all movable assets and immovable assets of issuers including but not limited to movable plant and machinery, spares, tools and accessories, furniture, fixtures, vehicles and all other movable assets, intangible, goodwill, uncalled capital, right of way/land, civil structures, tower and cables, office buildings. present and future if any for the project.

(ii) First charge by way of:

a) Assignment/hypothecation or creation of security interest present and future of all rights, titles, interest, benefits, claims and demands whatsoever of BDTCL in the project, documents including but not limited to transmission supply agreements, transmission licenses, package/construction contracts, O&M related agreements if any, land lease agreements, service contracts etc. duly acknowledged, consented by relevant counter parties to such project documents all as amended, varied or supplemented from time to time;

b) All rights, title, interest, benefits, claims and demands whatsoever of the company in the permits, approvals and clearances pertaining to the projects, in the letter of credit, guarantee, performance bond, corporate guarantee, bank guarantees provided by any party to the project document;

c) All insurances proceeds (debenture trustee to be the loss payee in the insurance policy).

(iii) A First charge on letter of credit, Escrow account, debt service reserve account and other reserve and any other bank account of the issuer wherever maintained, present and future.

(iv) First charge on all book debts, operating cash flow, receivables, commissions, revenues of whatsoever nature and wherever arising, of BDTCL, present and future.

(v) Pledge of 51% of the equity share capital of the BDTCL.

(F) Term loans from bank and financial institutions:

Foreign currency loan from financial institution carries interest at the rate of 6m LIBOR + 2.10% to 3.80% spread. BDTCL has taken currency and interest rate swap to hedge 6m LIBOR to fixed rate. Amount of USD 15.62 million being 35% of the total loan amount shall be repayable as a bullet repayment in accordance with the repayment schedule such that average tenor of the facility shall be more than 8.51 years. Remaining amount of USD 17.78 million is being repaid in quarterly instalments till December 2026. The foreign currency loan is secured by first charge on all the immovable assets pertaining to the project, tangible movable assets, current assets, all the accounts and intangible assets both present and future. Loans are also secured by assignment by way of security of all the right, title, interest benefits, claims and demands whatsoever of BDTCL in the project documents, duly acknowledged and consented to by the relevant counter parties to such project documents, all as amended, varied or supplemented from time to time; all rights, title, interest and benefits of BDTCL into and under all clearances pertaining to the project (including transmission licence) to the extent same are assignable; all rights, title, interest, benefits, claims and demands whatsoever of BDTCL in any letter of credit, guarantee including contract guarantees and liquidated damages, consent agreements, side letters and performance bond provided by any party to the project document; all rights, title, interest, benefits, claims and demands whatsoever of the borrower in, to and under all insurance contracts and insurance proceeds pertaining to the project. Loans are also secured by non disposable undertaking from India Grid Trust directly/indirectly to hold at least 51% of equity share capital till final settlement date. Upon occurrence of event of default the negative lien shall be converted in pledge of 51% of the equity share capital of BDTCL.

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Notes to Consolidated Financial Statements for the year ended 31 March 2020

Odisha Generation Phase-II Transmission Limited

(G) Term loan from bank:

Odisha Generation Phase-II Transmission Limited has taken Indian rupee term loan from bank. The interest rate is aligned with the bank's 3 year MCLR plus five basis points. 73% of the total amount is repayable in 46 structured quarterly instalments in accordance with amortisation schedule balance 27% is repayable as a bullet repayment as a last instalment. The Loan together with interest, fees, commission and other monies payable to the bank are secured by:

- (i) A first charge on all the borrower's tangible moveable assets and all other movable assets and current and non-current assets, both present and future.
- (ii) A first charge over all the accounts of the borrower and receivables
- (iii) A first charge on all intangible assets of The Borrower including but not limited to goodwill, rights and undertakings and intellectual property rights and uncalled capital, book debts, current assets, operating cash flows, commissions, revenues of whatsoever nature, both present and future.
- (iv) A first charge on all immovable assets of the Borrower, present and future.
- (v) Pledge of equity shares representing atleast 51% of the equity share capital (if Axis bank is sole lender, shares pledged shall be restricted to 30% and balance 21% shall be under a non-disposal undertaking).

East-North Interconnection Company Limited

(H) Term loan from bank:

East-North Interconnection Company Limited has taken Indian rupee term loan from bank. interest is payable quarterly at a rate of 8% p.a . 19.25% of the total amount is repayable in 19 structured quarterly instalments in accordance with amortisation schedule balance 80.75% is repayable as a bullet repayment as a last instalment. The loan together with interest, fees, commission and other monies payable to the bank are secured by:

- (i) A first charge on all the borrower's tangible moveable assets and all other movable assets and current and non-current assets, both present and future.
- (ii) A first charge over all the accounts of the borrower and receivables
- (iii) A first charge on all intangible assets of the borrower including but not limited to goodwill, rights and undertakings and intellectual property rights and uncalled capital, book debts, current assets, operating cash flows, commissions, revenues of whatsoever nature, both present and future.
- (iv) Assignment/ Hypothecation of
 - a. All the right, title, interest, benefits, claims and demands whatsoever of the borrower in, to and under all the project documents including the transmission service agreement as amended, varied or supplemented from time to time;
 - b. The right, title and interest and benefits of the borrower in, to and under all the clearances pertaining to the project including the transmission license) to the extent the same are assignable;
 - c. all the right, title, interest, benefits, claims and demands whatsoever of the borrower in, to and under any letter of credit, guarantee including contractor guarantees and liquidated damages, consent agreements, side letters and performance bond provided by any party to the project documents and additional project documents (if any) (including any security/ letter of credit that may be available to the borrower pursuant to the transmission service agreement or in relation to the project and/or guarantees issued by EPC contractors in favour of the borrower, which may be legally assigned): and
 - d. all the right, title, interest, benefits, claims and demands whatsoever of the Borrower in, to and under all Insurance Contracts and Insurance Proceeds pertaining to the Project
- (v) Pledge of equity shares representing atleast 51% of the equity share capital (if Axis bank is sole lender, shares pledged shall be restricted to 30% and balance 21% shall be under a non-disposal undertaking).

(I) Non- Convertible Debentures:

During the year 2015-16, the Company issued 9,250 Non Convertible Debentures ('NCDs') of Rs 1,000,000/- each on private placement basis in three tranches of 2,125 8.85% Non Convertible Debentures, 2,375 9.10% Non Convertible Debentures and 4,750 9.25% Non Convertible Debentures having face value of Rs 1,000,000 each redeemable by 31 December 2020, 31 December 2025 and 31 December 2033 respectively in quarterly instalments ranging from Rs. 0.07 million to Rs 0.25 million. All the NCDs together with interest, additional interest, liquidated damages, premium on prepayment, cost and charges, expenses and all other monies and all other amounts stipulated and payable to the debenture holders are secured by:

- 1) First and exclusive charge on all movable assets and immovable assets of issuers including but not limited to movable plant and machinery, spares, tools and accessories, furniture, fixtures, vehicles and all other movable assets, intangible, goodwill, uncalled capital, right of way/land, civil structures, tower and cables, office buildings. present and future if any for the project.
- 2) First charge by way of:
 - a) Assignment/hypothecation or creation of security interest present and future of all rights, titles, interest, benefits, claims and demands whatsoever of the Company in the project, documents including but not limited to transmission supply agreements, transmission licenses, package/construction contracts, O&M related agreements if any, land lease agreements, service contracts etc. duly acknowledged, consented by relevant counter parties to such project documents all as amended, varied or supplemented from time to time;
 - b) All rights, title, interest, benefits, claims and demands whatsoever of the Company in the permits, approvals and clearances pertaining to the projects, in the letter of credit, guarantee, performance bond, corporate guarantee, bank guarantees provided by any party to the project document;
 - c) All insurances proceeds (debenture trustee to be the loss payee in the insurance policy).
- 3) A First charge on letter of credit, Escrow account, debt service reserve account and other reserve and any other bank account of the issuer wherever maintained, present and future.
- 4) First charge on all book debts, operating cash flow, receivables, commissions, revenues of whatsoever nature and wherever arising, of the Company, present and future.
- 5) Pledge of 51% of the equity share capital of the Company.

Further, subsequent to 31 March 2020, the Company has prepaid the amount to all the NCD holders.

Financial covenants

Loans from bank, financial institution and non convertible debentures raised contain certain debt covenants relating to limitation on interest service coverage ratio, debt service coverage ratio, total debt gearing, maintenance of specified security margin etc. The financial covenants are reviewed on availability of audited accounts of the respective borrower periodically. For the financial year ended March 31, 2020, the Group has satisfied all debt covenants prescribed in the terms of loan from bank and financial institutions, where applicable.

INDIA GRID TRUST
Notes to Consolidated Financial Statements for the year ended 31 March 2020

Note 13: Trade payables

| | 31 March 2020 (Rs. in million) | 31 March 2019 (Rs. in million) |
|--|-----------------------------------|-----------------------------------|
| Trade payables | | |
| - total outstanding dues of micro enterprises and small enterprises (refer note 30) | 105.32 | 54.10 |
| - total outstanding dues of creditors other than micro enterprises and small enterprises | 70.55 | 28.19 |
| Trade payables to related party (refer note 26) | 157.04 | 79.67 |
| Total | 332.91 | 161.96 |

Trade payables are not-interest bearing and are normally settled on 30-90 days terms.

For explanation on the Group's risk management policies, refer note 31.

Note 14: Other financial liabilities

| | 31 March 2020 (Rs. in million) | 31 March 2019 (Rs. in million) |
|--|-----------------------------------|-----------------------------------|
| Non-Current | | |
| Payable towards project acquired * | - | 156.72 |
| Total | - | 156.72 |
| Current | | |
| Derivative instruments | | |
| Foreign exchange forward contracts | 20.42 | 157.58 |
| Cross currency interest rate swap | 2.58 | 12.13 |
| | 23.00 | 169.71 |
| Other financial liabilities at amortised cost | | |
| Current maturities of long-term borrowings (refer note 12) | 1,241.04 | 216.65 |
| Lease liability (refer note 12) | 7.47 | - |
| Interest accrued but not due on borrowings (refer note 12) | 118.76 | 53.62 |
| Payables for purchase of property, plant and equipment | 186.33 | - |
| Distribution payable | 7.34 | 5.75 |
| Other payable to related parties (refer note 26) | - | 0.69 |
| Payable towards project acquired # | 1,925.09 | - |
| Payable for expenses | 108.57 | 16.57 |
| | 3,594.60 | 293.27 |
| Total | 3,617.60 | 462.98 |

Derivative instruments reflect the change in fair value of foreign exchange forward contracts and currency / interest rate swaps to hedge of interest rate and foreign exchange fluctuation risks on foreign currency loan in USD. These contracts are not designated in hedge relationships and are measured at fair value through profit or loss. Refer note 31.

Other payables are non-interest bearing and have an average term of six months.

*Includes Rs. Nil million (31 March 2019: Rs. 156.32 million) payable to Sterlite Power Grid Ventures Limited pursuant to the Project Implementation and Management Agreement dated November 10, 2016 as amended ("PIMA") towards additional tariff on account of change in law received by Bhopal Dhule Transmission Company Limited, subsidiary of the Group, as approved by Central Electricity Regulatory Commission.

Liability of Rs. 1,925.09 million (31 March 2019: Nil million) is towards acquisition of equity shares of NRSS XXIX Transmission Limited, Odisha Generation Phase-II Transmission Limited and East-North Interconnection Company Limited pursuant to respective share purchase agreements.

Note 15: Other current liabilities

| | 31 March 2020 (Rs. in million) | 31 March 2019 (Rs. in million) |
|--|-----------------------------------|-----------------------------------|
| Withholding taxes (TDS) payable | 22.43 | 11.61 |
| Contract liability (including advances received) | 167.03 | - |
| Statutory dues payable | 1.17 | 0.81 |
| Others | 49.64 | - |
| Total | 240.27 | 12.42 |

INDIA GRID TRUST
Notes to Consolidated Financial Statements for the year ended 31 March 2020

Note 16: Current tax liability

| | 31 March 2020 (Rs. in million) | 31 March 2019 (Rs. in million) |
|-----------------------------|-----------------------------------|-----------------------------------|
| Current tax liability (net) | 4.10 | 0.07 |
| Total | 4.10 | 0.07 |

Note 17: Deferred tax liability (net)

| | 31 March 2020 (Rs. in million) | 31 March 2019 (Rs. in million) |
|---|-----------------------------------|-----------------------------------|
| Deferred tax liability | | |
| Property, plant and equipment : Impact of difference between tax depreciation and depreciation/amortisation for financial reporting | 8,680.02 | 5,212.59 |
| Gross deferred tax liability (A) | 8,680.02 | 5,212.59 |
| Deferred tax asset | | |
| Tax losses | 8,077.96 | 5,212.59 |
| Gross deferred tax asset (B) | 8,077.96 | 5,212.59 |
| Net deferred tax liability | 602.06 | - |

As at 31 March 2020, based on the expected future profitability of the SPVs, the management has recognised deferred tax assets on the unabsorbed tax depreciation carried forward only to the extent of deferred tax liability.

The Group has Rs. 7,340.75 million (31 March 2019: Rs. 5,149.34 million) of tax losses carried forward on which deferred tax asset has not been recognised. If the Group was able to recognise all unrecognised deferred tax assets, profit after tax would have increased and equity would have increased by Rs. 1,847.52 million (31 March 2019: Rs. 1,567.63 million).

Further, for the calculation of deferred tax assets/liabilities, the Group has not considered tax holiday available under the Income Tax Act for some of the project SPVs for the computation of deferred tax assets/liabilities. The management based on estimated cash flow workings for these project, believes that since there will be losses in the initial years of these project, no benefit under the Income tax Act would accrue to these projects in respect of the tax holiday. Management will re-assess this position at each balance sheet date.

The subsidiary companies of the Group have opted for lower tax rate as per Section 115BAA of Income Tax Act, 1961. Accordingly, the Group has recognised provision for income tax for the year ended 31 March 2020 and remeasured deferred tax liabilities and assets at revised lower tax rate. The impact for the same has been recognised in the year ended 31 March 2020.

The major components of income tax expense for the years ended 31 March 2020 and 31 March 2019 are:

| | 31 March 2020 (Rs. in million) | 31 March 2019 (Rs. in million) |
|-----------------------------------|-----------------------------------|-----------------------------------|
| - Current tax | 56.96 | 6.08 |
| - Deferred tax (refer note above) | (114.29) | - |
| - Income tax for earlier years | - | 0.28 |

Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate for 31 March 2020 and 31 March 2019:

| | 31 March 2020 (Rs. in million) | 31 March 2019 (Rs. in million) |
|---|-----------------------------------|-----------------------------------|
| Accounting profit before income tax | 4,999.87 | 1,545.50 |
| At India's statutory income tax rate of 25.17% (31 March 2019: 34.61%) | 1,258.37 | 534.90 |
| Impact of exemption u/s 10(23FC) of the Income Tax Act, 1961 available to the Trust | (1,201.41) | (528.82) |
| Charge/(reversal) of excess provision of tax created in previous year in subsidiary | - | 0.28 |
| Impact on deferred tax due to change in tax rates (refer note above) | (114.29) | - |
| At effective tax rate | (57.33) | 6.35 |
| Income tax expense reported in the statement of profit and loss | (57.33) | 6.35 |

INDIA GRID TRUST
Notes to Consolidated Financial Statements for the year ended 31 March 2020

Note 18: Revenue from contracts with customers

| | 31 March 2020 (Rs. in million) | 31 March 2019 (Rs. in million) |
|---|-----------------------------------|-----------------------------------|
| 18.1: Disaggregated revenue information | | |
| Type of service | | |
| Power transmission services | 12,427.13 | 6,655.70 |
| Total | 12,427.13 | 6,655.70 |
| Project wise break up of revenue from contracts with Customers | | |
| Bhopal Dhule Transmission Company Limited * | 2,694.19 | 2,577.49 |
| Jabalpur Transmission Company Limited ^ | 1,504.96 | 2,149.79 |
| Maheshwaram Transmission Limited \$ | 585.18 | 572.33 |
| RAPP Transmission Company Limited | 460.14 | 456.80 |
| Purulia & Kharagpur Transmission Company Limited | 755.98 | 746.24 |
| Patran Transmission Company Limited | 301.48 | 153.05 |
| NRSS XXIX Transmission Limited # | 4,831.69 | - |
| Odisha Generation Phase-II Transmission Limited @ | 1,260.29 | - |
| East-North Interconnection Company Limited | 33.22 | - |
| Total | 12,427.13 | 6,655.70 |

Revenue from contracts with customers comprises of revenue from power transmission services rendered in India to Long Term Transmission Customers (LTTCS) pursuant to the respective Transmission Services Agreements (TSAs) executed by the Group with LTTCS. The TSAs are executed for a period of 35 / 25 years and have fixed tariff charges as approved by CERC (except some escalable portion and some incentives/penalties relating to transmission assets availabilities). Under the TSAs, the Group's performance obligation is to provide power transmission services. The Group is required to ensure that the transmission assets meet the minimum availability criteria under the respective TSAs failing which could result in certain disincentives/penalties. The performance obligation is satisfied over-time as the customers receive and consume the benefits provided by the Group's performance as the Group performs. The payment is generally due within 60 days upon receipt of monthly invoice by the customer.

The Group receives payments as per the pooling arrangements specified under the Central Electricity Regulatory Commission (Sharing of Inter State Transmission Charges and Losses) Regulations, 2010 ("Pooling Regulations"). In the Point of Connection (PoC) mechanism, the transmission charges to be recovered from the entire system are allocated between users based on their location in the grid. Under the PoC mechanism, all the charges collected by the Central Transmission Utility (i.e. Power Grid Corporation of India Limited) from LTTCS are disbursed pro-rata to all Transmission Service Providers from the pool in proportion of the respective billed amount.

Applying the practical expedient as given in Ind AS 115, the Group has not disclosed the remaining performance obligation related disclosures since the revenue recognized corresponds directly with the value to the customer of the entity's performance completed to date.

18.2: Reconciliation of the amount of revenue recognised in the statement of profit and loss with the contracted price

| | | |
|--|------------------|-----------------|
| Revenue as per contracted price | 11,977.54 | 6,477.26 |
| Adjustments: | | |
| Incentives earned for higher asset availabilities | 355.17 | 195.92 |
| Surcharges received for late payments | 144.24 | 34.98 |
| Rebates given for early payments | (49.82) | (52.46) |
| Total revenue from contracts with customers | 12,427.13 | 6,655.70 |

* Central Electricity Regulatory Commission ("CERC") vide its order dated 25 June 2018 approved an increase in non scalable tariff revenue by 0.69% per annum on quoted non- scalable tariff of Bhopal Dhule Transmission Company Limited ("BDTCL") from the commercial operation dates ("COD") of respective elements of the BDTCL project on account of changes in laws. In earlier year, BDTCL recognised revenue based on revised non scalable charges prospectively from 01 April 2018 instead of the COD of respective elements.

During the current year, BDTCL received arrears of Rs. 50.20 million pertaining to period from the COD of the respective elements up to 31 March 2018 which is recognised as revenue from contracts with customers in the financial year ended 31 March 2020.

On 8 June 2019, the Jabalpur-Bina transmission line ("JB Line") of Jabalpur Transmission Company Limited ("JTCL") was rendered inoperable due to a storm which damaged certain towers of the transmission line. JTCL has claimed this event as a force majeure event under the Transmission Services Agreement ("TSA"). As permitted by the TSA, JTCL has recognised tariff revenue from 8 June 2019 till 21 August 2019 pertaining to the JB Line as per the CERC approved tariff. Western Regional Power Committee has accepted the above event as force majeure from 08 June 2019 to 28 July 2019.

\$ The Central Electricity Regulatory Commission ("CERC") vide its order dated 11 March 2019 approved an increase in non escalable tariff revenue by 0.32% per annum on quoted non-escalable tariff of Maheshwaram Transmission Limited ("MTL") from the commercial operation date ("COD") of the project on account of change in law. MTL has started recognizing revised non-escalable charges prospectively during the current year from 01 July 2019.

Central Electricity Regulatory Commission ("CERC") vide its order dated 17 December 2018 approved an increase in non escalable tariff revenue by 3.24% per annum on quoted non- escalable tariff of NRSS XXIX Transmission Limited ("NTL") from the commercial operation dates ("COD") of respective elements of NTL project on account increase in project cost due to changes in laws. During the current year, NTL received arrears of Rs. 108.87 million pertaining to period from the COD of the respective elements to 01 July 2019 which is recognised as revenue from contracts with customers for the financial year ended 31 March 2020.

INDIA GRID TRUST**Notes to Consolidated Financial Statements for the year ended 31 March 2020**

@ Central Electricity Regulatory Commission ('CERC') vide its order dated 17 December 2018 approved an increase in non-escalable tariff revenue by 0.46% per annum on quoted non-escalable tariff of Odisha Generation Phase-II Transmission Limited ('OGPTL') from the commercial operation dates ('COD') of respective elements of the OGPTL project on account increase in project cost due to changes in laws. OGPTL has started recognizing revised non-escalable charges prospectively during the current year from 01 January 2020.

INDIA GRID TRUST
Notes to Consolidated Financial Statements for the year ended 31 March 2020

Note 19: Other income

| | 31 March 2020 | 31 March 2019 |
|---|-------------------------|-------------------------|
| | (Rs. in million) | (Rs. in million) |
| Recovery of income tax balance written off | 21.56 | - |
| Sale of scrap | 21.20 | - |
| Reversal of provision for doubtful custom deposit * | 12.79 | - |
| Liabilities no long required written back | - | 2.37 |
| Lease rental income | - | 2.48 |
| Profit on sale of property, plant and equipment | - | 7.00 |
| Miscellaneous income | 9.96 | 0.23 |
| Total | 65.51 | 12.08 |

* Indemnification of Rs. 12.79 million (31 March 2019: Rs. Nil million) received from Sterlite Power Grid Ventures Limited.

Note 20: Finance Cost

| | 31 March 2020 | 31 March 2019 |
|--|-------------------------|-------------------------|
| | (Rs. in million) | (Rs. in million) |
| Interest on financial liabilities measured at amortised cost | 4,039.42 | 2,275.25 |
| Other bank and finance charges | 113.96 | 20.58 |
| Total | 4,153.38 | 2,295.83 |

Note 21: Earnings per unit (EPU)

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

Diluted EPU amounts are calculated by dividing the consolidated 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.

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

| | 31 March 2020 | 31 March 2019 |
|--|----------------------|----------------------|
| Profit after tax for calculating basic and diluted EPU (Rs. In million) | 5,057.20 | 1,539.14 |
| Weighted average number of units in calculating basic and diluted EPU (No. in million) | 554.01 | 283.80 |
| Effect of dilution: | | |
| Estimated units to be issued to sponsor/project manager* (No. in million) | - | 5.40 |
| Weighted average number of equity shares in calculating diluted EPS (No. in million) | 554.01 | 289.20 |
| Earnings Per Unit | | |
| Basic (Rupees/unit) | 9.13 | 5.42 |
| Diluted (Rupees/unit) | 9.13 | 5.32 |

* units which were issuable pursuant to the Project Implementation and Management Agreement dated November 10, 2016 as amended, towards the additional transmission charges as approved by CERC for the change in tax rates which resulted in increase in non escalable tariff revenue for BDTCL.

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INDIA GRID TRUST
Notes to Consolidated Financial Statements for the year ended 31 March 2020

Note 22: Significant accounting judgements, estimates and assumptions

The preparation of the Group's financial statements requires management to make judgments, estimates and assumptions that affect the reported amounts of revenue, expenses, assets and liabilities and the accompanying disclosures and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

Judgements

In the process of applying the Group's accounting policies, management has made the following judgements, which have the most significant effect on the amounts recognised in the financial statements.

i. Applicability of Appendix C - Service Concession Arrangements of Ind AS 115 Revenue from contracts with customers

The Group through its subsidiaries acts as a transmission licensee under the Electricity Act, 2003 holding valid licenses for 25 years. The subsidiaries have entered into Transmission Services Agreements ("TSA") with Long Term Transmission Customers ("LTTC") through a tariff based bidding process to Build, Own, Operate and Maintain ("BOOM") the transmission infrastructure for a period of 25-35 years. The management of the Company is of the view that the grantor as defined under Appendix C of Ind AS 115 ("Appendix C") requires transmission licensee to obtain various approvals under the regulatory framework to conduct its operations both during the period of the license as well as at the end of the license period. However, in the view of management, the grantor's involvement and approvals are to protect public interest and are not intended to control, through ownership, beneficial entitlement or otherwise, any significant residual interest in the transmission infrastructure at the end of the term of the arrangement. Accordingly, management is of the view that Appendix C to Ind AS 115 is not applicable to the Group.

ii. Classification of Unitholders' funds

Under the provisions of the InvIT Regulations, IndiGrid is required to distribute to Unitholders not less than ninety percent of the net distributable cash flows of IndiGrid for each financial year. Accordingly, a portion of the unitholders' funds contains a contractual obligation of the Trust to pay to its Unitholders cash distributions. The Unitholders' funds could therefore have been classified as compound financial instrument which contain both equity and liability components in accordance with Ind AS 32 - Financial Instruments: Presentation. However, in accordance with SEBI Circulars (No. CIR/IMD/DF/114/2016 dated 20-Oct-2016 and No. CIR/IMD/DF/127/2016 dated 29-Nov-2016) issued under the InvIT Regulations, the unitholders' funds have been classified as equity in order to comply with the mandatory requirements of Section H of Annexure A to the SEBI Circular dated 20-Oct-2016 dealing with the minimum disclosures for key financial statements. In line with the above, the dividend payable to unit holders is recognised as liability when the same is approved by the Investment Manager.

iii. Acquisition of Transmission SPVs classified as asset acquisitions

The Group acquires operational transmission SPVs from the Sponsor or from third party. The purchase consideration primarily pertains to the fair value of the transmission assets. All such assets are operational assets with fixed tariff revenues under the Transmission Services Agreements (TSAs) for 35 years. The only key activity for these SPVs is the maintenance of the transmission assets which is outsourced to third parties. There are no employees in these entities and no other significant processes are performed for earning tariff revenues.

Based on evaluation of the above fact pattern vis-a-vis the guidance on definition of business under Ind AS and also keeping in view the relevant guidance on similar fact pattern available under accounting standards applicable in other jurisdictions, the management has classified the acquisition of transmission SPVs as asset acquisition.

iv. Consolidation of East North Connection Company Limited ('ENICL') as a subsidiary

The Group entered into share purchase agreement dated 23 March 2020 ("the Agreement") with Sterlite Power Transmission Limited and Sterlite Power Grid Ventures Limited ("the Selling shareholders") for acquisition of equity stake in East North Interconnection Company Limited. ("ENICL"). Pursuant to the agreement, the Group has finalized purchase consideration for entire equity stake of the selling shareholders and has paid purchase consideration for acquisition of 49% paid up equity capital in the ENICL.

Based on the contractual terms of the agreement, the Group has following rights:

- Right to nominate all directors on the board of directors of the ENICL;
- Right to direct the selling shareholders to vote according to its instructions in the AGM/EGM or any other meeting of shareholders of ENICL;
- Non-disposal undertaking from the selling shareholders for the remaining 51% equity stake in ENICL;

Considering the requirements under Ind AS 110, the Group has assessed whether it controls ENICL on the basis the above rights under the agreement and the fact that the Group has entered into irrevocable binding agreement with the selling shareholders to acquire remaining 51% paid up equity capital in ENICL. Based on the assessment, management has concluded that the Group controls ENICL in spite of the fact that it has acquired only 49% of the paid up capital of ENICL. Further, based on the legal opinion ENICL is considered as Special Purpose Vehicle as per requirements of Securities Exchange Board of India's Invite Regulations

Accordingly, the Group has consolidated ENICL assuming 100% equity ownership and no non-controlling interest (NCI) has been recognised in the consolidated Ind AS financial statements. Remaining purchase consideration payable to the selling shareholders is recognized as financial liability in the consolidated Ind AS financial statements.

Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Group. Such changes are reflected in the assumptions when they occur.

INDIA GRID TRUST**Notes to Consolidated Financial Statements for the year ended 31 March 2020****i. Impairment of non-financial assets**

Non-financial assets of the Group primarily comprise of transmission assets (property, plant and equipment). Impairment exists when the carrying value of an asset or cash generating unit exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use. The recoverable amounts for the transmission assets are based on value in use of the projects. The value in use calculation is based on a DCF model. The cash flows are derived from the budgets/forecasts over the life of the projects. The key assumptions used to determine the recoverable amount for the assets are disclosed and further explained in Note 31.

The provision for impairment/(reversal) of impairment of property, plant and equipment is made based on the difference between carrying amounts and the recoverable amounts.

ii. Fair valuation and disclosures

SEBI Circulars issued under the InvIT Regulations require disclosures relating to net assets at fair value and total returns at fair value (refer Statement of net assets at fair value and Statement of total returns at fair value). In estimating the fair value of transmission projects (which constitutes substantial portion of the total assets), the Group engages independent qualified external valuers to perform the valuation. The management works closely with the valuers to establish the appropriate valuation techniques and inputs to the model. The management reports the valuation report and findings to the Board of the Investment Manager half yearly to explain the cause of fluctuations in the fair value of the transmission projects. The inputs to the valuation models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as WACC, Tax rates, Inflation rates, etc. Changes in assumptions about these factors could affect the fair value. (refer Note 25A for details)

Note 23: List of subsidiaries which are included in consolidation and IndiGrid's effective holding therein are as under:

| Name of the Company | Country of Incorporation | Effective Ownership as at 31 March 2020 | Effective Ownership as at 31 March 2019 |
|---|--------------------------|---|---|
| <u>Directly held by the Trust</u> | | | |
| Sterlite Grid 1 Limited | India | 100% | 100% |
| Sterlite Grid 2 Limited# | India | 100% | - |
| Sterlite Grid 3 Limited * | India | 100% | - |
| Patran Transmission Company Limited** | India | 74% | 74% |
| East-North Interconnection Company Limited^ | India | 49% | - |
| <u>Indirectly held by the Trust (through subsidiaries):</u> | | | |
| Bhopal Dhule Transmission Company Limited | India | 100% | 100% |
| Jabalpur Transmission Company Limited | India | 100% | 100% |
| Purulia & Kharagpur Transmission Company Limited | India | 100% | 100% |
| RAPP Transmission Company Limited | India | 100% | 74% |
| Maheshwaram Transmission Limited | India | 100% | 49% |
| NRSS XXIX Transmission Limited # | India | 100% | - |
| Odisha Generation Phase-II Transmission Limited * | India | 100% | - |

** Pursuant to Share Purchase agreement/Shareholders' Agreement ("SPA") dated February 19,2018 executed for the acquisition of Patran Transmission Company Limited, the Group holds 74% equity stake in the SPV and on the remaining 26%, the Group has beneficial interest based on the rights available to it under the SPA.

The Group has acquired Sterlite Grid 2 Limited (SGL2), which is the holding company of NRSS XXIX Transmission Limited ('NTL') from Sterlite Power Grid Ventures Limited ('SPGVL') pursuant to share purchase agreements dated April 30, 2019 on June 04, 2019. 100% equity share capital of SGL2 is acquired by the Group as per the share purchase agreement dated April 30, 2019.

* The Group has acquired Sterlite Grid 3 Limited which is the holding company of Odisha Generation Phase-II Transmission Limited ('OGPTL') from Sterlite Power Grid Ventures Limited ('SPGVL') pursuant to share purchase agreements dated 30 April 2019 on 28 June 2019 respectively. 100% equity share capital of SGL3 is acquired by the Group as per the share purchase agreement dated 30 April 2019.

^ The Group has acquired East-North Interconnection Company Limited ('ENICL') from Sterlite Power Grid Ventures Limited ('SPGVL') pursuant to share purchase agreements on 23 March 2020. 49% equity share capital of ENICL is acquired by the Group as per the share purchase agreement. The Group has acquired remaining 51% equity stake in ENICL on 26 May 2020 (refer note 22).

Note 24: Capital and other Commitments

(a) The Group has entered into a Framework agreement on 30 April 2019 with Sterlite Grid Ventures Limited ('SPGVL') for acquisition of Gurgaon-Palwal Transmission Limited ('GPTL'), NER II Transmission Limited ('NER') and Khargone Transmission Limited ('KTL'). The board of directors of Sterlite Investment Managers Limited and unitholders of India Grid Trust have approved acquisition of GPTL on April 08, 2020 and May 09, 2020 respectively.

(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) Refer note 32 of consolidated financial statements for lease related commitments

INDIA GRID TRUST
Notes to Consolidated Financial Statements for the year ended 31 March 2020

Note 25A : Fair value measurements

Set out below, is a comparison by class of the carrying amounts and fair value of the Group's financial instruments, other than those with carrying amounts that are reasonable approximations of fair values:

| Particulars | (Rs. in million) | | | |
|------------------------------|-----------------------------------|-----------------------------------|-----------------------------------|-----------------------------------|
| | Carrying value | | Fair value | |
| | 31 March 2020 (Rs. in million) | 31 March 2019 (Rs. in million) | 31 March 2020 (Rs. in million) | 31 March 2019 (Rs. in million) |
| Financial assets | | | | |
| Investments | - | 75.72 | - | 75.72 |
| Total | - | 75.72 | - | 75.72 |
| Financial liabilities | | | | |
| Derivative instruments | 23.00 | 169.71 | 23.00 | 169.71 |
| Total | 23.00 | 169.71 | 23.00 | 169.71 |

The management has assessed that the financial assets and financial liabilities as at year end other than above are reasonable approximations of their fair values.

The fair value of the quoted mutual fund is based on the price quotations at reporting date.

The Group enters into derivative financial instruments with financial institutions with investment grade credit ratings. Foreign exchange forward contracts, interest rate swaps are valued using valuation techniques, which employs the use of market observable inputs. The most frequently applied valuation techniques include forward pricing model, using present value calculations. The models incorporate various inputs including the credit quality counterparties, foreign exchange spot and forward rates, yield curves of the respective currencies, currency basis spread between the respective currencies, interest rate curves etc. The changes in counterparty credit risk had no material effect on financial instruments recognised at fair value through profit and loss.

The Group is required to present the Statement of total assets at fair value and Statement of total returns at fair value as per SEBI Circular No. CIR/IMD/DF/114/2016 dated October 20, 2016 as a part of these consolidated financial statements - Refer Statement of Net assets at fair value and Statement of Total Returns at fair value.

The inputs to the valuation models for computation of fair value of transmission assets for the above mentioned statements are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as WACC, Tax rates, Inflation rates, etc.

The significant unobservable inputs used in the fair value measurement required for disclosures as above categorised within Level 3 of the fair value hierarchy as above together with a quantitative sensitivity analysis as at 31 March 2020 are as shown below :

| Significant unobservable inputs | Rs in million | | | | |
|---|---|---|---|------------------------------------|------------------------|
| | Range for | Range for | Sensitivity of input to the fair value | Increase/ (decrease) in fair value | |
| | 31 March 2020 | 31 March 2019 | | 31 March 2020 | 31 March 2019 |
| WACC | 8.44% to 9.09% | 8.12% to 8.40% | + 0.5% - 0.5% | (4,769.00) 5,655.00 | (2,445.95) 2,726.84 |
| Tax rate (normal tax and MAT) | Normal Tax - 25.168% MAT - Nil | Normal Tax - 29.12% MAT - 21.55% | + 2% - 2% | (1,277.63) 1,311.93 | (306.91) 260.35 |
| Inflation rate | Revenue: 5.00% Expenses: 2.72% to 4.56% | Revenue: 5.73% Expenses: 3.20% to 4.35% | + 1% - 1% | (788.38) 529.45 | (432.64) 360.78 |
| Additional tariff (applicable only for BDTCL) | NA | 2.39% | + 1% - 1% | NA | 210.48 (210.48) |

The independent valuer has considered effect of COVID-19 on the significant unobservable inputs used in fair valuation as referred above.

INDIA GRID TRUST**Notes to Consolidated Financial Statements for the year ended 31 March 2020****Note 25B: Fair value hierarchy**

The following table provides the fair value measurement hierarchy of the Group's assets and liabilities:

Quantitative disclosures fair value measurement hierarchy for assets as at 31 March 2020 and 31 March 2019:

| | Date of valuation | (Rs. in million) | | |
|---|-------------------|---|---|--|
| | | Fair value measurement using | | |
| | | Quoted prices in active markets (Level 1) | Significant observable inputs (Level 2) | Significant unobservable inputs (Level 3) |
| Assets for which fair values are disclosed: | | | | |
| Property, plant and equipment* | 31 March 2020 | - | - | 1,17,343.50 |
| | 31 March 2019 | - | - | 50,184.48 |
| Assets measured at fair value through profit and loss | | | | |
| Investments in mutual funds (Asset) | 31 March 2020 | - | - | - |
| | 31 March 2019 | 75.72 | - | - |
| Liabilities measured at fair value through profit and loss | | | | |
| Derivative instruments (Liability) | 31 March 2020 | - | 23.00 | - |
| | 31 March 2019 | - | 169.71 | - |

There have been no transfers among Level 1, Level 2 and Level 3.

* Statement of net assets at fair value and Statement of total returns at fair value require disclosures regarding fair value of assets (liabilities are considered at book values). Since the fair value of assets other than PP&E approximate their book values, hence only PP&E has been disclosed above.

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INDIA GRID TRUST

Notes to Consolidated Financial Statements for the year ended 31 March 2020

Note 26: Related party disclosures

(A) Name of related party and nature of its relationship:

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

(a) Entity with significant influence over the Trust

Sterlite Power Grid Ventures Limited (SPGVL)
Esoteric II Pte. Ltd. (from 04 May 2019)

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

(a) Parties to IndiGrid

Sterlite Power Grid Ventures Limited (SPGVL) - Sponsor and Project Manager of IndiGrid (refer note 1 below)
Sterlite Investment Managers Limited (SIML) - Investment Manager of IndiGrid (refer note 2 below)
Axis Trustee Services Limited (ATSL) - Trustee of IndiGrid

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

Sterlite Power Transmission Limited- Promoter of SIML (refer note 2 below)
Sterlite Power Transmission Limited- Promoter of SPGVL
Axis Trustee Limited- Promoter of ATSL
Electron IM Pte. Ltd.- Promoter of SIML

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

(i) Directors of SPGVL:

Pravin Agarwal
Pratik Agarwal
A. R. Narayanaswamy
Avaantika Kakkar
Ved Mani Tiwari
Arun Todarwal Lalchand (from 22 July 2019)
Zhao Haixia (from 11 September 2019)

(ii) Directors of SIML:

Pratik Agarwal
Kuldip Kumar Kaura (till June 07, 2019)
Tarun Kataria
Shashikant Bhojani
Rahul Asthana
Harsh Shah (whole time director)
Sanjay Omprakash Nayar (from 07 June .2019)

(iii) Directors of ATSL:

Srinivasan Varadarajan (till 20 December 2018)
Ram Bharoseylal Vaish (till 08 November 2019)
Sidharth Rath (till 01 June 2018)
Rajaraman Viswanathan (till 10 October 2018)
Raghuraman Mahalingam (till 30 September 2018)
Rajesh Kumar Dahiya (from 11 July 2018)
Sajnay Sinha (from 10 October 2018)
Ganesh Sankaran (from 18 April 2019)

(iv) Relative of directors mentioned above:

Sonakshi Agarwal
Jyoti Agarwal
Sujata Asthana

(v) Firm in which director of sponsor is partner:

Cyril Amarchand Mangaldas

INDIA GRID TRUST
Notes to Consolidated Financial Statements for the year ended 31 March 2020
(C) The transactions with related parties during the year are as follows:-

| | | (Rs. in millions) | |
|---|---|-------------------|---------|
| Particulars | Relation | 2019-20 | 2018-19 |
| 1. Purchase of equity shares of SGL2 | | | |
| Sterlite Power Grid Ventures Limited | Sponsor and Project Manager/Entity with significant influence | 12,626.66 | - |
| 2. Purchase of equity shares of SGL3 | | | |
| Sterlite Power Grid Ventures Limited | Sponsor and Project Manager/Entity with significant influence | 518.31 | - |
| 3. Purchase of loan to SGL3 | | | |
| Sterlite Power Grid Ventures Limited | Sponsor and Project Manager/Entity with significant influence | 2,289.49 | - |
| 4. Purchase of equity shares of ENICL | | | |
| Sterlite Power Grid Ventures Limited | Sponsor and Project Manager/Entity with significant influence | 1,259.46 | - |
| Sterlite Power Transmission Limited | Promoters of the parties to IndiGrid | 29.09 | - |
| 5. Purchase of loan to ENICL | | | |
| Sterlite Power Grid Ventures Limited | Sponsor and Project Manager/Entity with significant influence | 587.00 | - |
| 6. Received towards indemnification of liabilities | | | |
| Sterlite Power Grid Ventures Limited | Sponsor and Project Manager/Entity with significant influence | 46.36 | 53.47 |
| 7. Issue of unit capital | | | |
| Sterlite Power Grid Ventures Limited | Sponsor and Project Manager/Entity with significant influence | 2,300.13 | - |
| Esoteric II Pte. Ltd | Entity with significant influence over the Trust | 11,412.04 | - |
| 8. Purchase of projected assets in earlier years | | | |
| Sterlite Power Grid Ventures Limited | Sponsor and Project Manager | - | 252.80 |
| 9. Project Manager Fees | | | |
| Sterlite Power Grid Ventures Limited | Sponsor and Project Manager | 63.66 | 39.54 |
| 10. Investment Manager Fees | | | |
| Sterlite Investment Managers Limited | Investment Manager | 238.79 | 130.53 |
| 11. Distribution to unit holders | | | |
| Sterlite Power Grid Ventures Limited | Sponsor and Project Manager/Entity with significant influence | 968.32 | 709.20 |
| Esoteric II Pte. Ltd | Entity with significant influence over the Trust | 1,224.32 | - |
| Pravin Agarwal | Director of Sponsor | 3.06 | 11.60 |
| Pratik Agarwal | Director of Sponsor and Investment Manager | 4.41 | 1.22 |
| Harsh Shah | Whole time director of Investment Manager | 0.12 | 0.06 |
| Sonakshi Agarwal | Relative of director | 0.18 | - |
| Jyoti Agarwal | Relative of director | 0.24 | - |
| Sujata Asthana | Relative of director | 0.67 | - |
| Arun Tadarwal | Director of Sponsor | 0.06 | - |
| A. R. Narayanaswamy | Director of Sponsor | 0.15 | - |
| 12. Purchase of project stores | | | |
| Sterlite Power Transmission Limited | Promoter of project manager and investment manager | 5.67 | 7.91 |
| 13. Sale of plant and machinery | | | |
| Sterlite Power Transmission Limited | Promoter of project manager and investment manager | - | 9.44 |
| 14. Trustee Fee | | | |
| Axis Trustee Services Limited (ATSL) | Trustee | 2.36 | 2.16 |
| 15. Rent | | | |
| Sterlite Power Transmission Limited | Promoter of project manager and investment manager | 1.18 | - |
| 16. Legal and professional services taken | | | |
| Cyril Amarchand Mangaldas | Firm in which director of sponsor is partner | 26.62 | - |

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Notes to Consolidated Financial Statements for the year ended 31 March 2020
(D) The outstanding balances of related parties are as follows:-

| Particulars | Relation | (Rs in Million) | |
|---|---|-----------------|---------------|
| | | 31 March 2020 | 31 March 2019 |
| 1. Project Manager fees payable | | | |
| Sterlite Power Grid Ventures Limited | Sponsor and Project Manager | 29.39 | 18.25 |
| 2. Investment Manager fees payable | | | |
| Sterlite Investment Managers Limited | Investment Manager | 125.13 | 61.42 |
| 3. Purchase of project stores | | | |
| Sterlite Power Transmission Limited | Promoter of project manager and investment manager | - | 0.69 |
| 4. Sale of plant and machinery | | | |
| Sterlite Power Transmission Limited | Promoter of project manager and investment manager | - | 7.44 |
| 5. Payable towards project acquired | | | |
| Sterlite Power Grid Ventures Limited | Sponsor and Project Manager/Entity with significant influence | 1,925.09 | - |
| 6. Management fees payable | | | |
| Sterlite Power Grid Ventures Limited | Sponsor and Project Manager | 2.52 | - |
| 7. Payable for purchase of property, plant and equipment | | | |
| Sterlite Power Grid Ventures Limited | Sponsor and Project Manager/Entity with significant influence | 23.83 | - |
| 8. Legal and professional services taken | | | |
| Cyril Amarchand Mangaldas | Firm in which director of sponsor is partner | 5.18 | - |

Note 1: Sterlite Power Grid Ventures Limited ("SPGVL") has entered into "Inter-se sponsor agreement" dated April 30, 2019 ("the Agreement") with Esoteric II Pte. Ltd. to designate Esoteric II Pte. Ltd as a "Sponsor" of the Trust subject to approval from SEBI in terms of SEBI InvIT Regulations.

Note 2: Pursuant to "Share Subscription and Purchase Agreement" ("the agreement") executed between Electron IM Pte. Ltd. and Sterlite Power Transmission Limited ["SPTL", the holding company of Sterlite Investment Managers Limited ("SIML"), the Investment Managers of the Trust] on April 30, 2019, SPTL shall sell 74% of its stake in SIML as specified in the agreement.

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 20 October 2016 are as follows:

For the financial year ended 31 March 2020: Refer disclosure below:

For the financial year ended 31 March 2019: No acquisition of InvIT assets from related parties during the year.

(A) Summary of the valuation reports (issued by the independent valuer appointed under the InvIT Regulations):

| Particulars | (Rs in million) | | |
|--------------------------|----------------------|--------|--------|
| | NTL | OGPTL | ENICL |
| Enterprise value | 41,626 | 12,840 | 11,355 |
| Method of valuation | Discounted Cash Flow | | |
| Discounting rate (WACC): | 8.12% | 8.42% | 8.77% |

(B) Material conditions or obligations in relation to the transactions:

Acquisition of NRSS XXIX Transmission Limited (NTL) (through acquisition of Sterlite Grid 2 Limited):

Pursuant to the share purchase agreements dated April 30, 2019 ("SPA") executed among Sterlite Power Grid Ventures Limited, Axis Trustee Services Limited, Sterlite Investment Managers Limited, Sterlite Grid 2 Limited and NRSS XXIX Transmission Limited for acquisition of equity stake in NTL. The Group has acquired 100% of equity in Sterlite Grid 2 Limited which is the holding company of NTL.

The acquisition of NTL and SG2L was financed by money raised through Qualified Institutional Placement (QIP) at India Grid of Rs. 25,140 million and from issue of Non-Convertible Debentures at IndiGrid Level of Rs. 21,000 million (rate of interest- 8.60% to 9.10%). No fees or commission were received/to be received by any associate of the related party in relation to the transaction.

Acquisition of Odisha Generation Phase-II Transmission Limited (OGPTL) (through acquisition of Sterlite Grid 3 Limited):

Pursuant to the share purchase agreements dated April 30, 2019 as amended on June 28, 2019 ("SPA") executed among Sterlite Power Grid Ventures Limited, Axis Trustee Services Limited, Sterlite Investment Managers Limited, Sterlite Grid 3 Limited and Odisha Generation Phase-II Transmission Limited for acquisition of equity stake in OGPTL. The Group has acquired 100% of equity in Sterlite Grid 3 Limited which is the holding company of OGPTL.

The acquisition of OGPTL and SG3L were financed by issue of Non-Convertible Debentures at IndiGrid Level of Rs. 21,000 million (rate of interest- 8.60% to 9.10%). No fees or commission were received/to be received by any associate of the related party in relation to the transaction.

INDIA GRID TRUST**Notes to Consolidated Financial Statements for the year ended 31 March 2020****Acquisition of East-North Interconnection Company Limited (ENICL):**

Pursuant to the share purchase agreements dated March 23, 2020 ("SPA") executed among Sterlite Power Grid Ventures Limited, Axis Trustee Services Limited, Sterlite Investment Managers Limited, Sterlite Power Transmission Limited and East-North Interconnection Limited ('ENICL') for acquisition of equity stake in ENICL. The Group has acquired 49% of equity in ENICL.

The acquisition of ENICL was financed by money raised through Qualified Institutional Placement (QIP) at India Grid Trust of Rs. 25,140 million, from issue of Non-Convertible Debentures at IndiGrid Level of Rs. 22,750 million (rate of interest- 8.40% to 9.10%) and from internal accruals during the year. No fees or commission were received/to be received by any associate of the related party in relation to the transaction.

Note 27: Derivative instruments

The Group has entered into the following derivative instruments:

(a) The following are the outstanding Forward Exchange Contracts entered into by the Group, for hedge purpose.

| Year ended | Currency type | Foreign currency (In million) | Amount (Rs. million) | Buy/Sell | No. of contracts (Quantity) |
|--|---------------|----------------------------------|-------------------------|----------|--------------------------------|
| Hedge of foreign currency loan from financial institution | | | | | |
| 31 March 2020 | US \$ | 33.40 | 2,498.20 | Buy | 4 |
| 31 March 2019 | US \$ | 35.81 | 2,453.19 | Buy | 4 |

(b) Cross currency interest rate swap contracts outstanding as at year end to hedge against exposure to variable interest outflow on loans/foreign currency fluctuations:

| Particulars | 31 March 2020 | 31 March 2019 |
|-----------------------|------------------------------------|------------------------------------|
| Currency type | US \$ | US \$ |
| No. of contracts | 1.00 | 1.00 |
| Amount (USD 'million) | 7.28 | 7.28 |
| Period of Contract | 31 Dec 2015 to 31 Mar 2021 | 31 Dec 2015 to 31 Mar 2021 |
| Floating rate | USD 6 Month Libor + 2.10% to 3.80% | USD 6 Month Libor + 2.10% to 3.80% |
| Fixed rate | 6.71% on INR principal | 6.71% on INR principal |

The Group has entered into cross currency interest rate swap contract on the foreign currency loan, whereby the foreign exchange rate for principal and interest payments has been fixed at INR 65.05 / USD and the interest rate fixed at 6.71% on the loan amount converted in INR at the fixed USD rate. As a result of the contract, the Company would pay interest in INR at 6.71% on the foreign currency loan converted to INR at INR 65.05/USD and receive interest at USD 6m LIBOR + 2.10% to 3.80% on the foreign currency loan amount.

Note 28: Contingent liability

| | 31 March 2020 (Rs. in million) | 31 March 2019 (Rs. in million) |
|-------------------|-----------------------------------|-----------------------------------|
| Entry tax demand* | 411.24 | 410.20 |
| Sales tax demand* | 24.66 | 104.34 |
| Total | 435.90 | 514.54 |

* The total contingent liability is recoverable from SPGVL as per the share purchase agreements.

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 Rs. 138.75 million (March 31, 2019: Rs. 138.70 million) pertains to Jabalpur Transmission Company Limited ('JTCL'), Rs. 165.81 million (March 31, 2019: Rs. 165.80 million) pertains to Bhopal Dhule Transmission Company Limited ('BDTCL') and Rs. 13.30 million (March 31, 2019: Rs. 13.30 million) pertains to RAPP Transmission Company Limited ('RTCL') which is pending with High Court, Jabalpur.

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 Rs. 1.33 million (March 31, 2019: Rs. Nil million) pertains to Bhopal Dhule Transmission Company Limited ('BDTCL') which is pending with Commissioner (Appeals).

Entry tax cases includes disputes pertaining to demand of entry tax on movement of capital goods in the state of Chhattisgarh. The total demand Rs. 92.05 million (31 March 2019: Rs. 92.04 million) pertains to Jabalpur Transmission Company Limited ('JTCL') out of which Rs. 51.55 is pending with the Chhattisgarh High Court and Rs.40.50 is pending with Chairman Chhattisgarh Commercial tax Tribunal, Raipur (C.G.).

Sales tax demand of Rs 24.66 million (March 31, 2019: Rs. Nil million) for Sterlite Grid 1 Limited (SG1L) pertains to demand under Delhi VAT Act, 2004 for non-submission of C Forms for the year 2014-15. The Group has filed an objection against the order with Assistant Commissioner of Delhi VAT Authorities.

INDIA GRID TRUST**Notes to Consolidated Financial Statements for the year ended 31 March 2020****Others:**

During the year, one of the vendor involved in construction of power transmission infrastructure has filed arbitration proceedings against East-North Interconnection Company Limited ('ENICL') in relation to turnkey construction contract executed by it earlier years which is pending before Arbitral Tribunal. Pursuant to share purchase agreement dated 23 March 2020, the Group has obtained corporate guarantee of INR 500 million from SPGVL in respect of said arbitration. Further, all cost, expenses, liabilities and taxes with respect to the arbitration will be to the sole account of SPGVL. The Group management doesn't expect the claim to succeed and accordingly no provision for the contingent liability has been recognised in the consolidated financial statements.

Note 29: Segment reporting

The Group's activities comprise of transmission of electricity in certain states in India. Based on the guiding principles given in Ind AS - 108 "Operating Segments", this activity falls within a single operating segment and accordingly the disclosures of Ind AS -108 have not separately been given.

Under Point of Connection (PoC) mechanism, Power Grid Corporation of India Limited ('PGCIL') is designated as central transmission utility with the responsibility for billing and collecting of usage charges from Inter-State Transmission Services (ISTS) users. Hence the entire amount of trade receivables pertaining to transmission charges is receivable from PGCIL.

Note 30: Details of Dues to Micro and Small Enterprises as defined under MSMED Act, 2006

| Particulars | 31 March 2020 (Rs. in million) | 31 March 2019 (Rs. in million) |
|--|-----------------------------------|-----------------------------------|
| (i) The principal amount and the interest due thereon (to be shown separately) remaining unpaid to any supplier as at the end of each accounting year. | | |
| Principal amount due to micro and small enterprises | 105.32 | 54.10 |
| Interest due on above | - | - |
| (ii) The amount of interest paid by the buyer in terms of section 16, of the Micro Small and Medium Enterprise Development Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year. | - | - |
| (iii) The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under Micro Small and Medium Enterprise Development Act, 2006. | - | - |
| (iv) The amount of interest accrued and remaining unpaid at the end of each accounting year. | - | - |
| (v) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the Micro Small and Medium Enterprise Development Act, 2006 | - | - |

Interest payable as per section 16 of the Micro, Small and Medium Enterprises Development Act, 2006 is Rs. Nil million (31 March 2019: Rs. Nil million). Dues to micro and small enterprises have been determined to the extent such parties have been identified on the basis of intimations received from the "suppliers" / information available with the Company regarding their status under the Micro, Small and Medium Enterprises Act, 2006.

Note 31: Financial risk management objectives and policies

The Group's principal financial liabilities comprise borrowings, trade and other payables and other financial liabilities. The main purpose of these financial liabilities is to finance the Group's operations. The Group's principal financial assets include trade and other receivables, cash and short-term deposits and other financial assets that derive directly from its operations.

The Group is exposed to credit risk, liquidity risk and market risk. The Investment Manager of the IndiGrid oversees the management of these risks. All derivative activities for risk management purposes are carried out by specialist teams that have the appropriate skills, experience and supervision. It is the Group's policy that no trading in derivatives for speculative purposes may be undertaken. The management reviews and agrees policies for managing each of these risks, which are summarised below.

The Risk Management policies of the Group are established to identify and analyse the risks faced by the Group, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Group's activities.

Management has overall responsibility for the establishment and oversight of the Group's risk management framework.

INDIA GRID TRUST**Notes to Consolidated Financial Statements for the year ended 31 March 2020****(A) Credit risk**

Credit risk is the risk that a counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Group is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including deposits with banks, foreign exchange transactions and other financial instruments.

The Group through its subsidiaries is engaged in transmission business under BOOM (Build, Own, Operate and Maintain) model and currently derive its revenue primarily from BOOM contracts with long term transmission customers ('LTTC'). Being transmission licensee, the Group receives payments as per the pooling arrangements specified under the Central Electricity Regulatory Commission (Sharing of Inter State Transmission Charges and Losses) Regulations, 2010 ('Pooling Regulations'). In the PoC method, the transmission charges to be recovered from the entire system are allocated between users based on their location in the grid. Under the PoC mechanism, all the charges collected by the Central Transmission Utility ('CTU') from LTTC's are disbursed pro-rata to all Transmission Service Providers ('TSPs') from the pool in proportion of the respective billed amount. Due to this, the TSPs are shielded against any potential default by a particular customer. If a particular customer delays or defaults, the delay or shortfall is prorated amongst all the TSPs. Based on past history of payments, payments due have always been paid and there have been no write-off's for due amounts. Due to the payment mechanism explained above as well as due to no history of any write-off's of payments which were due, the Group has not considered any expected credit loss on the financial assets in the nature of trade receivables. During the various periods presented, there has been no change in the credit risk of trade receivables. However, this assessment may need a review if there is any change in the Pooling Regulations.

Credit risk from balances deposited/invested with banks and financial institutions as well as investments made in mutual funds, is managed by the Group's treasury department in accordance with the Group's policy. Investments of surplus funds are made only with approved counterparties and within limits assigned to each counterparty. Counterparty limits are reviewed by the top management on an annual basis, and may be updated throughout the year subject to approval of the Board of Directors. The limits are set to minimise the concentration of risks and therefore mitigate financial loss through a counterparty's potential failure to make payments. Based on this policy, the Group does not foresee any risk on account of credit losses, either in the bank deposits which are made with AAA rated banks and also in regard to mutual funds which is primarily debt oriented funds. No loss allowances have been provided for any trade receivables, or other receivables from financing activities like cash and bank deposits, mutual funds and other similar deposits. Also, there have been no modifications in contractual cash flows on financial assets.

The Group's maximum exposure to credit risk for the components of the balance sheet as at 31 March 2020 is the carrying amounts of trade and other receivables, cash and cash equivalents and other assets as disclosed in Note 5, 6, 7 and 8 respectively. However, the credit risk is low due to reasons mentioned above.

(B) Liquidity risk

Liquidity risk is the risk that the Group may encounter difficulty in meeting its present and future obligations associated with financial liabilities that are required to be settled by delivering cash or another financial asset. The Group's objective is to, at all times maintain optimum levels of liquidity to meet its cash and collateral obligations. The Group requires funds both for short term operational needs as well as for long term investment programs mainly in projects. The Group closely monitors its liquidity position and deploys a robust cash management system. It aims to minimise these risks by generating sufficient cash flows from its current operations, which in addition to the available cash and cash equivalents, liquid investments and sufficient committed fund facilities, will provide liquidity.

The liquidity risk is managed on the basis of expected maturity dates of the financial liabilities. The average credit period taken to settle trade payables is about 30 days. The other payables are with short term durations. The carrying amounts are assumed to be reasonable approximation of fair value. The table below summarises the maturity profile of the Group's financial liabilities based on contractual undiscounted payments:

| Particulars | Payable on demand | Less than 3 months | 3 months to 12 months | 1 to 5 years | More than 5 years | Total |
|---|-------------------|--------------------|-----------------------|------------------|-------------------|------------------|
| 31 March 2020 | | | | | | |
| Borrowings* | - | - | - | 39,891.20 | 22,699.93 | 62,591.13 |
| Trade payables | - | 332.91 | - | - | - | 332.91 |
| Other financial liabilities* (excluding derivative instruments) | - | 943.92 | 2,643.21 | - | - | 3,587.13 |
| Derivatives # | - | 73.45 | 155.39 | 833.44 | 1,458.93 | 2,521.21 |
| Total | - | 1,350.28 | 2,798.60 | 40,724.64 | 24,158.86 | 69,032.38 |
| Particulars | Payable on demand | Less than 3 months | 3 months to 12 months | 1 to 5 years | More than 5 years | Total |
| 31 March 2019 | | | | | | |
| Borrowings* | - | - | - | 7,651.68 | 18,250.32 | 25,902.00 |
| Trade payables | - | 161.96 | - | - | - | 161.96 |
| Other financial liabilities* (excluding derivative instruments) | - | 271.05 | 178.94 | - | - | 449.99 |
| Derivatives # | - | 209.82 | 126.53 | 831.70 | 1,454.84 | 2,622.89 |
| Total | - | 642.83 | 305.47 | 8,483.38 | 19,705.16 | 29,136.84 |

* Excludes lease liability of Rs. 53.34 million (31 March 2019: Rs. Nil million). Refer note 32 for maturity analysis of lease liability included in borrowings and financial liabilities.

Based on gross undiscounted cash flows. The MTM as on 31 March 2020 recognised in the books of accounts is Rs 23.00 million (31 March 2019: Rs. 169.71 million)

INDIA GRID TRUST
Notes to Consolidated Financial Statements for the year ended 31 March 2020

(C) Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises two types of risk: interest rate risk and currency risk. Financial instruments affected by market risk include borrowings, bank deposits, Investments in short-term mutual funds, and derivative financial instruments.

Interest rate risk

Interest rate risk is the risk that the fair value or the future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group's exposure to the risk of changes in market interest rate primarily relates to the Group's long term debt obligations with floating interest rates. To manage this, the Group enters into interest rate swaps, in which it agrees to exchange, at specified intervals, the difference between fixed and variable rate interest amounts calculated by reference to an agreed-upon notional principal amount. As at 31 March 2020, 3.66% ((31 March 2019: 9.39%) of total borrowings of the Group are at floating interest rates

Interest rate sensitivity

The Group has taken cross currency interest rate swap to hedge its borrowings at floating interest rates. The swap contract is valid till 31 March 2021 (refer note 27 for details). Hence the disclosures regarding interest rate sensitivity have not been given.

Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Group's exposure to the risk of changes in foreign exchange rates relates primarily to the Group's foreign currency borrowings and payables in foreign currency (if any).

The Group hedges its exposure to fluctuations on the translation into INR of its foreign operations by holding net borrowings in foreign currencies and by using foreign currency swaps and forwards.

At 31 March 2020 and 31 March 2019, the Group hedged 100% of its foreign currency borrowings. This foreign currency risk is hedged by using foreign currency forward contracts and cross currency interest rate swap.

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NOTE 32: LEASES

The Group has lease contract for office building used in its operations which have lease term of 5 years with lock-in-period of 3 years. The Group's obligations under its leases are secured by the lessor's title to the leased assets. The cash outflows relating to leases have not yet commenced. The lease liability has been measured by using the incremental borrowing rate.

Maturity analysis of lease liabilities:

| Particulars | (Rs. in million) | | | | |
|-----------------|--------------------|-----------------------|--------------|-------------------|-------|
| | Less than 3 months | 3 months to 12 months | 1 to 5 years | More than 5 years | Total |
| 31 March 2020 | | | | | |
| Lease liability | 0.95 | 6.52 | 45.87 | - | 53.34 |
| Total | 0.95 | 6.52 | 45.87 | - | 53.34 |
| 31 March 2019 | | | | | |
| Lease liability | - | - | - | - | - |
| Total | - | - | - | - | - |

Note 33: Corporate social responsibility

The Group management is evaluating the best possible alternative for CSR activities related to one of the subsidiary hence the amount is not spend till 31 March 2020.

Note 34: Impact of COVID-19

The management has evaluated the impact of COVID 19 pandemic & lock down imposed by the Government of India on the Group. The subsidiaries of the Group which are engaged in construction and operation & maintenance of power transmission lines and substations ('power transmission infrastructure') are governed by Section 63 of The Electricity Act 2003 where in as per the Transmission Service Agreements ('TSAs') tariff revenue is accrued based on availability of power transmission infrastructure. Further, the Government of India has declared power transmission as an essential service therefore the Group is able to ensure availability of power transmission infrastructure and carry out maintenance activities during the lock down period.

The management believes that as the tariff revenues are linked to availability, irrespective of the quantum of power transmitted through the power transmission infrastructure and considering the Point of Connection ('PoC') mechanism the risk of non-collection of transmission charges receivables as of March 31, 2020 is minimum, however there could be delays in collection of trade receivables and unbilled revenue.

Further, in assessing the recoverability of receivables including unbilled receivables, the Group has considered internal and external information up to the date of approval of these consolidated financial statements including communication from regulatory agencies and LTTCs. Central Electricity Regulatory Commission ('CERC') has reduced Late Payment Charges (LPS) to 1.0% per month from 1.5% earlier or any delay in payment by the LTTCs between March 24, 2020 and June 30, 2020 which is not expected to have material impact on the financial statements of the Group. Further, the management does not see any risks in the Group's ability to continue as a going concern and meeting its liabilities as and when they fall due.

The management will continue to monitor and assess impact of economic conditions arising due to COVID 19. The impact of COVID 19 may differ from that expected at the date of approval of these consolidated financial statements.

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INDIA GRID TRUST
Notes to Consolidated Financial Statements for the year ended 31 March 2020

Note 35: Capital management

For the purpose of the Group's capital management, capital includes issued Unit capital and all other reserves attributable to the unit holders of the Trust. The primary objective of the Group's capital management is to ensure that it maintains a strong credit rating and healthy capital ratios in order to support its business and maximise shareholder value.

The Group manages its capital structure and makes adjustments to it in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Group may adjust the dividend payment to unitholders, return capital to unitholders or issue new units (subject to the provisions of Invt regulations which require distribution of at least 90% of the net distributable cash flows of the Trust to unit holders). The Group monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. The Group's policy is to keep the gearing ratio optimum. The Group includes within net debt, interest bearing loans and borrowings, trade and other payables less cash and cash equivalents, other bank balances and short term investments.

| Particulars | 31 March 2020 (Rs. in million) | 31 March 2019 (Rs. in million) |
|---|-----------------------------------|-----------------------------------|
| Borrowings | 62,637.00 | 25,902.00 |
| Trade payables | 332.91 | 161.96 |
| Other financial liabilities | 3,617.60 | 619.70 |
| Less: Cash and cash equivalents, other bank balances and short term investments | (5,388.15) | (1,699.03) |
| Net debt (A) | 61,199.36 | 24,984.63 |
| Unit capital | 53,145.69 | 28,380.00 |
| Other equity | (2,659.44) | (1,613.89) |
| Total capital (B) | 50,486.25 | 26,766.11 |
| Capital and net debt (C= A+B) | 1,11,685.61 | 51,750.74 |
| Gearing ratio (C/A) | 54.80% | 48.28% |

Financial Covenants

In order to achieve this overall objective, the Group's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements. There have been no breaches in the financial covenants of any interest-bearing loans and borrowing in the current period.

Note 36: Details of Project Manager and Investment Manager Fees

Details of fees paid to Project Manager and Investment Manager as required pursuant to SEBI Circular No. CIR/IMD/DF/127/2016, dated November 29, 2016:

(i) Project management fees

Pursuant to the Project Implementation and Management Agreement dated 10 November 2016 as amended, Project Manager is entitled to fees @ 10% of gross expenditure incurred by each SPV in relation to operation and maintenance costs, per annum. Consolidated Statement of Profit and Loss for the period ended 31 March 2020 includes amount of Rs. 63.66 million (31 March 2019: Rs 39.54 million) towards Project Manager fees. There are no changes during the year in the methodology for computation of fees paid to Project Manager.

(ii) Investment management fees

Pursuant to the Investment Management Agreement dated 10 November 2016 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. Consolidated statement of Profit and Loss for the period ended 31 March 2020 includes amount of Rs. 238.79 million (31 March 2019: Rs 130.53 million) towards Investment Manager Fees. There are no changes during the year in the methodology for computation of fees paid to Investment Manager.

Note 37: Subsequent event

On May 27, 2020, the Board of directors of the Investment Manager approved a dividend of Rs. 3 per unit for the period 1 January 2020 to 31 March 2020 to be paid on or before 15 days from the date of declaration.

As per our report of even date

For S R B C & Co LLP
Chartered Accountants
Firm Registration No. 324982E/E300003

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

per Arvind Sethi
Partner
Membership Number : 089802
Place : Pune
Date : 27 May 2020

Harsh Shah
CEO & Whole Time Director
DIN: 02496122
Place : Mumbai
Date : 27 May 2020

Swapnil Patil
Company Secretary
Place : Mumbai
Date : 27 May 2020

Independent Auditor's Report on the Half yearly and Year to Date Consolidated Financial Results of the Trust Pursuant to Regulation 23 of the SEBI (Infrastructure Investment Trusts) Regulations, 2014, as amended

To
Board of Directors of
Sterlite Investment Managers Limited
(as Investment Manager of India Grid Trust)
Maker Maxity, 5 North Avenue, Level 5,
Bandra Kurla Complex, Bandra East Mumbai
Mumbai MH 400051

Report on the audit of the Consolidated Financial Results**Opinion**

We have audited the accompanying statement of half yearly and year to date consolidated financial results of India Grid Trust ('the InvIT') and its subsidiaries (together, 'the Group'), consisting of the Consolidated Statement of profit and loss, explanatory notes thereto and the additional disclosures as required in paragraph 6 of Annexure A to the SEBI Circular No. CIR/IMD/DF/127/2016 dated November 29, 2016 ("SEBI Circular") for the half year ended March 31, 2020 and for the year ended March 31, 2020 ('the Statement'), attached herewith, being submitted by the InvIT pursuant to the requirements of Regulation 23 of the SEBI (Infrastructure Investment Trusts) Regulations, 2014, as amended from time to time read with SEBI Circular.

In our opinion and to the best of our information and according to the explanations given to us, the Statement:

- i. includes the results of the following entities;
 1. India Grid Trust
 2. Sterlite Grid 1 Limited
 3. Sterlite Grid 2 Limited
 4. Sterlite Grid 3 Limited
 5. Patran Transmission Company Limited
 6. East-North Interconnection Company Limited
 7. Bhopal Dhule Transmission Company Limited
 8. Jabalpur Transmission Company Limited
 9. RAPP Transmission Company Limited
 10. Purulia & Kharagpur Transmission Company Limited
 11. Maheshwaram Transmission Limited
 12. NRSS XXIX Transmission Limited
 13. Odisha Generation Phase-II Transmission Limited
- ii. are presented in accordance the requirements of Regulation 23 of the SEBI (Infrastructure Investment Trusts) Regulations, 2014, as amended from time to time read with read with SEBI Circular No. CIR/IMD/DF/127/2016 dated November 29, 2016 in this regard; and

- iii. gives a true and fair view in conformity with the applicable accounting standards, and other accounting principles generally accepted in India, of the consolidated net profit and other comprehensive income and other financial information of the Group for the half year ended March 31,2020 and for the year ended March 31,2020.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs), issued by Institute of chartered Accountants of India. Our responsibilities under those Standards are further described in the 'Auditor's Responsibilities for the Audit of the Consolidated Financial Results' section of our report. We are independent of the Group in accordance with the 'Code of Ethics' issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the consolidated Ind AS financial statements under the provisions of the InvIT Regulations and we have fulfilled our other ethical responsibilities in accordance these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Management's Responsibilities for the Consolidated Financial Results

The Statement has been prepared on the basis of the consolidated annual financial statements. Management of the Investment Manager ('the Management') is responsible for the preparation and presentation of the Statement that gives a true and fair view of the consolidated net profit and other comprehensive income and other financial information of the Group in accordance with the requirements of the InvIT regulations; Indian Accounting Standards as defined 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 InvIT Regulations. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records for safeguarding of the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Statement that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the Statement by the Management, as aforesaid.

In preparing the Statement, the management and the respective Board of Directors of the companies included in the Group are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective Board of Directors either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The Management and the respective Board of Directors of the companies included in the Group are also responsible for overseeing the financial reporting process of the Group.

Auditor's Responsibilities for the Audit of the Consolidated Financial Results

Our objectives are to obtain reasonable assurance about whether the Statement as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the Statement.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Statement, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- Conclude on the appropriateness of the management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Statement or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Statement, including the disclosures, and whether the Statement represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities within the Group of which we are the independent auditors and whose financial information we have audited, to express an opinion on the Statement. We are responsible for the direction, supervision and performance of the audit of the financial information of such entities included in the Statement of which we are the independent auditors. We remain solely responsible for our audit opinion.

S R B C & COLLP

Chartered Accountants

We communicate with those charged with governance of the InvIT and such other entities included in the Statement of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Other Matter

The Statement includes the consolidated financial results for the half year ended March 31,2020 being the balancing figures between the audited figures in respect of the full financial year ended March 31, 2020 and the published unaudited year-to-date figures up to September 30, 2019, being the date of the end of the first half of the current financial year, which were subject to limited review as required under Regulation 23 of the SEBI (Infrastructure Investment Trusts) Regulations, 2014 as amended from time to time read with SEBI Circular No. CIR/IMD/DF/127/2016 dated November 29, 2016.

For S R B C & CO. LLP

Chartered Accountants

ICAI Firm Registration Number: 324982E/E300003

**ARVIND
SETHI**

Digitally signed by ARVIND SETHI
DN: cn=ARVIND SETHI, c=IN,
o=Personal,
email=arvind.sethi@srb.in
Location: Pune
Date: 2020.05.27 14:55:52 +05'30'

per Arvind Sethi

Partner

Membership Number: 089802

UDIN: 20089802AAAACR6778

Place of signature: Pune

Date: May 27,2020

CFAS-2/20-21/CHENNAI/VR/2

Date: 27th May 2020

**The Board of Directors
Sterlite Investment Managers Limited**

12th Floor, we work, 247 Park,
247 embassy, Hindustan C. Bus Stop,
Lal Bahadur Shastri Road,
Gandhi Nagar, Vikhroli West,
Mumbai City, Maharashtra, 400079

**Mr. S Sundararaman,
Registered Valuer,
5B, "A" Block,
5th Floor, Mena Kampala Arcade,
New #18 & 20, Thiagaraya Road,
T.Nagar,
Chennai – 600 017**

**The Board of Directors
India Grid Trust
(Axis Trustee Services Limited acting on behalf of the Trust)**

12th Floor, we work, 247 Park,
247 embassy, Hindustan C. Bus Stop,
Lal Bahadur Shastri Road,
Gandhi Nagar, Vikhroli West,
Mumbai City, Maharashtra, 400079

**Sub: Valuation as per SEBI (Infrastructure Investment Trusts) Regulations, 2014, as amended
("the SEBI InvIT Regulations")**

Dear Sirs/Madams,

I, Mr. S. Sundararaman ("Registered Valuer" or "RV" or "I" or "My" or "Me") bearing IBBI registration number IBBI/RV/06/2018/10238, have been appointed vide letter dated 1st April 2020 as an independent valuer, as defined under the SEBI InvIT Regulations, by Sterlite Investment Managers Limited ("the Investment Manager" or "SIML"), 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, for the purpose of the financial valuation of the special purpose vehicles (defined hereinafter below) as per the requirements of the Securities and Exchange Board of India (Infrastructure Investment Trusts) Regulations, 2014, as amended ("SEBI InvIT Regulations").

The Trust operates and maintains the following special purpose vehicles:

| Sr No. | Name of the SPV |
|---------------|---|
| 1 | Bhopal Dhule Transmission Company Limited ("BDTCL") |
| 2 | Jabalpur Transmission Company Limited ("JTCL") |
| 3 | Maheshwaram Transmission Limited ("MTL") |
| 4 | RAPP Transmission Company Limited ("RTCL") |
| 5 | Purulia & Kharagpur Transmission Company Limited ("PKTCL") |
| 6 | Patran Transmission Company Limited ("PTCL") |
| 7 | Northern Region Strengthening Scheme XXIX Transmission Limited ("NRSS") |
| 8 | Odisha Generation Phase - II Transmission Limited ("OGPTL") |
| 9 | East-North Interconnection Company Limited ("ENICL") |

(Together referred to as "the SPVs").

Strictly Private and Confidential

The SPVs were acquired by the Trust and are to be valued as per Regulation 21(4) contained in the Chapter V of the SEBI InvIT Regulations.

I have relied on explanations and information provided by the Investment Manager. Although, I have reviewed such data for consistency, those are not independently investigated or otherwise verified. 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 SPVs on a going concern basis as at 31st March 2020 ("Valuation Date"). 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 or cash equivalents to meet those liabilities. The attached Report details the valuation methodologies used, calculations performed and the conclusion reached with respect to this valuation.

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 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 us are based upon assumptions about events and circumstances which are yet to occur.

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.

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 enquiry 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.

Further, considering the current crisis in relation to COVID-19 in India and across the globe, 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 valuation provided by RV and the valuation conclusion 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") there under.

Strictly Private and Confidential

Please note that all comments in the Report must be read in conjunction with the caveats to the Report, which are contained in Section 10 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.

RV draws your attention to the limitation of liability clauses in Section 10 of the Report including the clause on Limitation on account of COVID-19 and Significant Uncertainty in Valuation.

This letter should be read in conjunction with the attached Report.

Yours faithfully,

SWAMINATHAN Digitally signed by
SWAMINATHAN
SUNDARARAMA SUNDARARAMAN
Date: 2020.05.27 10:18:08
+05'30'
N

S. Sundararaman

Registered Valuer

IBBI Registration No – IBBI/RV/06/2018/10238

Place: Chennai

UDIN - 20028423AAAADV6540

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Definition, abbreviation & glossary of terms

| Abbreviations | Meaning |
|----------------------------|--|
| BDTCL | Bhopal Dhule Transmission Company Limited |
| BOOM | Build-Own-Operate-Maintain |
| Capex | Capital Expenditure |
| CCIL | Clearing Corporation of India Limited |
| CERC | Central Electricity Regulatory Commission |
| Ckms | Circuit Kilometres |
| COD | Commercial Operation Date |
| DCF | Discounted Cash Flow |
| EBITDA | Earnings Before Interest , Taxes , Depreciation and Amortization |
| ENICL | East-North Interconnection Company Limited |
| EV | Enterprise Value |
| FCFF | Free Cash Flow to the Firm |
| FY | Financial Year Ended 31 st March |
| FYP | Five year Plan |
| H&Co. | Haribhakti & Co. LLP, Chartered Accountants |
| INR | Indian Rupees |
| IVS | ICAI Valuation Standards, 2018 |
| JTCL | Jabalpur Transmission Company Limited |
| kV | Kilo Volts |
| LTTC | Long Term Transmission Customer |
| Mn | Million |
| MTL | Maheshwaram Transmission Limited |
| NAV | Net Asset Value Method |
| NCA | Net Current Assets Excluding Cash and Bank Balances |
| NRSS | Northern Region Strengthening Scheme XXIX Transmission Limited |
| OGPTL | Odisha Generation Phase - II Transmission Limited |
| O&M | Operation & Maintenance |
| PGCIL | Power Grid Corporation of India Limited |
| PKTCL | Purulia & Kharagpur Transmission Company Limited |
| PTCL | Patran Transmission Company Limited |
| 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 |
| SGL1/SGL2/SGL3 | Sterlite Grid 1 Limited / Sterlite Grid 2 Limited/ Sterlite Grid 3 Limited |
| SIML or Investment Manager | Sterlite Investment Managers Limited |
| SPGVL or the Sponsor | Sterlite Power Grid Ventures Limited |
| TEECL | Techno Electric & Engineering Company Limited |
| the SPV | Special Purpose Vehicle |
| T&D | Transmission & Distribution |
| the Trust or InvIT | India Grid Trust |
| the Trustee | Axis Trustee Services Limited |
| TAO | Tariff Adoption Order |
| TSA | Transmission Service Agreement |
| TWh | Terawatt Hour |
| WACC | Weighted Average Cost of Capital |

Executive Summary

1.1. Background

The Trust

1.1.1. India Grid Trust (“the Trust”) was established on 21st October 2016 as an irrevocable trust pursuant to the trust deed under the provisions of the Indian Trusts Act, 1882 by SPGVL and is registered with the Securities and Exchange Board of India (“SEBI”) as an InvIT on November 28, 2016, pursuant to the SEBI (Infrastructure Investment Trusts) Regulations, 2014, as amended from time to time (“the SEBI InvIT Regulations”). It is established to own inter-state power transmission assets in India. The units of the Trust are listed on the National Stock Exchange of India Limited and BSE Limited since 6th June 2017.

1.1.2. Shareholding of the Trust as on 31st March 2020

| Sr. No. | Particulars | No. of Units | % |
|---------|---------------------------------|---------------------|-------------|
| 1 | Sponsor | 8,75,48,026 | 15% |
| 2 | Insurance Companies | 3,23,68,329 | 5% |
| 3 | Mutual Fund | 70,40,439 | 1% |
| 4 | Financial Institutions or Banks | 79,60,680 | 1% |
| 5 | Provident or pension funds | 25,77,015 | 0% |
| 6 | Foreign Portfolio Investors | 32,62,04,172 | 55% |
| 7 | Non-institutional investors | 11,97,84,420 | 20% |
| | Total | 58,34,83,081 | 100% |

Source: BSE Limited

The Sponsor

1.1.3. Sterlite Power Grid Ventures Limited (“SPGVL” or “the Sponsor”) is mainly engaged into the business of installation and operation of electricity transmission projects in India and Brazil.

1.1.4. Shareholding of the Sponsor as on 31st March 2020

| Sr. No. | Particulars | % |
|---------|-------------------------------------|-------------|
| 1 | Sterlite Power Transmission Limited | 100% |
| | Total | 100% |

Source: Investment Manager

Investment Manager

1.1.5. Sterlite Investment Managers Limited (“the Investment Manager” or “SIML”) has been appointed as the investment manager to the Trust by Axis Trustee Services Limited (“the Trustee”) and will be responsible to carry out the duties of such a person as mentioned under SEBI InvIT Regulations.

1.1.6. Shareholding of the Investment Manager as on 31st March 2020

| Sr. No. | Particulars | % |
|---------|---|-------------|
| 1 | Electron IM PTE. Ltd (KKR affiliate entity) | 60% |
| 2 | Sterlite Power Grid Ventures Limited | 40% |
| | Total | 100% |

Source: Investment Manager

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Financial Assets to be Valued:

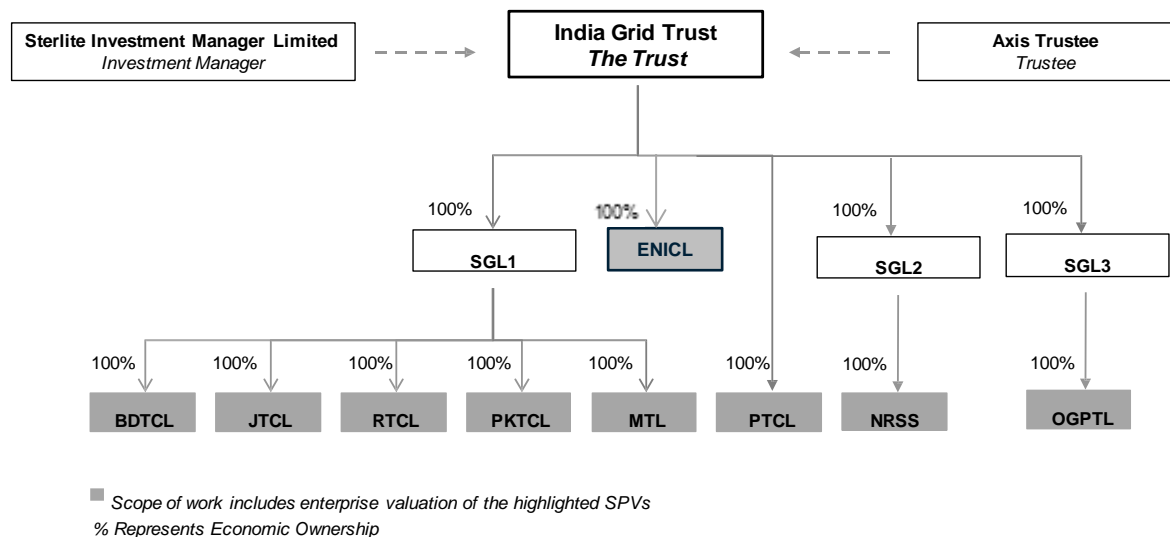
Strictly Private and Confidential

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 or cash equivalents to meet those liabilities. The financial assets under consideration are valued at Enterprise Value.

| Sr No. | Name of the SPV |
|--------|---|
| 1 | Bhopal Dhule Transmission Company Limited ("BDTCL") |
| 2 | Jabalpur Transmission Company Limited ("JTCL") |
| 3 | Maheshwaram Transmission Limited ("MTL") |
| 4 | RAPP Transmission Company Limited ("RTCL") |
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| 8 | Odisha Generation Phase - II Transmission Limited ("OGPTL") |
| 9 | East-North Interconnection Company Limited ("ENICL") |

(together referred to as "the SPVs")

Group Structure of the Trust as at 31st March 2020



1.2. Purpose and Scope of Valuation

Purpose of Valuation

1.2.1. As per Regulation 21(4) of Chapter V of the SEBI InvIT Regulations,

"A full valuation shall be conducted by the valuer not less than once in every financial year: Provided that such full valuation shall be conducted at the end of the financial year ending March 31st within two months from the date of end of such year."

In this regard, the Investment Manager and the Trustee intends to undertake the fair enterprise valuation of the SPVs as on 31st March 2020.

1.2.2. In this regard, the Investment Manager and the Trustee have appointed Mr. S. Sundararaman ("Registered Valuer" or "RV" or "I" or "My" or "Me") bearing IBBI registration number IBBI/RV/06/2018/10238 to undertake the fair valuation at the enterprise level of the SPVs as per the SEBI InvIT Regulations as at 31st March 2020. Enterprise Value ("EV") is described as the total

Strictly Private and Confidential

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.

- 1.2.3. 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. RV has valued the SPVs based on the valuation standards as specified under sub-regulation 10 of regulation 21 of SEBI InvIT Regulations.
- 1.2.4. This 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.

Scope of Valuation

1.2.5. Nature of the 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 or cash equivalents to meet those liabilities.

1.2.6. Valuation Base

Valuation Base means the indication of the type of value being used in an engagement. In the present case, RV has determined the fair value of the SPVs at the enterprise level. Fair Value Bases defined as under:

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.

1.2.7. 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 31st March 2020 ("Valuation Date"). The attached Report is drawn up by reference to accounting and financial information as on 31st March 2020. The RV is not aware of any other events having occurred since 31st March 2020 till date of this Report which he deems to be significant for his valuation analysis.

1.2.8. Premise of Value

Premise of Value refers to the conditions and circumstances how an asset is deployed. In the present case, RV has 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.

- 1.2.9. For the amount pertaining to the operating working capital, the Investment Manager has acknowledged to consider the provisional financial statements as on 31st March 2020 to carry out the valuation of the SPVs.

1.3. Summary of Valuation

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I have assessed the fair enterprise value of each of the SPVs on a stand-alone basis by using the discounted cash flow method under the income approach. Following table summarizes my explanation on the usage or nonusage of different valuation methods:

| Valuation Approach | Valuation Methodology | Used | Explanation |
|--------------------|-------------------------|------|---|
| Cost Approach | Net Asset Value | No | NAV does not capture the future earning potential of the business. |
| Income Approach | Discounted Cash Flow | Yes | The revenue of the projects are defined for a certain period of years under TSA. In case of all the SPVs except ENICL, the said term is for 35 years and in case of ENICL the term is 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 present valuation exercise. |
| Market Approach | Market Price | No | The equity shares of SPVs are not listed on any recognized stock exchange of India. Hence, I was unable to apply market price method. |
| | Comparable Companies | No | 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. |
| | Comparable Transactions | No | In the absence of adequate details about the Comparable Transactions, I was unable to apply the CTM method. |

Under the DCF Method, the Free Cash Flow to Firm (FCFF) has been used for the purpose of valuation of each of the SPVs. In order to arrive at the fair EV of the individual SPVs under the Discounted Cash Flow (DCF) Method, I have relied on unaudited financial statements as at 31st March 2020 prepared in accordance with the Indian Accounting Standards (Ind AS) and the financial projections of the respective SPVs prepared by the Investment Manager as at the Valuation Date based on their best judgement. The discount rate considered for the respective SPVs for the purpose of this valuation exercise is based on the Weighted Average Cost of Capital for each of the SPVs. As all the SPVs under considerations have executed projects under the BOOM model, the ownership of the underlying assets shall remain with the SPVs even after the expiry of the concession period. Accordingly, terminal period value i.e. value on account of cash flows to be generated even after the expiry of concession period has been considered.

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Based on the methodology and assumptions discussed further, RV has arrived at the Fair Enterprise Value of the SPVs as on the Valuation Date:

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| Sr No. | SPVs | Projection Period (Balance TSA Period) | WACC** | Fair EV** (INR Mn) |
|--------------|--------|---|-----------------|-----------------------|
| 1 | BDTCL | ~ 29 Years 0 Months | 8.84% | 18,565 |
| 2 | JTCL | ~ 28 Years 11 Months | 9.09% | 14,426 |
| 3 | MTL | ~ 32 Years 9 Months | 8.61% | 5,437 |
| 4 | RTCL | ~ 30 Years 11 Months | 8.51% | 4,008 |
| 5 | PKTCL | ~ 31 Years 0 Months | 8.51% | 6,439 |
| 6 | PTCL | ~ 31 Years 8 Months | 8.56% | 2,370 |
| 7 | NRSS | ~ 33 Years 5 Months | 8.44% | 43,911 |
| 8 | OGPTL | ~ 34 Years 0 Months | 8.54% | 14,105 |
| 9 | ENICL* | ~ 15 Years 7 Months | 8.91% to 12.42% | 10,949 |
| Total | | | | 1,20,210 |

*Only in case of ENICL, I have considered separate WACC for explicit period and terminal period.

** Refer Appendix 1 & 2 for the detailed workings

Further to above considering that present valuation exercise is based on the future financial performance and based on opinions on the future credit risk, cost of debt assumptions, etc., 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 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:

1. Weighted Average Cost of Capital (WACC) by increasing / decreasing it by 0.50%
2. Weighted Average Cost of Capital (WACC) by increasing / decreasing it by 1.00%
3. Total Expenses considered during the projected period by increasing / decreasing it by 20%
4. Terminal period value considered for the SPVs increasing / decreasing it by 20%

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.

Fair Enterprise Valuation Range based on WACC parameter (0.5%)

| <i>INR Mn</i> | | | | | | | |
|--------------------------|-------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|
| Sr No. | SPVs | Base WACC | EV | WACC +0.5% | EV | WACC -0.5% | EV |
| 1 | BDTCL | 8.84% | 18,565 | 9.34% | 17,829 | 8.34% | 19,380 |
| 2 | JTCL | 9.09% | 14,426 | 9.59% | 13,804 | 8.59% | 15,114 |
| 3 | MTL | 8.61% | 5,437 | 9.11% | 5,180 | 8.11% | 5,724 |
| 4 | RTCL | 8.51% | 4,008 | 8.51% | 4,007 | 7.51% | 4,392 |
| 5 | PKTCL | 8.51% | 6,439 | 9.01% | 6,175 | 8.01% | 6,730 |
| 6 | PTCL | 8.56% | 2,370 | 9.06% | 2,271 | 8.06% | 2,479 |
| 7 | NRSS | 8.44% | 43,911 | 8.94% | 42,071 | 8.44% | 45,950 |
| 8 | OGPTL | 8.54% | 14,105 | 9.04% | 13,498 | 8.04% | 14,780 |
| 9 | ENICL | 8.91% to 12.42% | 10,949 | 9.41% to 12.92% | 10,605 | 8.41% to 11.92% | 11,317 |
| Total of all SPVs | | | 1,20,210 | | 1,15,441 | | 1,25,865 |

Fair Enterprise Valuation Range based on WACC parameter (1.0%)

| <i>INR Mn</i> | | | | |
|---------------|------|-----------|----|----|
| Sr | SPVs | Base WACC | EV | EV |

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| No. | | | | WACC +1% | | WACC -1% | |
|--------------------------|-------|--------------------|-----------------|--------------------|-----------------|--------------------|-----------------|
| 1 | BDTCL | 8.84% | 18,565 | 9.84% | 17,159 | 7.84% | 20,288 |
| 2 | JTCL | 9.09% | 14,426 | 10.09% | 13,238 | 8.09% | 15,877 |
| 3 | MTL | 8.61% | 5,437 | 9.61% | 4,948 | 7.61% | 6,047 |
| 4 | RTCL | 8.51% | 4,008 | 9.01% | 3,842 | 7.01% | 4,617 |
| 5 | PKTCL | 8.51% | 6,439 | 9.51% | 5,935 | 7.51% | 7,053 |
| 6 | PTCL | 8.56% | 2,370 | 9.56% | 2,182 | 7.56% | 2,601 |
| 7 | NRSS | 8.44% | 43,911 | 9.44% | 40,402 | 7.44% | 48,227 |
| 8 | OGPTL | 8.54% | 14,105 | 9.54% | 12,949 | 7.54% | 15,538 |
| 9 | ENICL | 8.91% to 12.42% | 10,949 | 9.91% to 13.42% | 10,282 | 7.91% to 11.42% | 11,709 |
| Total of all SPVs | | | 1,20,210 | | 1,10,938 | | 1,31,958 |

Fair Enterprise Valuation Range based on Total Expenses parameter

| | | | | | | | <i>INR Mn</i> |
|--------------------------|-------|------------------|-----------------|------------------|-----------------|------------------|-----------------|
| Sr No. | SPVs | Base Expenses | EV | Expenses +20% | EV | Expenses -20% | EV |
| 1 | BDTCL | 203 | 18,565 | 244 | 17,963 | 162 | 19,163 |
| 2 | JTCL | 103 | 14,426 | 124 | 14,149 | 83 | 14,703 |
| 3 | MTL | 39 | 5,437 | 46 | 5,329 | 31 | 5,544 |
| 4 | RTCL | 27 | 4,008 | 32 | 3,930 | 21 | 4,087 |
| 5 | PKTCL | 40 | 6,439 | 48 | 6,320 | 32 | 6,557 |
| 6 | PTCL | 27 | 2,370 | 33 | 2,282 | 22 | 2,458 |
| 7 | NRSS | 173 | 43,911 | 207 | 43,400 | 138 | 44,421 |
| 8 | OGPTL | 58 | 14,105 | 70 | 13,947 | 47 | 14,262 |
| 9 | ENICL | 138 | 10,949 | 165 | 10,737 | 110 | 11,161 |
| Total of all SPVs | | | 1,20,210 | | 1,18,058 | | 1,22,356 |

Fair Enterprise Valuation Range based on Terminal Period Value parameter

| | | | | | | | <i>INR Mn</i> |
|--------------------------|-------|---------------------------------------|-----------------|----------|-----------------|----------|-----------------|
| Sr No. | SPVs | Terminal Period Value ("TV") | EV | TV + 20% | EV | TV - 20% | EV |
| 1 | BDTCL | 1,023 | 18,565 | 1,227 | 18,769 | 818 | 18,360 |
| 2 | JTCL | 834 | 14,426 | 1,001 | 14,593 | 667 | 14,259 |
| 3 | MTL | 299 | 5,437 | 359 | 5,497 | 239 | 5,377 |
| 4 | RTCL | 150 | 4,008 | 181 | 4,039 | 120 | 3,978 |
| 5 | PKTCL | 283 | 6,439 | 227 | 6,382 | 340 | 6,495 |
| 6 | PTCL | 104 | 2,370 | 125 | 2,391 | 83 | 2,349 |
| 7 | NRSS | 1,738 | 43,911 | 2,085 | 44,258 | 1,390 | 43,563 |
| 8 | OGPTL | 592 | 14,105 | 710 | 14,223 | 473 | 13,986 |
| 9 | ENICL | 781 | 10,949 | 937 | 11,106 | 625 | 10,793 |
| Total of all SPVs | | | 1,20,210 | | 1,21,257 | | 1,19,162 |

The above represents reasonable range of fair enterprise valuation of the SPVs.

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2. **Procedures adopted for current valuation exercise**

- 2.1. I have performed the valuation analysis, to the extent applicable, in accordance with ICAI Valuation Standards, 2018 (“IVS”) issued by the Institute of Chartered Accountants of India read with sub-regulation 10 of regulation 21 of SEBI InvIT Regulations.
- 2.2. In connection with this analysis, I have adopted the following procedures to carry out the valuation analysis:
 - 2.2.1. Requested and received financial and qualitative information relating to the SPVs;
 - 2.2.2. Obtained and analyzed data available in public domain, as considered relevant by me;
 - 2.2.3. Discussions with the Investment Manager on:
 - Understanding of the businesses of the SPVs – business and fundamental factors that affect its earning-generating capacity including strengths, weaknesses, opportunities and threats analysis and historical and expected financial performance;
 - 2.2.4. Undertook industry analysis:
 - Research publicly available market data including economic factors and industry trends that may impact the valuation
 - Analysis of key trends and valuation multiples of comparable companies/comparable transactions, if any, using proprietary databases subscribed by us.
 - 2.2.5. Analysis of other publicly available information
 - 2.2.6. Selection of valuation approach and valuation methodology/(ies), in accordance with IVS, as considered appropriate and relevant by us.
 - 2.2.7. Determination of fair EV of the SPVs.

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3. Overview of the InvIT and the SPVs

The Trust

- 3.1. The Trust is registered with SEBI pursuant to the SEBI InvIT Regulations. The Trust was established on 21st October 2016 by SPGVL as the Sponsor to own inter-state power transmission assets in India. The units of the Trust are listed on the National Stock Exchange of India Limited and BSE Limited since 6th June 2017.
- 3.2. The Trust has acquired from the Sponsor the SPV's namely, BDTCL, JTCL, MTL, RTCL, PKTCL, NRSS and OGPTL and PTCL from Techno Electric & Engineering Company Limited (TEECL) and ENICL from Sterlite Power Transmission Limited ("SPTL") and the Sponsor. Following is the financial summary and the date of acquisition of the SPV's:

| Asset Name | Acquisition Date | Enterprise Value (INR Mn) | | | | | | | | Acquisition Value | |
|------------|------------------|---------------------------|--------------|-----------|--------------|-----------|--------------|-----------|-----------|-------------------|--------|
| | | 30-Sep-19 | 31-Mar-19 | 30-Sep-18 | 31-Mar-18 | 30-Sep-17 | 31-Mar-17 | 31-Mar-16 | 31-Mar-15 | | |
| BDTCL | 30-May-17 | 19,091 | 19,470 | 19,694 | 20,319 | 21,431 | 21,541 | 21,812 | 20,113 | 37,020** | |
| JTCL | 30-May-17 | 14,774 | 14,608 | 14,937 | 15,431 | 15,988 | 16,125 | 19,407*** | 14,295 | | |
| MTL | 14-Feb-18 | 5,383 | 5,268 | 5,423 | 5,564 | 5,218 | -----NA----- | | | 4,697 | |
| RTCL | 14-Feb-18 | 4,173 | 4,035 | 4,084 | 4,054 | 3,935 | -----NA----- | | | 3,542 | |
| PKTCL | 14-Feb-18 | 6,477 | 6,390 | 6,481 | 6,618 | 6,512 | -----NA----- | | | 5,861 | |
| PTCL* | 31-Aug-18 | 2,442 | 2,423 | 2,401 | -----NA----- | | | | | 2,320 | |
| NRSS | 03-Jun-19 | 44,349 | -----NA----- | | | | | | | | 40,465 |
| OGPTL | 27-Jun-19 | 13,878 | -----NA----- | | | | | | | | 11,980 |
| ENICL | 24-Mar-20 | -----NA----- | | | | | | | | 10,200 | |

*PTCL was acquired from Techno Electric & Engineering Company Limited

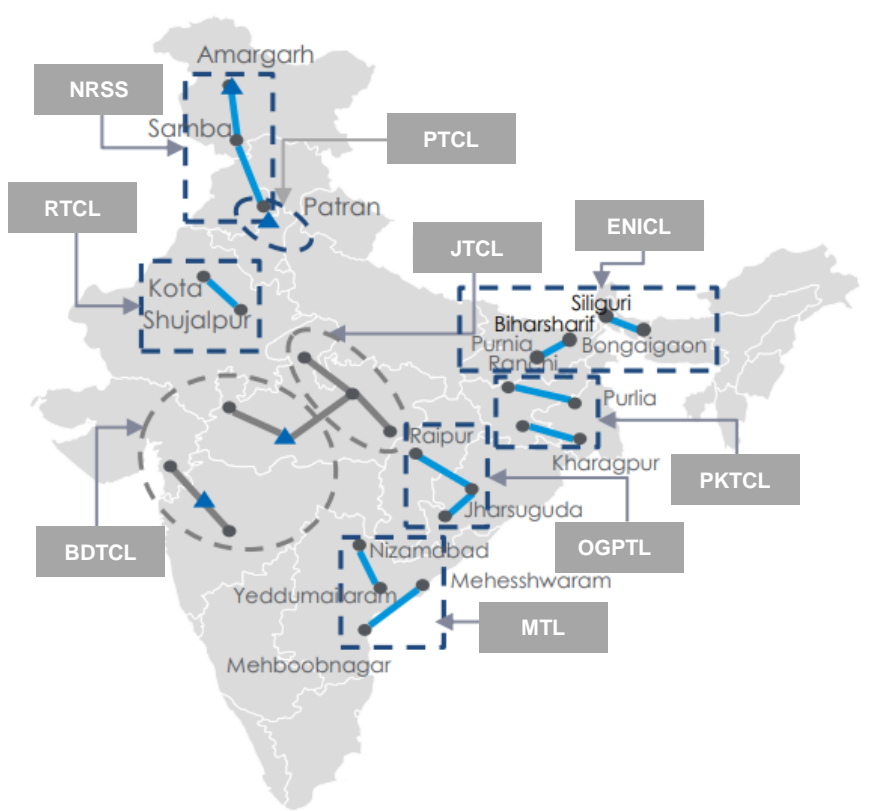
**Consolidated Purchase Price paid by the Trust for the acquisition at the time of Initial Public Offer

***For JTCL, the Investment Manager had previously projected the incremental revenue to be at 40% of the non escalable revenue charges during the valuation exercise of 31st March 2016, however the same was subsequently reduced to 9.8903% of non escalable charges during the valuation exercise of 31st March 2017 as per the CERC order dated 8th May 2017.

- 3.3. The Trust, pursuant to the 'Right of First Offer' deed had a 'right of first offer' to acquire eight projects of the Sponsor out of the same six are acquired and two can still be acquired pursuant to right of first offer.

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Following is the map showing area covered by the SPVs of the Trust:



Source: Investment Presentation Q4FY20

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3.4. **Bhopal Dhule Transmission Company Limited (BDTCL)**

3.4.1. Summary of details of BDTCL are as follows:

| Parameters | Details |
|---------------|------------------------------|
| Project Cost | INR 21,634 Mn |
| Total Length | 944 ckms |
| Scheduled COD | 31 st March, 2014 |
| Expiry Date | 35 years from COD |
| Trust's stake | 100% economic ownership |

Source: Investment Manager

3.4.2. The BDTCL project was awarded to SGL 1 by the Ministry of Power on 31st January 2011 for a 35 year period from the scheduled commercial operation date on a Build-Own-Operate-Maintain (“BOOM”) basis. The expiry date of TSA shall be the date which is 35 years from the scheduled Commercial Operation Date (“COD”) of the project.

3.4.3. BDTCL operates six extra high voltage overhead transmission lines of 944 Ckms comprising four 765 kV single circuit lines of 891 Ckms and two 400 kV dual circuit lines of 53 Ckms. The single circuit lines comprise a 260 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.

3.4.4. 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.

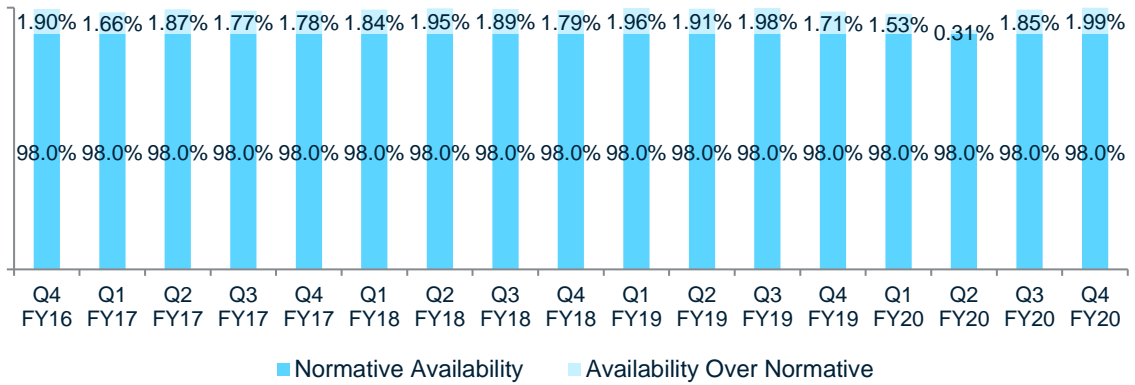
3.4.5. BDTCL consists of the following transmission lines and is being implemented on contract basis:

| Transmission line / Sub-Station | Location | Route length (ckms) | Specifications | Actual COD | Contribution to total tariff |
|---------------------------------|----------------------|---------------------|-----------------------------|---------------------------------|------------------------------|
| Jabalpur – Bhopal | Madhya Pradesh | 260 | 765 kV S/C | 9 th June 2015 | 22% |
| Bhopal – Indore | Madhya Pradesh | 176 | 765 kV S/C | 19 th November 2014 | 12% |
| Bhopal - Bhopal (MPPTCL) | Madhya Pradesh | 17 | 400 kV D/C | 12 th August 2014 | 2% |
| Aurangabad - Dhule (IPTC) | Maharashtra | 192 | 765 kV S/C | 5 th December 2014 | 10% |
| Dhule (IPTC) – Vadodara | Maharashtra, Gujarat | 263 | 765 kV S/C | 13 th June 2015 | 16% |
| Dhule (IPTC) - Dhule (MSETCL) | Maharashtra | 36 | 400 kV D/C | 6 th December 2014 | 4% |
| Bhopal Sub-station | Madhya Pradesh | - | 2 x 1,500 MVA 765/400 kV | 30 th September 2014 | 17% |
| Dhule Sub-station | Maharashtra | - | 2 x 1,500 MVA 765/400 kV | 6 th December 2014 | 17% |

Source: Investment Manager

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3.4.6. Operating Efficiency history of BDTCL:



Source: Investment Manager

3.4.7. Pictures of BDTCL:



Date: 27th September 2016

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3.5. Jabalpur Transmission Company Limited (JTCL)

3.5.1. Summary of details of JTCL are as follows:

| Parameters | Details |
|-------------------|-----------------------------|
| Project Cost | INR 19,183 Mn |
| Total Length | 992 ckms |
| Scheduled COD | 1 st March, 2014 |
| Expiry Date | 35 years from COD |
| Trust's stake | 100% economic ownership |

Source: Investment Manager

3.5.2. The JTCL project was awarded to SGL1 by the Ministry of Power on 19th 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.

3.5.3. JTCL operates two extra high voltage overhead transmission lines of 992 Ckms in the states of Chhattisgarh and Madhya Pradesh comprising one 765 kV dual circuit line of 757 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.

3.5.4. 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.

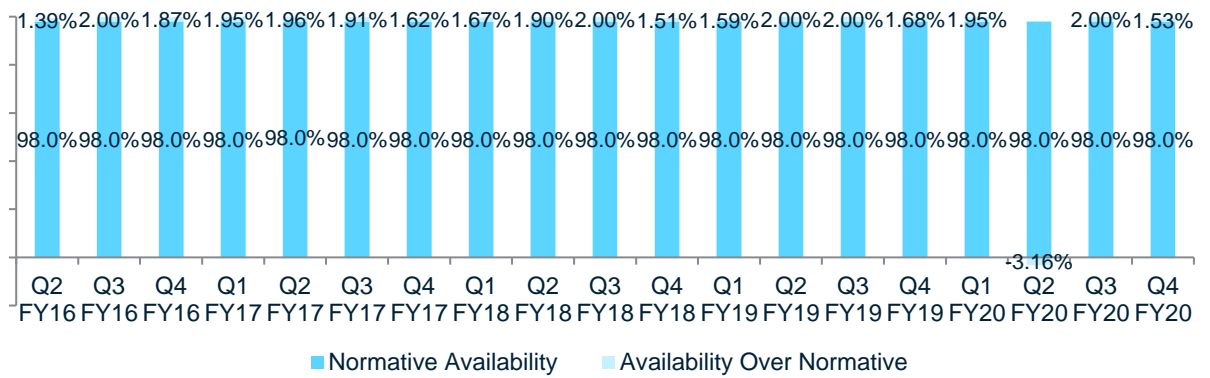
3.5.5. JTCL consists of the following transmission lines and is being implemented on contract basis:

| Transmission line / Sub-Station | Location | Route length (ckms) | Specifications | Actual COD | Contribution to total tariff |
|--|------------------------------|----------------------------|-----------------------|---------------------------------|-------------------------------------|
| Jabalpur-Dharamjaygarh | Chhattisgarh, Madhya Pradesh | 757 | 765 kV D/C | 14 th September 2015 | 72% |
| Jabalpur-Bina | Madhya Pradesh | 235 | 765 kV S/C | 1 st July 2015 | 28% |

Source: Investment Manager

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3.5.6. Operating Efficiency history of JTCL:



Source: Investment Manager

3.5.7. Pictures of JTCL:



Date: 27th September 2016

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3.6. Maheshwaram Transmission Limited (MTL)

3.6.1. Summary of details of MTL are as follows:

| Parameters | Details |
|-------------------|----------------------------|
| Project Cost | INR 3,841 Mn |
| Total Length | 477 ckms |
| Scheduled COD | 1 st June, 2018 |
| Expiry Date | 35 years from COD |
| Trust's stake | 100% economic ownership |

Source: Investment Manager

3.6.2. The MTL project was awarded to 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 COD of the project.

3.6.3. 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.

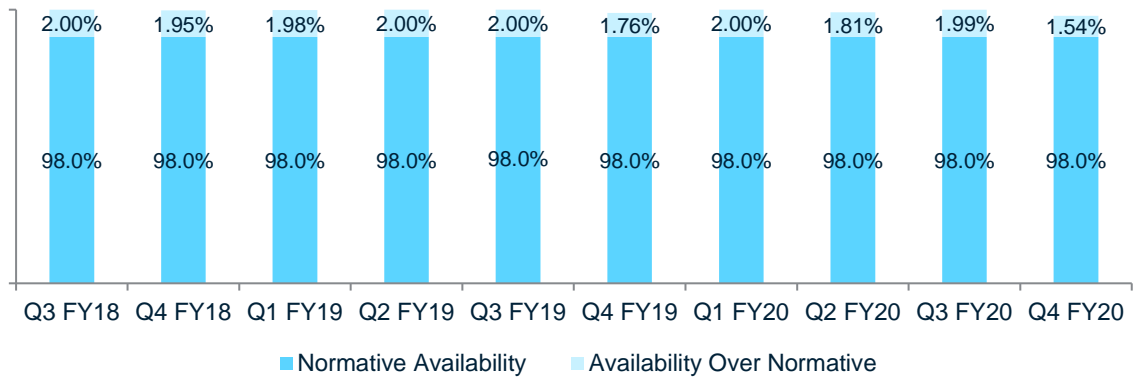
3.6.4. The project consists of the following transmission lines and is being implemented on contract basis:

| Transmission line / Sub-Station | Location | Route length (ckms) | Specifications | Actual COD | Contribution to total tariff |
|--|-----------------|----------------------------|-----------------------|---------------------------|-------------------------------------|
| Maheshwaram (PG) – Mehboob Nagar | Telangana | 197 | 400 kV D/C | 14 th Dec 2017 | 35% |
| 2 Nos. of 400 kV line bays at Mehboob Nagar S/S of TSTRANCO | Telangana | - | 0 | 14 th Dec 2017 | 0% |
| Nizamabad – Yeddumailaram | Telangana | 279 | 400 kV D/C | 14 th Oct 2017 | 65% |
| 2 Nos. of 400 kV line bays at Yeddumailaram (Shankarapali) S/S of TSTRANCO | Telangana | - | 400 kV D/C | 14 th Oct 2017 | 0% |

Source: Investment Manager

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3.6.5. Operating Efficiency history of MTL:



Source: Investment Manager

3.6.6. Pictures of MTL:



Date: 5th September 2017

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3.7. **RAPP Transmission Company Limited (RTCL)**

3.7.1. Summary of details of RTCL are as follows:

RTCL

| Parameters | Details |
|-------------------|-----------------------------|
| Project Cost | INR 2,601 Mn |
| Total Length | 403 ckms |
| Scheduled COD | 1 st March, 2016 |
| Expiry Date | 35 years from COD |
| Trust's stake | 100% economic ownership |

Source: Investment Manager

3.7.2. The RTCL project was awarded to 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 Commercial Operation Date ("COD") of the project.

3.7.3. RAPP Transmission Company Limited ("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.

3.7.4. 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.

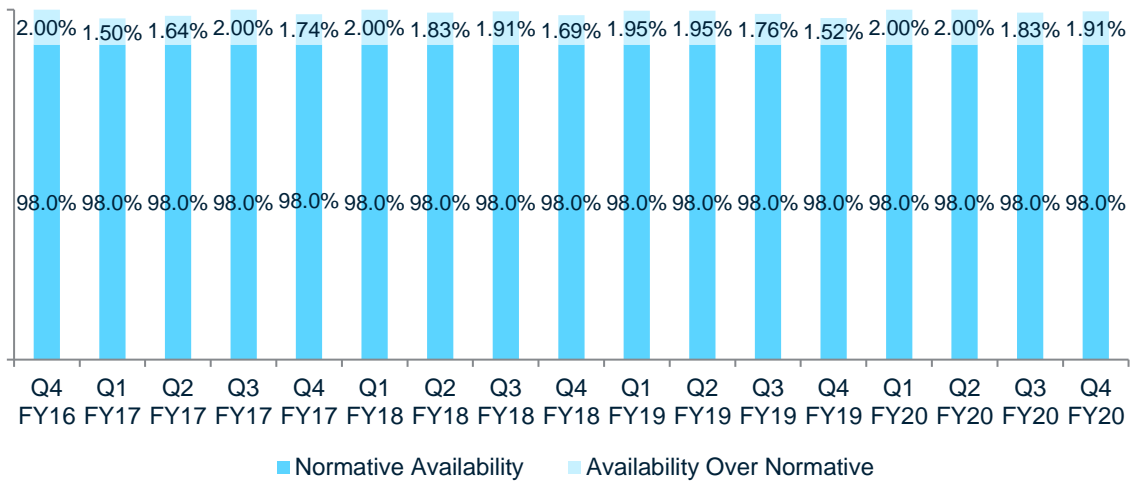
3.7.5. RTCL consists of the following transmission lines and is being implemented on contract basis:

| Transmission line / Sub-Station | Location | Route length (ckms) | Specifications | Actual COD | Contribution to total tariff |
|--|------------------------------|----------------------------|-----------------------|----------------------------|-------------------------------------|
| RAPP-Shujalpur | Rajasthan and Madhya Pradesh | 403 | 400 kV D/C | 1 st March 2016 | 100% |

Source: Investment Manager

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3.7.6. Operating Efficiency history of RTCL:



Source: Investment Manager

3.7.7. Pictures of the RTCL:



Date: 5th September 2017

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3.8. Purulia & Kharagpur Transmission Company Limited (PKTCL)

3.8.1. Summary of details of PKTCL are as follows:

| Parameters | Details |
|-------------------|-----------------------------|
| Project Cost | INR 4,405 Mn |
| Total Length | 545 ckms |
| Scheduled COD | 11 th March 2016 |
| Expiry Date | 35 years from COD |
| Trust's stake | 100% economic ownership |

Source: Investment Manager

3.8.2. The PKTCL project was awarded to 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 a Build Own Operate Maintain (“BOOM”) basis. The expiry date of TSA shall be the date which is 35 years from the scheduled Commercial Operation Date (“COD”) of the project.

3.8.3. 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.

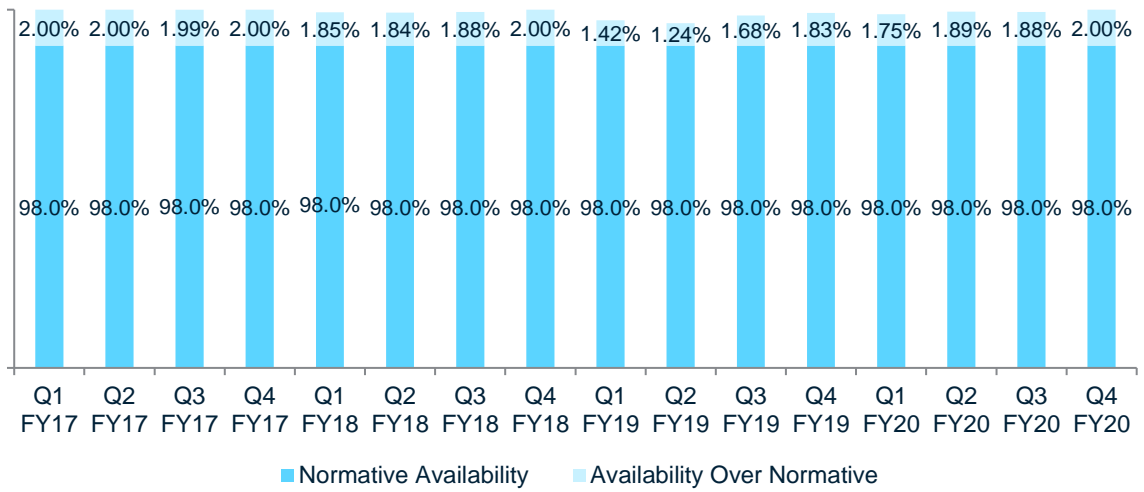
3.8.4. PKTCL consists of the following transmission lines and is being implemented on contract basis:

| Transmission line / Sub-Station | Location | Route length (ckms) | Specifications | Actual COD | Contribution to total tariff |
|--|---------------------------|----------------------------|-----------------------|------------------------------|-------------------------------------|
| Kharagpur Chaibasa | West Bengal, Jharkhand | 322 | 400 kV D/C | 18 th June 2016 | 54% |
| Purulia – Ranchi | West Bengal, Jharkhand | 223 | 400 kV D/C | 7 th January 2017 | 46% |

Source: Investment Manager

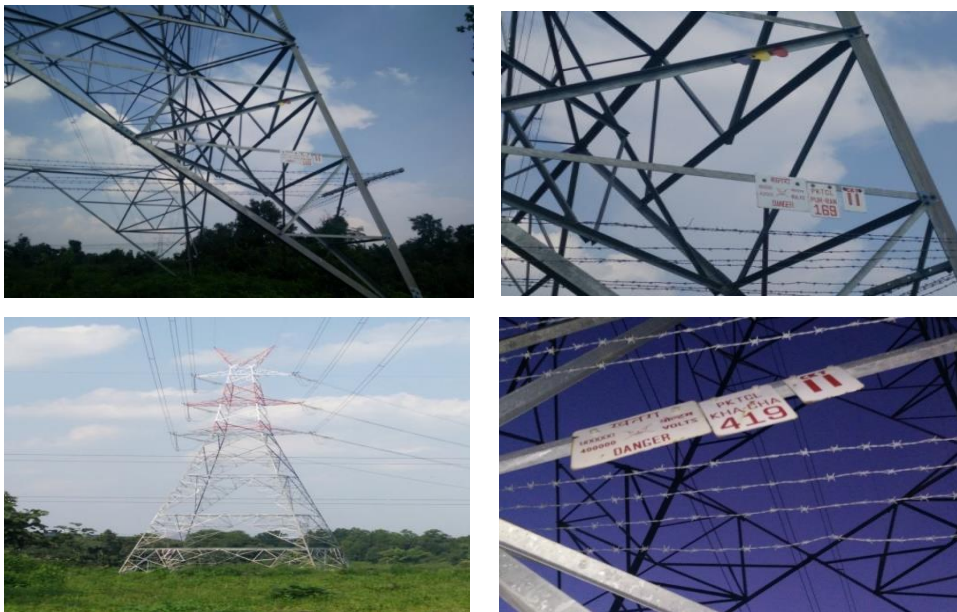
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3.8.5. Operating Efficiency history of PKTCL:



Source: Investment Manager

3.8.6. Pictures of PKTCL:



September 2017

Date: 5th

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3.9. Patran Transmission Company Limited (PTCL)

3.9.1. Summary of details of the PTCL are as follows:

| Parameters | Details |
|-------------------|---------------------------------|
| Project Cost | INR 2,250 Mn |
| Total Length | 10 ckms |
| Scheduled COD | 11 th November, 2016 |
| Expiry Date | 35 years from COD |
| Trust's stake | 100% economic ownership |

Source: Investment Manager

3.9.2. The PTCL project located in Patran Village Nihal, Punjab was awarded to TEECL by the Ministry of Power for a 35 year period from the scheduled commercial operation date on a Build-Own-Operate-Maintain ("BOOM") basis. The expiry date of TSA shall be the date which is 35 years from the scheduled COD of the project.

3.9.3. 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

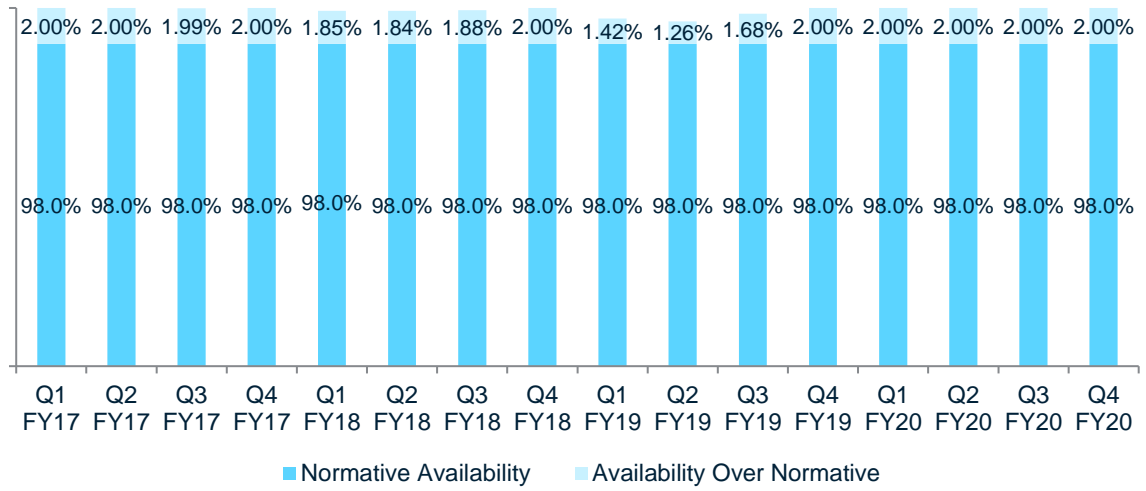
3.9.4. The project consists of the following transmission lines and is being implemented on contract basis:

| Transmission line / Sub-Station | Location | Route length (ckms) | Specifications | Actual COD | Contribution to total tariff |
|--|-----------------|----------------------------|--------------------------------|--------------------------------|-------------------------------------|
| Patiala-Kaithal | Patran, Punjab | 10 | 400 kV D/C | 12 th November 2016 | 0% |
| Patran substation | Patran, Punjab | 0 | 2*500MVA, 400/220kV Substation | 12 th November 2016 | 100% |

Source: Investment Manager

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3.9.5. **Operating Efficiency history of PTCL:**



Source: Investment Manager

3.9.6. **Pictures of PTCL:**



Date: 27th September 2016

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3.10. **Northern Region Strengthening Scheme XXIX Transmission Limited (NRSS)**

3.10.1. Summary of details of NRSS are as follows:

| Parameters | Details |
|--------------------|------------------------------|
| Project Cost | INR 28,082 Mn |
| Total Length | 830 ckms/ 415 kms |
| TSA Agreement Date | 2 nd January 2014 |
| Scheduled COD | 5 th August 2018 |
| Expiry Date | 35 years from COD |
| Trust's stake | 100% economic ownership |

Source: Investment Manager

3.10.2. 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.

3.10.3. 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.

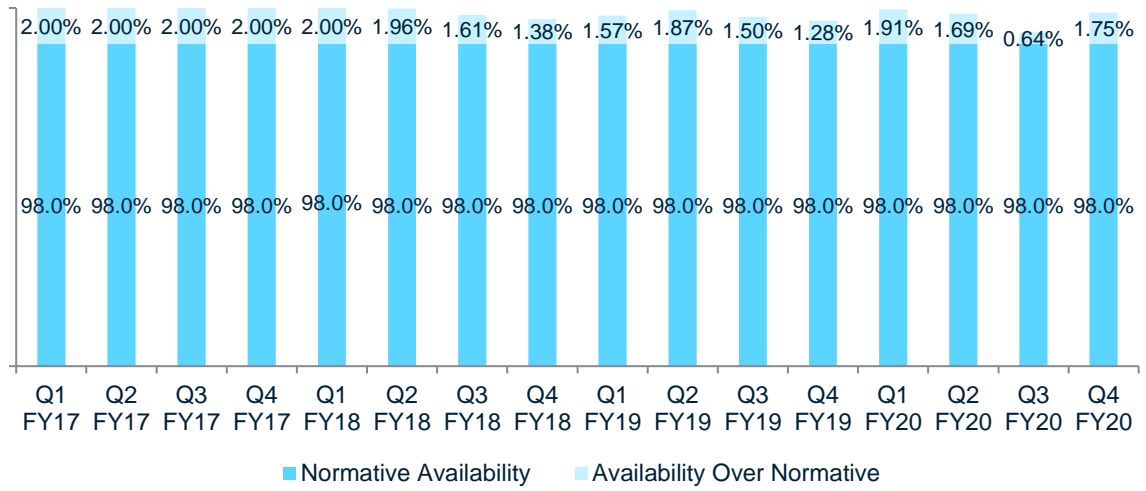
3.10.4. NRSS consists of the following transmission lines and line bays and is being implemented on contract basis:

| Transmission line / Sub-Station | Location | Route length (ckms) | Specifications | Actual COD | Contribution to total tariff |
|--|-----------------|----------------------------|--|--------------------------------|-------------------------------------|
| Jalandar - Samba | Punjab, J&K | 270 | 400 kV D/C line | 24 th June 2016 | 22% |
| Samba Amargarh | - J&K | 560 | Two 400 kV D/C, One 400/220 kV GIS sub-station | 2 nd September 2018 | 78% |

Source: Investment Manager

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3.10.5. Operating Efficiency history of the NRSS:



Source: Investment Manager

3.10.6. Pictures of NRSS:



Date: 5th September 2017

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3.11. **Odisha Generation Phase - II Transmission Limited (OGPTL)**

3.11.1. Summary of details of OGPTL are as follows:

| Parameters | Details |
|-------------------|--------------------------------|
| Project Cost | INR 12,200 Mn |
| Total Length | 710 ckms/355 kms |
| TSA Agreement | 20 th November 2015 |
| Scheduled COD | 08 th August 2019 |
| Expiry Date | 35 years from COD |
| Trust's stake | 100% economic ownership |

Source: Investment Manager

3.11.2. The OGPTL project was awarded to SGL 3 by the Ministry of Power on 19th January 2011 for a 35 years period from the commercial operation date on a BOOM basis.

3.11.3. 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 Odisha-based 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.

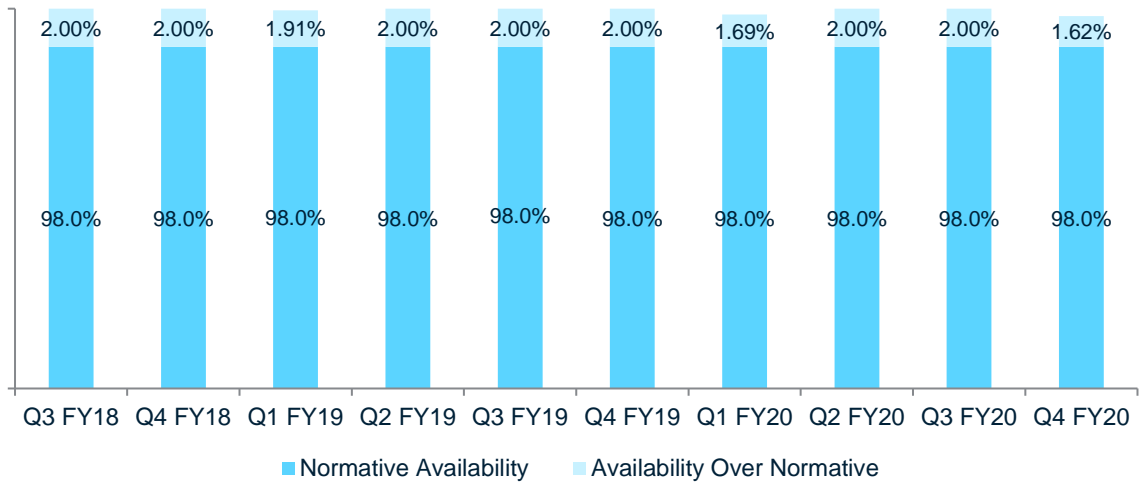
3.11.4. OGPTL consists of the following transmission lines and line bays and is being implemented on contract basis:

| Transmission Line / Sub-Station | Location | Route Length (ckms) | Specifications | Actual COD | Contribution to Total Tariff |
|--|-----------------|----------------------------|-----------------------|------------------------------|-------------------------------------|
| Jharsuguda - Raipur | Odisha | 608 | 765 kV D/C | 6 th April 2019 | 94% |
| OPGC – Raipur | Odisha | 102 | 400 kV D/C | 30 th August 2017 | 6% |

Source: Investment Manager

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3.11.5. Operating Efficiency history of OGPTL:



Source: Investment Manager

3.12.6. Pictures of OGPTL:



Date: 27th December 2018

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3.12. East-North Interconnection Company Limited (ENICL)

3.12.1. Summary of details of ENICL are as follows:

| Parameters | Details |
|-------------------------------|---|
| Project Cost | INR 12,519 Mn |
| Total Length | 909 ckms/452 kms |
| TSA Agreement | 31 st March 2010 |
| Issue of Transmission License | 28 th October 2010 |
| Scheduled COD | 07 th January 2013 |
| Expiry Date | 25 years from issue of Transmission License |
| Trust's stake | 100% economic ownership |

Source: Investment Manager

3.12.2. The ENICL project was awarded to Sterlite Technologies Limited, by the Ministry of Power on 7th 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.

3.12.3. 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 220 kms passing through the states of Assam and West Bengal. Purnea Biharsharif Line with the length of 232 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.

3.12.4. ENICL consists of the following transmission lines and is being implemented on contract basis:

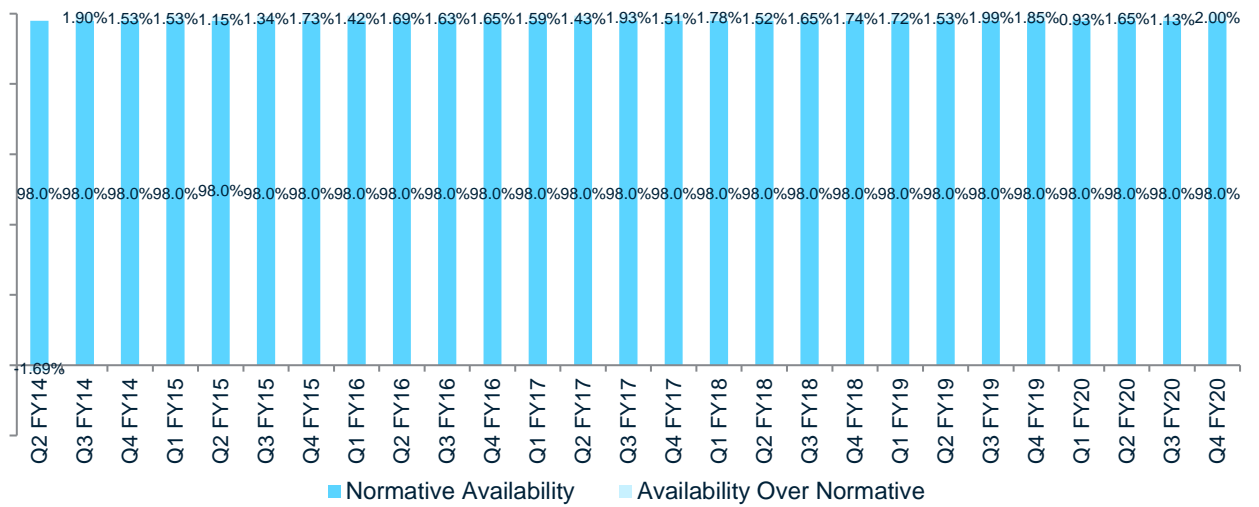
| Transmission Line / Sub-Station | Location | Route Length (ckms) | Specifications | Actual COD | Contribution to Total Tariff |
|---------------------------------|--------------------|---------------------|----------------|---------------------------------|------------------------------|
| Bongaigaon Silliguri Line | Assam, West Bengal | 443 | 400 kV D/C | 11 th November 2014 | 52% |
| Purnea Biharsharif Line | Bihar | 466 | 400 kV D/C | 13 th September 2013 | 48% |

Source: Investment Manager

3.12.5. On 23rd August, 2016, the Purnea -Biharsharif transmission line ("PB Line") of ENICL was rendered inoperable due to flooding in the Ganga river which damaged certain towers of the transmission line. The restoration work for the same is completed on 23rd June, 2017. ENICL had claimed this event as a force majeure event under the TSA. The Eastern Regional Power Committee ("ERPC") accepted the event as force majeure and accordingly company received availability certificates considering deemed availability of PB Line which recognize the incident as force majeure. Further, ENICL received transmission charges post the incident based on the availability certificates considering deemed availability of PB Line

3.12.6. On 10th August, 2018, a tower of PB Line collapsed due to change of course of river Ganga and water flow with very high velocity. ENICL has claimed this event as a force majeure event under the TSA. The ERPC through 148th Operation co-ordination committee meeting held on 03rd September 2018 accepted the event as force majeure event. The Investment Manager has confirmed that PB line is restored in December 2019. ENICL has incurred NR 972 million for strengthening of the pile foundation showers in Ganga River and does not expect such incident to recur.

3.12.7. Operating Efficiency history of ENICL:



Source: Investment Manager

3.12.6. Pictures of ENICL:



Date: 7th and 8th June 2018

4. Overview of the Industry

4.1. Introduction:

- 4.1.1. India is the third largest producer and third largest consumer of electricity in the world, with the installed power capacity reaching 369.43 GW as of 31st March 2020. The country also has the fifth largest installed capacity in the world.
- 4.1.2. Over FY10-FY19, electricity production in India grew at a CAGR of 5.50%. Per capita electricity consumption in the country grew at a CAGR of 4.69% during FY11-19, reaching 1,249.20 Terawatt hour (“TWh”) in FY19 and is estimated to reach 1,894.7 TWh in 2022.

4.2. Demand and Supply

- 4.2.1. India continues to be a power deficient country even after an increasing trend in demand in the past. It is expected that energy requirement will continue to grow at healthy CAGR of 6.3% over FY19 to FY23. The primary growth drivers for rapid expansion in India’s energy demand include green energy corridors for renewables, widening inter-regional demand-supply mismatch, rise in cross border trading in South Asian countries, rise in short term open access transactions, etc.
- 4.2.2. India has seen a robust growth in the installed power generation capacity in the past four years. With a generation of 1,561 TWh, India is the third largest producer and the third largest consumer of electricity in the world.
- 4.2.3. Across India, energy requirement, peak demand and the supply of energy have all increased from an average year-on-year growth rate of ~5% in 2015-16 to 6% in 2018-19.
- 4.2.4. Details of Installed power capacity in India are as follows :-

Total installed capacity as at 29th February 2020

| Sector | Total Capacity (GW) | % of Total |
|----------------|---------------------|----------------|
| State sector | 103.29 | 28.00% |
| Central sector | 93.10 | 25.20% |
| Private sector | 173.04 | 46.80% |
| Total | 369.43 | 100.00% |

Mode wise installed capacity as at 29th February 2020

| Particulars | Total Capacity (GW) | % of Total |
|--------------------------------|---------------------|----------------|
| Thermal: | | |
| - Coal | 198.50 | 53.73% |
| - Lignite | 6.76 | 1.83% |
| - Gas | 24.94 | 6.75% |
| - Diesel | 0.51 | 0.13% |
| Nuclear | 6.78 | 1.83% |
| Hydro | 45.70 | 12.36% |
| Renewable Energy Source (MNRE) | 86.76 | 23.40% |
| Total | 369.43 | 100.00% |

- 4.2.5. As of December 2019, India had installed 86 gigawatts (“GW”) of renewable energy capacity, more than doubling in the last four years. Further, India has an ambitious target of 175 GW of variable renewable energy by 2022, rising to 450 GW by 2030.
- 4.2.6. New renewable energy infrastructure can now be built within two years from initial plans through to completion, years faster than any new coal or LNG fired plants. Unlike

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conventional thermal generation capacity which takes more than 5 years, renewable capacity addition takes less than 2 years to develop.

- 4.2.7. An additional 1.1 lakh ckms are required by financial year 2021/2024 to manage the annual peak load demand of 225.7 GW, and to absorb the increasing share of variable renewable energy in the total electricity mix.
- 4.2.8. Further to support the power sector in the wake of ongoing COVID-19 pandemic, the government of India has announced an economic package amounting to INR 90,000 crores in the form of liquidity injection against receivables of power distribution companies.

4.3. India's economic outlook

- 4.3.1. The GDP of India has grown 6.8% during FY 2018-19. The GDP growth for the year 2019-20 was projected at 7.0% in FY20 and further at 7.4% in FY21 prior to Covid-19 pandemic, supported by the ongoing recovery in investments, robust consumption and the government's continued reforms. In spite of current crisis of COVID-19, the GDP growth rate is still expected to be positive in India while it may be negative in other countries.
- 4.3.2. Power is one of the key sectors attracting FDI inflows into India as 100 per cent FDI is allowed in this sector.
- 4.3.3. Cumulative FDI inflows into the sector from April 2000–June 2019 were US\$ 14.54 billion. Power sector accounted for 3 per cent of total inflows till June 2019.
- 4.3.4. From April 2000 to June 2019, India recorded FDI of US\$ 8.06 billion in non-conventional energy sector. New and renewable energy sector witnessed maximum power generation capacity addition, since 2000.
- 4.3.5. The country is also ranked sixth in list of countries to make most investments in clean energy with US\$ 90 billion.
- 4.3.6. As per Economic Survey 2018-19, additional investments in renewable plants up to year 2022 would be about US\$ 80 billion and an investment of around US\$ 250 billion for the period 2023-2030.
- 4.3.7. The ongoing liberalization of India's FDI regime has also led to a surge in investments, especially after the launch of the 'Make in India' campaign in October 2014.
- 4.3.8. Reduced macroeconomic vulnerability, coupled with improved government spending in infrastructure sectors, has enhanced India's Global Competitive Index (GCI) ranking to 68 in 2018-19 from 71 in 2014-15.

4.4. Power transmission network in India

- 4.4.1. The transmission segment plays a key role in transmitting power continuously from the generation plants to various distribution entities. Transmission and sub-transmission systems supply power to the distribution system, which, in turn, supplies power to end consumers. In India, the Transmission and Distribution ("T&D") system is a three-tier structure comprising distribution networks, state grids and regional grids.
- 4.4.2. The distribution networks and state grids are primarily owned and operated by the respective State Transmission utilities or state governments (through state electricity departments). Most inter-state and inter-regional transmission links are owned and operated by Power Grid Corporation of India Limited ("PGCIL"), which facilitates the transfer of power from a surplus region to the ones with deficit.
- 4.4.3. The government's focus on providing electricity to rural areas has led to the T&D system being extended to remote villages. The total length of transmission lines in the country has grown at a slow rate of 6% CAGR during FY 11 and FY 17. The total transmission network has increased from 4,07,569 Ckms in FY 11 to around 425,071 Ckms in FY20.

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- 4.4.4. As on January 2019 approx. 7.2% of total transmission network is owned by private players which showcase the need of more private sector participation in this space. India has been underinvested as far as transmission is concerned.
- 4.4.5. PGCIL has remained the single largest player in inter regional power transmission capacity addition contributing to 45%-50% of the total investment in the sector. With a planned expenditure outlay of INR 1.10 Trillion for the 12th five year plan, PGCIL has spent around INR 1.12 Trillion over 2013-17.
- 4.4.6. Of the total capacity-addition projects in transmission during the 12th FYP, about 42% can be attributed to the state sector. The share of private sector in transmission line and substation additions since the beginning of 12th FYP is 14% and 7%, respectively, as the majority of high-capacity, long-distance transmission projects were executed by PGCIL and state transmission utilities during this period.
- 4.4.7. In order to strengthen the power system and ensure free flow of power, significant investments would be required in the T&D segment. Moreover, commissioning of additional generation capacity, rising penetration of renewable energy, regional demand-supply mismatches, up gradation of existing lines, rising cross border power trading would necessitate huge investments in transmission sector in India.
- 4.4.8. Thus, going forward, the share of power sector investments are expected to veer towards the T&D segment. Moreover, strong government focus on the T&D segment will also support investments. CRISIL Research expects the transmission segment share in total power sector investments to rise sharply to 33% over 2017-21 from only 20% over 2012-16. Thus, we expect transmission segments investments to increase 1.5 times to INR 3.1 trillion over 2017-21 as compared to the previous 5 year period.

(Source: CRISIL Opportunities in power transmission in India - March 2019 & August 2019 and IBEF report on Power sector in India- December 2019 & August 2019 and Central Electricity Authority Data as mentioned in PGCIL and Adani Transmission Limited Annual Reports and CEA website and the Hindu article dated 13th May 2020)

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5. Valuation Methodology and Approach

- 5.1. The present valuation exercise is being undertaken in order to derive the fair EV of the SPV.
- 5.2. The valuation exercise involves selecting a method suitable for the purpose of valuation, by exercise of judgment by the valuers, based on the facts and circumstances as applicable to the business of the company to be valued.
- 5.3. There are three generally accepted approaches to valuation:
 - (a) "Cost" approach
 - (b) "Market" approach
 - (c) "Income" approach

5.4. Cost Approach

The cost approach values the underlying assets of the business to determine the business value. This valuation method carries more weight with respect to holding companies than operating companies. Also, cost value approaches are more relevant to the extent that a significant portion of the assets are of a nature that could be liquidated readily if so desired.

Net Asset Value ("NAV")

The NAV Method under Cost Approach considers the assets and liabilities, including intangible assets and contingent liabilities. The Net Assets, after reducing the dues to the preference shareholders, if any, represent the value of a company.

The NAV Method is appropriate in a case where the main strength of the business is its asset backing rather than its capacity or potential to earn profits. This valuation approach is also used in case where the firm is to be liquidated i.e. it does not meet the "going concern" criteria.

As an indicator of the total value of the entity, the net asset value method has the disadvantage of only considering the status of the business at one point in time.

Additionally, NAV does not properly take into account the earning capacity of the business or any intangible assets that have no historical cost. In many aspects, net asset value represents the minimum benchmark value of an operating business.

5.5. Market Approach

Under the Market approach, the valuation is based on the market value of the company in case of listed companies and comparable companies trading or transaction multiples for unlisted companies. The Market approach generally reflects the investors' perception about the true worth of the company.

Comparable Companies Multiples ("CCM") Method

The value is determined on the basis of multiples derived from valuations of comparable companies, as manifest in the stock market valuations of listed companies. This valuation is based on the principle that market valuations, taking place between informed buyers and informed sellers, incorporate all factors relevant to valuation. Relevant multiples need to be chosen carefully and adjusted for differences between the circumstances.

Comparable Transactions Multiples ("CTM") Method

Under the CTM Method, the value is determined on the basis of multiples derived from valuations of similar transactions in the industry. Relevant multiples need to be chosen carefully and adjusted for differences between the circumstances. Few of such multiples are EV/Earnings before Interest, Taxes, Depreciation & Amortization ("EBITDA") multiple and EV/Revenue multiple.

Market Price Method

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Under this method, the market price of an equity share of the company as quoted on a recognized stock exchange is normally considered as the fair value of the equity shares of that company where such quotations are arising from the shares being regularly and freely traded. The market value generally reflects the investors' perception about the true worth of the company.

5.6. Income Approach

The income approach is widely used for valuation under "Going Concern" basis. It focuses on the income generated by the company in the past as well as its future earning capability. The Discounted Cash Flow Method under the income approach seeks to arrive at a valuation based on the strength of future cash flows.

Discounted Cash Flow ("DCF") Method

Under DCF Method value of a company can be assessed using the Free Cash Flow to Firm Method ("FCFF") or Free Cash Flow to Equity Method ("FCFE"). Under the DCF method, the business is valued by discounting its free cash flows for the explicit forecast period and the perpetuity value thereafter. The free cash flows represent the cash available for distribution to both, the owners and creditors of the business. The free cash flows in the explicit period and those in perpetuity are discounted by the Weighted Average Cost of Capital ("WACC"). The WACC, based on an optimal vis-à-vis actual capital structure, is an appropriate rate of discount to calculate the present value of the future cash flows as it considers equity-debt risk by incorporating debt-equity ratio of the firm.

The perpetuity (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.

The discounting factor (rate of discounting the future cash flows) reflects not only the time value of money, but also the risk associated with the business' future operations. The Business/EV (aggregate of the present value of explicit period and terminal period cash flows) so derived, is further reduced by the value of debt, if any, (net of cash and cash equivalents) to arrive at value to the owners of the business.

Conclusion on Valuation Approach

- 5.7. It is pertinent to note that the valuation of any company or its assets is inherently imprecise and is subject to certain uncertainties and contingencies, all of which are difficult to predict and are beyond our control. In performing my analysis, I have made numerous assumptions with respect to industry performance and general business and economic conditions, many of which are beyond the control of the SPVs. In addition, this valuation will fluctuate with changes in prevailing market conditions, and prospects, financial and otherwise, of the SPVs, and other factors which generally influence the valuation of companies and their assets.
- 5.8. The goal in selection of valuation approaches and methods for any financial instrument is to find out the most appropriate method under particular circumstances on the basis of available information. No one method is suitable in every possible situation. Before selecting the appropriate valuation approach and method, I have considered various factors, inter-alia, the basis and premise of current valuation exercise, purpose of valuation exercise, respective strengths and weaknesses of the possible valuation approach and methods, availability of adequate inputs or information and its reliability and valuation approach and methods considered by the market participants.

Cost Approach

The existing book value of EV of the SPVs comprising of the value of its Net fixed assets and working capital based on the unaudited financial statement as at 31st March 2020 and based on audited financial statement as at 31st March 2019 and of the respective SPVs prepared as per Indian Accounting Standards (IND AS) are as under:

| Sr No. | SPVs | Book EV | |
|--------|-------|-------------|-------------------------|
| | | Unaudited | Audited |
| | | 31st Mar 20 | 31 st Mar 19 |
| 1 | BDTCL | 18,321 | 18,944 |
| 2 | JTCL | 14,526 | 14,541 |
| 3 | MTL | 3,710 | 3,823 |
| 4 | RTCL | 2,376 | 2,430 |
| 5 | PKTCL | 4,098 | 4,241 |
| 6 | PTCL | 1,669 | 1,866 |
| 7 | NRSS | 27,825 | 27,753 |
| 8 | OGPTL | 12,403 | 11,878 |
| 9 | ENICL | 9,736 | 9,939 |

In the present case, since the SPVs have entered into TSA, the revenue of SPVs are pre-determined for the life of the projects. In such scenario, the true worth of the business is reflected in its future earning capacity rather than the cost of the project. Accordingly, since the NAV does not capture the future earning potential of the businesses, I have not considered the cost approach for the current valuation exercise.

Market Approach

The present valuation exercise is to undertake fair EV of the SPVs engaged in the power transmission business for a specific tenure. Further, the tariff revenue expenses are very specific to the SPVs depending on the nature of their geographical location, stage of project, terms of profitability. 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. In the absence of adequate details about the Comparable Transactions, I was unable to apply the CTM 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.

Income Approach

The SPVs are operating as BOOM model based projects. The revenue of the projects are defined for 35 years under the TSA except for ENICL which is defined for 25 years under the TSA. 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 present valuation exercise.

6. Valuation of the SPVs

I have estimated the EV of the SPVs using the DCF Method. While carrying out this engagement, I have relied extensively on the information made available to me by the Investment Manager. I have considered projected financial statement of the SPVs as provided by the Investment Manager.

Valuation

6.1. The key assumptions of the projections provided to us by the Investment Manager are:

Key Assumptions

6.1.1. **Transmission Revenue:** The transmission revenue of the SPVs comprises of non-escalable transmission revenue, incremental revenue, if applicable and escalable transmission revenue as provided in the TSA read with Tariff Adoption Order (“TAO”).

- **Non Escalable Transmission Revenue:** The Non Escalable Transmission Revenue remains fixed for the entire life of the project. I have corroborated the revenue considered in the financial projections with the respective TSA read with TAO and documents provided to us by the Investment Manager.

- **Incremental Revenue:** Incremental Revenue is considered in MTL and NRSS due to change in law and order, mainly due to introduction of GST in FY2017, the additional expenditure incurred due to such change in law shall be reimbursed as per the CERC order dated 11th March 2019 and 17th December 2018 respectively. As per Investment Manager, OGPTL shall also receive incremental revenue. Accordingly, I have received computation of such incremental revenue provided to us by the Investment Manager. Further In order to compensate the damages caused to ENICL, it was granted an increase In the revenue charges as directed by CERC order as stated below:
 - There were damages to the Purnea Biharsharif Line due to obstruction at Mahenderpur village and floods in Bihar for which CERC through order dated 24th August 2016 granted a compensation by increase in Non-Escalable and Escalable revenue at the rate of ~ 6.18%.
 - There were damages to the Bongaigaon Siliguri Line due to delay in grant of forest clearance, riots in Kokrajhar and Bandh in Assam, for which CERC through its order dated 13th September 2017, granted a compensation by increase in Non-Escalable revenue by ~3.73%.
 - Due to change in law during the construction period, ENICL was granted an increase in Non- Escalable Transmission charges by CERC through order dated 19th September 2018 at the rate of ~1.09 %.

- **Escalable Transmission Revenue:** Escalable Transmission Revenue is the revenue component where the revenue is duly escalated based on the rationale as provided in the respective TSA read with TAO and documents provided to us by the Investment Manager. The escalation is to mainly compensate for the inflation factor which is represented to us by the investment manager.

6.1.2. **Incentives:** As provided in the respective TSA, if the annual availability exceeds 98%, the SPVs shall be entitled to an annual incentive as provided in TSA. Provided no incentives shall be payable above the availability of 99.75%. Based on the past track record of the asset and the general industry standard, the annual availability shall be above 98% where the SPVs shall be entitled to the incentives as provided in the respective TSA.

6.1.3. **Penalty:** If the annual availability in a contract year falls below 95%, the SPVs shall be liable for an annual penalty as provided in the TSA. Based on my analysis in Para 6.1.2, in the present case, it is assumed that the annual availability will not fall below 95% and hence, penalty is not considered in the financial projections.

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- 6.1.4. **Expenses:** Expenses are estimated by the Investment Manager for the projected period based on the inflation rate as determined for the SPVs. I have relied on the projections provided by the Investment Manager.
- **Operations & Maintenance (“O&M”):** O&M expenditure is estimated by the Investment Manager for the projected period based on the inflation rate as determined for the SPVs. The Investment Manager has projected expenses to be incurred for the O&M of the SPVs including, but not limited to, transmission line maintenance expenses, rates and taxes, legal and professional fees and other general and administration expenses. I have relied on the projections provided by Investment Manager on the O&M expenses for the projected period.
 - **Insurance Expenses:** I understand from the Investment Manager that the insurance expenses of the SPVs are not reasonably expected to inflate for the projected period. I have relied on the projections provided by the Investment Manager on the insurance expenses for the projected period.
- 6.1.5. **Depreciation:** The book depreciation has been provided by the Investment Manager till the life of the SPVs. For calculating depreciation as per Income Tax Act for the projected period, I have considered depreciation rate as specified in the Income Tax Act and WDV as provided by the Investment Manager.
- 6.1.6. **Capex:** As represented by the Investment Manager, regarding the maintenance capex, the same has already been considered in the Operations & Maintenance expenditure for the projected period and regarding the expansion capex, the SPVs are not expected to incur any Capex in the projected period except for BDTCL, PTCL.
- 6.1.7. **Tax and Tax Incentive:** There have been changes in tax regime pursuant to introduction of Taxation Laws (Amendment) Ordinance 2019 made on 20th September 2019 which was enacted to make certain amendments in the Income Tax Act 1961 and the Finance (No 2) Act 2019.
- 6.1.8. **Working Capital:** The Investment Manager has represented the working capital requirement of the SPVs for the projected period. The operating working capital assumptions for the projections as provided by the Investment Manager comprises of trade receivables, prepaid expense, trade payables and capital creditors.
- 6.1.9. **Terminal Period Cash Flows:** Terminal value represents the present value at the end of explicit forecast period of all subsequent cash flows to the end of the life of the asset or into perpetuity if the asset has an indefinite life.

I understand, based on the representation of the Investment Manager, that all the SPVs are expected to generate cash flow even after the expiry of concession period as the project is on BOOM model and the ownership will remain with the respective SPVs even after the expiry of concession period. The value of SPVs at the end of the concession period may be dependent on the expected renewal/extension of concession period with limited capital expenditure or the estimated salvage value the assets of the SPVs can fetch. Considering the estimation uncertainty involved in determining the salvage value and basis my discussion with the Investment Manager on the cash flow estimates for the period after the concession period, I found it appropriate to derive terminal period value, which represents the present value at the end of explicit forecast period/concession period of all subsequent cash flows to the end of the life of the asset or into perpetuity if the asset has an indefinite life, based on the perpetuity value derivation / Gordon growth model with 0%

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terminal growth rate. Accordingly, for the terminal period (i.e. after the expiry of 35 years), a terminal growth rate of 0% has been applied on cash flows based on Investment Manager's estimate for all the SPVs other than ENICL.

ENICL was one of the earlier projects awarded to the Sponsor through the process of Tariff Based Competitive Bidding ("TBCB") on 7th January 2010. The terms of tariff for ENICL are governed by the CERC Order ("Tariff Adoption Order") dated 28th October 2010 read with TSA. As per the Tariff Adoption Order, the tariff adopted for the transmission system is valid for a period of 25 years. The tariff of the transmission assets beyond the period of 25 years will be governed by the provisions of clause (4) of Regulation 13 of CERC (Procedure, Terms and Conditions for grant of Transmission Licence and other related matters) Regulations ("CERC Licence Regulations") dated 26th May 2009 as amended from time to time. Hence, in case of ENICL, based on the extant provisions of the CERC Regulations, in case of transmission assets that have been awarded on the basis of competitive bidding under Section 63 of the Electricity Act, as in the case of the ENICL, the tariff beyond the initial period of TSA shall be determined based on various factors, inter-alia, basis of norms prevalent during the period in which the TSA is due to expire. Considering the extant provisions of CERC Regulations, the Investment Manager has represented me a post-tax return on equity of 15.5% on estimated equity can be considered as a cash flow for period after end of TSA period. Accordingly, the Investment Manager has provided me an estimated terminal cash flow of INR 581 Mn to be expected after the end of TSA period in case of ENICL. I have considered the same for my valuation analysis.

6.2. Impact of Ongoing Material Litigation on Valuation

As on 31st March 2020, there are ongoing tax litigations having deposits under dispute for the SPVs as disclosed below. As represented by the Investment Manager, the SPVs will receive the amounts pertaining to the same in the following FYs.

| SPVs | Deposits under dispute (INR Mn) | Realisation in FY |
|-------|------------------------------------|-------------------|
| BDTCL | 77.6 | 2022 |
| JTCL | 56.4 | 2022 |
| MTL | - | - |
| RTCL | 4.9 | 2022 |
| PKTCL | 26.1 | 2022 |
| PTCL | - | - |
| NRSS | - | - |
| OGPTL | - | - |
| ENICL | 75.3 | 2022 |

6.3. Calculation of Weighted Average Cost of Capital for the SPV

6.3.1. Cost of Equity:

Cost of Equity (CoE) is a discounting factor to calculate the returns expected by the equity holders depending on the perceived level of risk associated with the business and the industry in which the business operates.

For this purpose, I have used the Capital Asset Pricing Model (CAPM), which is a commonly used model to determine the appropriate cost of equity for the SPVs.

$$K(e) = R_f + [(ERP+TARP) * \text{Beta}] + \text{CSRP} + \text{TCSR}$$

Wherein:

K(e) = cost of equity

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Rf = risk free rate

ERP = Equity Risk Premium

TARP = Temporary Additional Risk Premium

Beta = a measure of the sensitivity of assets to returns of the overall market

CSRP = Company Specific Risk Premium

TCSR = Temporary Company Specific Risk Premium

6.3.2. Risk Free Rate:

I have applied a risk free rate of return of 6.55% on the basis of the relevant zero coupon yield curve as on 31st March 2020 for government securities having a maturity period of 10 years, as quoted on the website of Clearing Corporation of India Limited ("CCIL").

6.3.3. Equity Risk Premium ("ERP"):

Equity Risk Premium is a measure of premium that investors require for investing in equity markets rather than bond or debt markets. The equity risk premium is estimated based on consideration of historical realised returns on equity investments over a risk-free rate as represented by 10 year government bonds. Based on the above a 7% equity risk premium for India is considered appropriate.

6.3.4. Beta:

Beta is a measure of the sensitivity of a company's stock price to the movements of the overall market index. In the present case, I find it appropriate to consider the beta of companies in similar business/ industry to that of the SPVs for an appropriate period.

Based on my analysis of the listed InvITs and other companies in power and infrastructure sectors, I find it appropriate to consider the beta of Power Grid Corporation of India Limited ("PGCIL") for the current valuation exercise.

I have further unlevered the beta of PGCIL based on market debt-equity of the respective company using the following formula:

$$\text{Unlevered Beta} = \text{Levered Beta} / [1 + (\text{Debt} / \text{Equity}) * (1-T)]$$

However, for the current valuation exercise, I have adjusted the unlevered beta of PGCIL based on advantageous factors to the SPVs like completion of projects, revenue certainty, and concentration in transmission business, lack of execution uncertainty etc. to arrive at the adjusted unlevered beta appropriate to the SPVs.

Further I have re-levered it based on debt-equity at 70:30 based on the industry standard using the following formula:

$$\text{Re-levered Beta} = \text{Unlevered Beta} * [1 + (\text{Debt} / \text{Equity}) * (1-T)]$$

Accordingly, as per above, I have arrived at re-levered betas of the SPVs. (Refer Appendix 2)

6.3.5. Company Specific Risk Premium:

Discount Rate is the return expected by a market participant from a particular investment and shall reflect not only the time value of money but also the risk inherent in the asset being valued as well as the risk inherent in achieving the future cash flows. In the present case, considering the length of the explicit period, the basis of deriving the underlying cash flows and basis my discussion with Investment Manager, I found it appropriate to consider 0% CSRP in the present case. However, while determining the WACC or K(e) of ENICL for the terminal period, I have considered CSRP of 3% on account of uncertainty attached to the determination of cash flows of ENICL for the terminal period (Refer para 6.1.9).

6.3.6. Temporary Additional Risk Premium and Temporary Company Specific Risk Premium:

SPV's are governed by section 63 of The Electricity Act 2003 where in as per the Transmission Service Agreements ('TSAs') tariff revenue is accrued based on availability.

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Considering the tariff revenues are linked to availability, irrespective of the quantum of power transmitted through the power transmission infrastructure and considering the Point of Connection ('PoC') mechanism the risk of non-collection of transmission charges receivables is minimum, however there could be uncertainty around timing of collection of trade receivables.

Considering the global spread of the coronavirus pandemic (COVID-19) has created significant volatility, uncertainty and economic disruption. The extent to which the coronavirus pandemic impacts businesses of the SPVs, its operations and financial results will depend on numerous evolving factors the impact of which are not wholly predictable as of date. The COVID-19 pandemic may have several significant effects, direct and indirect, short/long term impact, on the SPVs business, including the ability of its customers to pay for the SPVs services, higher credit cost, higher operating cost, etc. as a result of the slump in the Indian economy driven by the responses to the pandemic.

The impact of the outbreak has been rapidly evolving in India and India has already reacted by instituting lockdown, mandating business and school closure and restricting travel, all of which have had an unprecedented adverse effect on the India's economic performance. To cushion the economic and financial market impacts, the government of India has committed to fiscal stimulus, liquidity provisions and financial support. Accordingly, the COVID-19 pandemic might have a significant impact on the risk-free rate of India in the future.

In the present case, I have valued the SPVs Enterprise Value considering the DCF Method of valuation, which is based on the principle that the fair market value of an entity may be measured by the present value of its future cash flows. The present value is calculated through the use of a discount rate. A discount rate is the way an investor reflects the risks of an investment. In simple terms, the higher the risk, the higher the rate of return required. One element of the discount rate that has been directly impacted by COVID-19 is the equity risk premium ("ERP"). An ERP reflects the additional return that investors demand for investing in equity securities, as a group, relative to risk-free investments. Accordingly, I found it appropriate to consider a Temporary Additional Risk Premium ("TARP") in the current valuation exercise. Given the current uncertain times and the unknown impact of COVID-19 on the macro-economic factors like the risk free rate, market liquidity, etc., I have considered a TARP of 1% on the ERP.

In this environment, I had requested the Investment Manager to re-look into the projected cashflows based on the on-going pandemic. However, in my opinion, the situation surrounding COVID-19, as at the Valuation Date and as at the Report Date, remains fluid, and the potential for a material impact on the SPVs' customers or to the SPVs increases the longer the virus impacts the level of economic activity in India. For these reasons, the Investment Manager may not be able to reasonably estimate with any degree of certainty the future impact COVID-19 may have on the SPV's results of operations, financial position, and liquidity. Accordingly, I found it appropriate to consider an additional Temporary Company Specific Risk Premium ("TCSR") of 1%.

6.3.7. Cost of Debt:

The calculation of Cost of Debt post-tax can be defined as follows:

$$K(d) = K(d) \text{ pre tax} * (1 - T)$$

Wherein:

K(d) = Cost of debt

T = tax rate as applicable

For valuation exercise, pre-tax cost of debt has been considered as 8.63% as represented by the Investment Manager.

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6.3.8. Debt : Equity Ratio:

In present valuation exercise, I have considered debt:equity ratio of 70:30 based on industry standard and as per the guidance provided by various statutes governing the industry. Accordingly, I have considered the same weightage to arrive at the WACC of all the SPVs.

In the particular case of ENICL, for the calculation of WACC for terminal period, I would like to draw your attention to Para 6.1.9. of this Report wherein it is mentioned that the cash flow for terminal period shall be a post-tax return on equity as per extant provisions of section 63 of Electricity Act amounting to INR 581 Mn. Accordingly since the cash flow are estimated as a return only on the equity component of the capital for the terminal period, I have correspondingly considered 0% weight to debt capital (i.e. debt:equity ratio of 0:100) while determining WACC for the terminal period of ENICL (Refer Appendix 2).

6.3.9. Weighted Average Cost of Capital (WACC):

The discount rate, or the WACC, is the weighted average of the expected return on equity and the cost of debt. The weight of each factor is determined based on the company's capital structure.

Formula for calculation of WACC:

$$WACC = [K(d) * Debt / (Debt + Equity)] + [K(e) * (1 - Debt / (Debt + Equity))]$$

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7. Valuation Conclusion

- 7.1. The current valuation has been carried out based on the discussed valuation methodology explained herein earlier. Further, various qualitative factors, the business dynamics and growth potential of the business, having regard to information base, management perceptions, key underlying assumptions and limitations were given due consideration.
- 7.2. 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 has been factored in to arrive at EV of the SPVs.
- 7.3. Based on the above analysis the EV as on the Valuation Date of the SPVs is as mentioned below: (Refer Appendix 1).

| SPVs | Explicit Projection period | | Enterprise Value (INR Mn) | | |
|-------|----------------------------|----------------------|---------------------------|--------------------|---------------|
| | End Date | Balance Period | Explicit Period (A) | Terminal Value (B) | Fair EV (A+B) |
| BDTCL | 30th Mar 2049 | ~ 29 Years 0 Months | 17,542 | 1,023 | 18,565 |
| JTCL | 28th Feb 2049 | ~ 28 Years 11 Months | 13,592 | 834 | 14,426 |
| MTL | 13th Dec 2052 | ~ 32 Years 9 Months | 5,138 | 299 | 5,437 |
| RTCL | 28th Feb 2051 | ~ 30 Years 11 Months | 3,858 | 150 | 4,008 |
| PKTCL | 10th Mar 2051 | ~ 31 Years 0 Months | 6,155 | 283 | 6,439 |
| PTCL | 10th Nov 2051 | ~ 31 Years 8 Months | 2,266 | 104 | 2,370 |
| NRSS | 1st Sep 2053 | ~ 33 Years 5 Months | 42,173 | 1,738 | 43,911 |
| OGPTL | 5th April 2054 | ~ 34 Years 0 Months | 13,513 | 592 | 14,105 |
| ENICL | 27th Oct 2035 | ~ 15 Years 7 Months | 10,168 | 781 | 10,949 |

- 7.4. The fair EV of the SPVs are estimated using DCF method. The valuation requires Investment Manager to make certain assumptions about the model inputs including forecast cash flows, discount rate, and credit risk.
- 7.5. 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. Accordingly, I have conducted sensitivity analysis on certain model inputs, the results of which are as indicated below:
1. Weighted Average Cost of Capital (WACC) by increasing / decreasing it by 0.50%
 2. Weighted Average Cost of Capital (WACC) by increasing / decreasing it by 1.00%
 3. Total Expenses considered during the projected period by increasing / decreasing it by 20%
 4. Terminal period value considered for the SPVs increasing / decreasing it by 20%

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.

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Fair Enterprise Valuation Range based on WACC parameter (0.5%)

| <i>INR Mn</i> | | | | | | | |
|--------------------------|-------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|
| Sr No. | SPVs | Base WACC | EV | WACC +0.5% | EV | WACC -0.5% | EV |
| 1 | BDTCL | 8.84% | 18,565 | 9.34% | 17,829 | 8.34% | 19,380 |
| 2 | JTCL | 9.09% | 14,426 | 9.59% | 13,804 | 8.59% | 15,114 |
| 3 | MTL | 8.61% | 5,437 | 9.11% | 5,180 | 8.11% | 5,724 |
| 4 | RTCL | 8.51% | 4,008 | 8.51% | 4,007 | 7.51% | 4,392 |
| 5 | PKTCL | 8.51% | 6,439 | 9.01% | 6,175 | 8.01% | 6,730 |
| 6 | PTCL | 8.56% | 2,370 | 9.06% | 2,271 | 8.06% | 2,479 |
| 7 | NRSS | 8.44% | 43,911 | 8.94% | 42,071 | 8.44% | 45,950 |
| 8 | OGPTL | 8.54% | 14,105 | 9.04% | 13,498 | 8.04% | 14,780 |
| 9 | ENICL | 8.91% to 12.42% | 10,949 | 9.41% to 12.92% | 10,605 | 8.41% to 11.92% | 11,317 |
| Total of all SPVs | | | 1,20,210 | | 1,15,441 | | 1,25,865 |

Fair Enterprise Valuation Range based on WACC parameter (1.0%)

| <i>INR Mn</i> | | | | | | | |
|--------------------------|-------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|
| Sr No. | SPVs | Base WACC | EV | WACC +1% | EV | WACC -1% | EV |
| 1 | BDTCL | 8.84% | 18,565 | 9.84% | 17,159 | 7.84% | 20,288 |
| 2 | JTCL | 9.09% | 14,426 | 10.09% | 13,238 | 8.09% | 15,877 |
| 3 | MTL | 8.61% | 5,437 | 9.61% | 4,948 | 7.61% | 6,047 |
| 4 | RTCL | 8.51% | 4,008 | 9.01% | 3,842 | 7.01% | 4,617 |
| 5 | PKTCL | 8.51% | 6,439 | 9.51% | 5,935 | 7.51% | 7,053 |
| 6 | PTCL | 8.56% | 2,370 | 9.56% | 2,182 | 7.56% | 2,601 |
| 7 | NRSS | 8.44% | 43,911 | 9.44% | 40,402 | 7.44% | 48,227 |
| 8 | OGPTL | 8.54% | 14,105 | 9.54% | 12,949 | 7.54% | 15,538 |
| 9 | ENICL | 8.91% to 12.42% | 10,949 | 9.91% to 13.42% | 10,282 | 7.91% to 11.42% | 11,709 |
| Total of all SPVs | | | 1,20,210 | | 1,10,938 | | 1,31,958 |

Fair Enterprise Valuation Range based on Total Expenses parameter

| <i>INR Mn</i> | | | | | | | |
|--------------------------|-------|---------------|-----------------|---------------|-----------------|---------------|-----------------|
| Sr No. | SPVs | Base Expenses | EV | Expenses +20% | EV | Expenses -20% | EV |
| 1 | BDTCL | 203 | 18,565 | 244 | 17,963 | 162 | 19,163 |
| 2 | JTCL | 103 | 14,426 | 124 | 14,149 | 83 | 14,703 |
| 3 | MTL | 39 | 5,437 | 46 | 5,329 | 31 | 5,544 |
| 4 | RTCL | 27 | 4,008 | 32 | 3,930 | 21 | 4,087 |
| 5 | PKTCL | 40 | 6,439 | 48 | 6,320 | 32 | 6,557 |
| 6 | PTCL | 27 | 2,370 | 33 | 2,282 | 22 | 2,458 |
| 7 | NRSS | 173 | 43,911 | 207 | 43,400 | 138 | 44,421 |
| 8 | OGPTL | 58 | 14,105 | 70 | 13,947 | 47 | 14,262 |
| 9 | ENICL | 138 | 10,949 | 165 | 10,737 | 110 | 11,161 |
| Total of all SPVs | | | 1,20,210 | | 1,18,058 | | 1,22,356 |

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Fair Enterprise Valuation Range based on Terminal Period Value parameter

| Sr No. | SPVs | Terminal Period Value ("TV") | | | | | <i>INR Mn</i> |
|--------------------------|-------|---------------------------------------|-----------------|----------|-----------------|----------|-----------------|
| | | | EV | TV + 20% | EV | TV - 20% | EV |
| 1 | BDTCL | 1,023 | 18,565 | 1,227 | 18,769 | 818 | 18,360 |
| 2 | JTCL | 834 | 14,426 | 1,001 | 14,593 | 667 | 14,259 |
| 3 | MTL | 299 | 5,437 | 359 | 5,497 | 239 | 5,377 |
| 4 | RTCL | 150 | 4,008 | 181 | 4,039 | 120 | 3,978 |
| 5 | PKTCL | 283 | 6,439 | 227 | 6,382 | 340 | 6,495 |
| 6 | PTCL | 104 | 2,370 | 125 | 2,391 | 83 | 2,349 |
| 7 | NRSS | 1,738 | 43,911 | 2,085 | 44,258 | 1,390 | 43,563 |
| 8 | OGPTL | 592 | 14,105 | 710 | 14,223 | 473 | 13,986 |
| 9 | ENICL | 781 | 10,949 | 937 | 11,106 | 625 | 10,793 |
| Total of all SPVs | | | 1,20,210 | | 1,21,257 | | 1,19,162 |

The above represents reasonable range of fair enterprise valuation of the SPVs.

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8. Additional Procedures to be complied with in accordance with InvIT regulations

Scope of Work

- 8.1. The Schedule V of the SEBI InvIT Regulations prescribes the minimum set of mandatory disclosures to be made in the valuation report. In this reference, the minimum disclosures in valuation report may include following information as well, so as to provide the investors with the adequate information about the valuation and other aspects of the underlying assets of the InvIT. The additional set of disclosures, as prescribed under Schedule V of InvIT Regulations, to be made in the valuation report of SPVs are as follows:
- List of one-time sanctions/approvals which are obtained or pending;
 - List of up to date/overdue periodic clearances;
 - Statement of assets;
 - Estimates of already carried as well as proposed major repairs and improvements along with estimated time of completion;
 - Revenue pendencies including local authority taxes associated with InvIT asset and compounding charges, if any;
 - On-going material litigations including tax disputes in relation to the assets, if any;
 - Vulnerability to natural or induced hazards that may not have been covered in town planning/ building control.

Limitations

- 8.2. This Report is based on the information provided by the Investment Manager. The exercise has been restricted and kept limited to and based entirely on the documents, records, files, registers and information provided to us. We have not verified the information independently with any other external source.
- 8.3. We have assumed the genuineness of all signatures, the authenticity of all documents submitted to us as original, and the conformity of the copies or extracts submitted to us with that of the original documents.
- 8.4. We have assumed that the documents submitted to us by the Investment Manager in connection with any particular issue are the only documents related to such issue.
- 8.5. We have reviewed the documents and records from the limited perspective of examining issues noted in the scope of work and we do not express any opinion as to the legal or technical implications of the same.

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8.6. Analysis of Additional Set of Disclosures for SPVs

A. List of one-time sanctions/approvals which are obtained or pending:

As informed by the Investment Manager, there have been no additional government sanctions/ approvals obtained by SPVs related to CERC/Transmission line between the period 1st April 2019 to 31st March 2020. Further, we were informed that there were no such applications for which approval is pending. The list of such sanctions/ approvals obtained by the Company till 31st March 2020 is provided in Appendix 4 to Appendix 12.

B. List of up to date/ overdue periodic clearances:

We have included the periodic clearances obtained by SPVs in Appendix 4 to Appendix 12.

C. Statement of assets:

For the details of asset of nine SPVs as at 31st March 2020 are provided in Appendix 3.

D. Estimates of already carried as well as proposed major repairs and improvements along with estimated time of completion:

The maintenance charges of Transmission Lines incurred by the SPVs for the period from 1st April 2019 to 31st March 2020 are given in the below table. Also, based on the confirmation provided by Investment Manager the expected increase in the cost of repairs and maintenance expenses to be incurred in the future period is also provided.

| Sr. No. | Name of the SPV | Transmission infrastructure maintenance charges (INR Million) | Inflation rate for O&M expenses |
|----------------|------------------------|--|--|
| 1 | BDTCL | 77.61 | 4.13% |
| 2 | JTCL | 43.24 | 3.39% |
| 3 | MTL | 18.13 | 3.43% |
| 4 | RTCL | 11.85 | 3.88% |
| 5 | PKTCL | 15.94 | 3.92% |
| 6 | PTCL | 11.24 | 4.56% |
| 7 | NRSS | 57.53 | 3.75% |
| 8 | OGPTL | 17.37 | 3.11% |
| 9 | ENICL | 42.81 | 2.72% |

Source: Provisional Financials Statements as at 31st March 2020

Investment Manager has informed us that there are no maintenance charges which has been deferred to the upcoming year as the maintenance activities are carried out regularly. We have been informed that overhaul maintenance are regularly carried out by SPVs in order to maintain the working condition of the assets.

E. Revenue pendencies including local authority taxes associated with InvIT asset and compounding charges, if any:

Investment Manager has informed us that there are no material dues including local authority taxes (such as Municipal Tax, Property Tax, etc) pending to be payable to the Government authorities with respect to InvIT assets.

F. On-going material litigations including tax disputes in relation to the assets, if any:

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As informed by the Investment Manager, the status of ongoing litigations are updated in Appendix 13 to Appendix 21. Investment Manager has informed us that it expects majority of the cases to be settled in favour of SPVs. Further, Investment Manager has informed us that majority of the cases are low to medium risk and accordingly no material outflow is expected against the litigations.

We were not provided with the documents for certain cases as mentioned in the below table.

| Sr. No. | Particulars | No. of Cases | Entity | Remarks |
|----------------|---------------------------------|---------------------|---|------------------------|
| 1 | Cases filed against the Company | 29 | BDTCL – 9 JTCL – 3 NRSS – 12 MTL - 5 | Documents not provided |
| 2 | Cases Disposed off | 3 | NRSS | Documents not provided |

Hence, we have relied on Investment Manager with respect to current status of above mentioned cases.

G. Vulnerability to natural or induced hazards that may not have been covered in town planning/ building control.

Investment Manager has confirmed to us that there are no such natural or induced hazards which have not been considered in town planning/ building control.

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9. 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:

- 9.1. Audited financial statements of the SPVs for the Financial Year ("FY") ended 31st March 2017, 31st March 2018, 31st March 2019;
- 9.2. Unaudited Profit & Loss Account and Balance Sheet of the SPVs for the period ended 31st March 2020;
- 9.3. Projected Incremental revenue due to change in law in MTL, NRSS, OGPTL, BDTCL, JTCL and ENICL from 1st April 2020 to period as mentioned in Para 6;
- 9.4. Details of brought forward losses (as per Income Tax Act) as at 31st March 2020;
- 9.5. Details of written down value (as per Income Tax Act) of assets as at 31st March 2020;
- 9.6. Details of projected Repairs and Capital Expenditure ("Capex") as represented by the Investment Manager.
- 9.7. As on 31st March 2020, India Grid Trust holds equity stake in the SPVs as mentioned in the Para 3. As represented to us by the Investment Manager, there are no changes in the shareholding pattern from 31st March 2020 to the date of issuance of this Report.
- 9.8. Transmission Service Agreement of the SPVs with Long Term Transmission Customers and Tariff Adoption Order by Central Electricity Regulatory Commission ("CERC").
- 9.9. Management Representation Letter by Investment Manager dated 25th May 2020.

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 us are based upon assumptions about events and circumstances which are yet to occur.

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.

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, we 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.

Further, considering the current crisis in relation to COVID-19 in India and across the globe, 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 COVID19 pandemic as per prevalent conditions as on date.

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10. Exclusions and Limitations

- 10.1. My Report is subject to the limitations detailed hereinafter. This Report is to be read in totality, and not in parts, in conjunction with the relevant documents referred to therein.
- 10.2. 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 31st March 2020 ("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.
- 10.3. 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 31st March 2020. The Investment Manager has represented that the business activities of SPVs have been carried out in normal and ordinary course between 31st March 2020 and the Report Date and that no material changes have occurred in the operations and financial position between 31st March 2020 and the Report date.
- 10.4. I have been informed by the Investment Manager that there will be certain impact of the on-going Covid19 pandemic outbreak on the operations of the SPV. Accordingly I have added TARP and CSRP while calculating the WACC. I also understand that the projections provided are after considering the impact of Covid -19.
- 10.5. 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.
- 10.6. 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.
- 10.7. 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.
- 10.8. 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.
- 10.9. 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.
- 10.10. 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

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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.

- 10.11. This Report is based on the information received from the sources mentioned in para 9 and discussions with the Investment Manager. I have assumed that no information has been withheld that could have influenced the purpose of Report.
- 10.12. 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.
- 10.13. Any discrepancies in any table / appendix between the total and the sums of the amounts listed are due to rounding-off.
- 10.14. 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.
- 10.15. 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.
- 10.16. 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.
- 10.17. 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.
- 10.18. 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.
- 10.19. 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.
- 10.20. 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.
- 10.21. 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.
- 10.22. 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.

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- 10.23. I am not advisor with respect to legal tax and regulatory matters for the proposed transaction. No investigation of the SPV's claim to title of assets has been made for the purpose of this Report and the SPV's 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.
- 10.24. 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.
- 10.25. 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.

10.26. Limitation of Liabilities

- 10.26.1. It is agreed that, having regard to the RV's interest in limiting the personal liability and exposure to litigation of its personnel, the Sponsor, the Investment Manager and the Trust will not bring any claim in respect of any damage against any of the H&Co's personnel personally.
- 10.26.2. In no circumstances 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.
- 10.26.3. It is clarified that the SIML and 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.
- 10.26.4. RV will not be liable if any loss arises due to the provision of false, misleading or incomplete information or documentation by SIML or the Trustee.

10.27. Limitation on account of COVID-19 and Significant Valuation Uncertainty in Valuation

- 10.27.1. The global spread of the coronavirus pandemic (COVID-19) has created significant volatility, uncertainty and economic disruption. The extent to which the coronavirus pandemic impacts businesses of the SPVs, its operations and financial results will depend on numerous evolving factors that one may not be able to accurately predict as of now. The COVID-19 pandemic has already had several significant effects, direct and indirect, short/long term impact, on the SPVs business, including the ability of its customers to pay for the SPVs services, higher credit cost, higher operating cost, etc. as a result of the slowdown in the Indian economy driven by the responses to the pandemic.
- 10.27.2. The impact of the outbreak has been rapidly evolving in India and India have already reacted by instituting quarantine measures, mandating business and school closure and restricting travel, all of which have had an adverse effect on the India's economic performance. To cushion the economic and financial market impacts, the government of India has committed to fiscal stimulus, liquidity provisions and financial support. Accordingly, the COVID-19 pandemic might have a significant impact on the risk-free rate of India in the future.
- 10.27.3. In the present case, I have valued the SPVs Enterprise Value considering the DCF Method of valuation, which is based on the principle that the fair market value of an entity may be

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measured by the present value of its future cash flows. The present value is calculated through the use of a discount rate. A discount rate is the way an investor reflects the risks of an investment. In simple terms, the higher the risk, the higher the rate of return required. One element of the discount rate that has been directly impacted by COVID-19 is the equity risk premium ("ERP"). An ERP reflects the additional return that investors demand for investing in equity securities, as a group, relative to risk-free investments. Accordingly, I found it appropriate to consider a Temporary Additional Risk Premium ("TARP") in the current valuation exercise. Given the current uncertain times and the unknown impact of COVID-19 on the macro-economic factors like the risk free rate, market liquidity, etc., I have considered a TARP of 1% on the ERP.

- 10.27.4. In this environment, I had requested the Investment Manager to re-look into the projected cash flows based on the on-going pandemic. However, in my opinion, the situation surrounding COVID-19, as at the Valuation Date and as at the Report Date, remains uncertain, and the potential for a material impact on the SPVs' customers or to the SPVs increases the longer the virus impacts the level of economic activity in India. For these reasons, the Investment Manager may not be able to reasonably estimate with any degree of certainty the future impact COVID-19 may have on the SPV's results of operations, financial position, and liquidity. Accordingly, I found it appropriate to consider an additional Temporary Company Specific Risk Premium ("TCSR") of 1%.
- 10.27.5. It is important to highlight that the current pandemic has created significant uncertainty in valuation and accordingly, I would recommend a degree of caution to the values arrived under current circumstances as the same may change rapidly depending on the changing market scenario. For avoidance of doubt, the existence of significant uncertainty does not mean that valuation cannot be undertaken but it means existence of significant assumptions within the valuation approach and methodology which are based on factors whose outcome are uncertain and hence, results in lower certainty of the value determined in the valuation, than would otherwise be in this case.
- 10.27.6. 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.

SWAMINATHAN SUNDARARAMAN
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Date: 2020.05.27
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S. Sundararaman

Registered Valuer

IBBI Registration No – IBBI/RV/06/2018/10238

Place: Chennai

UDIN - 20028423AAAADV6540

Appendix 1a – Valuation of BDTCL as on 31st March 2020 under the DCF Method

| WACC | 8.84% | | | | | | | | | | INR Mn |
|---|---------|--------|---------------|-------|---------------|----------|-------|---------------------|--------------------|------------------|--------|
| Year | Revenue | EBITDA | EBITDA Margin | Capex | Changes in WC | Taxation | FCFF | Cash Accrual Factor | Discounting Factor | PV of Cash Flows | |
| FY21 | 2,606 | 2,343 | 90% | - | 19 | - | 2,324 | 0.50 | 0.96 | 2,228 | |
| FY22 | 2,608 | 2,397 | 92% | - | (78) | - | 2,475 | 1.50 | 0.88 | 2,179 | |
| FY23 | 2,610 | 2,390 | 92% | - | (0) | - | 2,390 | 2.50 | 0.81 | 1,934 | |
| FY24 | 1,850 | 1,621 | 88% | - | (189) | - | 1,811 | 3.50 | 0.74 | 1,346 | |
| FY25 | 1,853 | 1,614 | 87% | 5 | 1 | - | 1,608 | 4.50 | 0.68 | 1,099 | |
| FY26 | 1,855 | 1,607 | 87% | - | (0) | - | 1,607 | 5.50 | 0.63 | 1,009 | |
| FY27 | 1,858 | 1,599 | 86% | - | (0) | - | 1,599 | 6.50 | 0.58 | 922 | |
| FY28 | 1,861 | 1,591 | 86% | - | (1) | - | 1,593 | 7.50 | 0.53 | 844 | |
| FY29 | 1,864 | 1,583 | 85% | - | 1 | 4 | 1,578 | 8.50 | 0.49 | 768 | |
| FY30 | 1,867 | 1,575 | 84% | 5 | (0) | 318 | 1,252 | 9.50 | 0.45 | 560 | |
| FY31 | 1,870 | 1,566 | 84% | - | (0) | 328 | 1,239 | 10.50 | 0.41 | 509 | |
| FY32 | 1,874 | 1,557 | 83% | - | (1) | 335 | 1,223 | 11.50 | 0.38 | 462 | |
| FY33 | 1,877 | 1,548 | 82% | - | 1 | 341 | 1,205 | 12.50 | 0.35 | 418 | |
| FY34 | 1,881 | 1,538 | 82% | - | (0) | 346 | 1,192 | 13.50 | 0.32 | 380 | |
| FY35 | 1,886 | 1,528 | 81% | 5 | (0) | 350 | 1,173 | 14.50 | 0.29 | 344 | |
| FY36 | 1,890 | 1,518 | 80% | - | (1) | 352 | 1,167 | 15.50 | 0.27 | 314 | |
| FY37 | 1,895 | 1,507 | 80% | - | 1 | 354 | 1,152 | 16.50 | 0.25 | 285 | |
| FY38 | 1,900 | 1,496 | 79% | - | (0) | 355 | 1,141 | 17.50 | 0.23 | 259 | |
| FY39 | 1,905 | 1,485 | 78% | - | (0) | 355 | 1,129 | 18.50 | 0.21 | 236 | |
| FY40 | 1,911 | 1,473 | 77% | 5 | (1) | 355 | 1,114 | 19.50 | 0.19 | 214 | |
| FY41 | 1,917 | 1,461 | 76% | - | 1 | 354 | 1,106 | 20.50 | 0.18 | 195 | |
| FY42 | 1,923 | 1,449 | 75% | - | 0 | 353 | 1,095 | 21.50 | 0.16 | 177 | |
| FY43 | 1,930 | 1,436 | 74% | - | 0 | 352 | 1,084 | 22.50 | 0.15 | 161 | |
| FY44 | 1,937 | 1,423 | 73% | - | (1) | 350 | 1,074 | 23.50 | 0.14 | 147 | |
| FY45 | 1,945 | 1,409 | 72% | 5 | 1 | 347 | 1,055 | 24.50 | 0.13 | 132 | |
| FY46 | 1,953 | 1,395 | 71% | - | 0 | 345 | 1,050 | 25.50 | 0.12 | 121 | |
| FY47 | 1,962 | 1,381 | 70% | - | 0 | 342 | 1,038 | 26.50 | 0.11 | 110 | |
| FY48 | 1,971 | 1,366 | 69% | - | (1) | 339 | 1,027 | 27.50 | 0.10 | 100 | |
| FY49** | 1,972 | 1,343 | 68% | - | 1 | 334 | 1,008 | 28.50 | 0.09 | 90 | |
| TV | 1,977 | 1,347 | 68% | 1 | - | 336 | 1,010 | 28.50 | 0.09 | 90 | |
| Present Value of Explicit Period Cash Flows | | | | | | | | | | 17,542 | |
| Present Value of Terminal Year Cash Flow | | | | | | | | | | 1,023 | |
| Enterprise Value | | | | | | | | | | 18,565 | |

*From 1st April 2020

** 30th March 2049

Appendix 1b – Valuation of JTCL as on 31st March 2020 under the DCF Method

| WACC | 9.09% | | | | | | | | | | INR Mn |
|---|---------|--------|---------------|-------|---------------|----------|-------|---------------------|--------------------|------------------|--------|
| Year | Revenue | EBITDA | EBITDA Margin | Capex | Changes in WC | Taxation | FCFF | Cash Accrual Factor | Discounting Factor | PV of Cash Flows | |
| FY21 | 1,510 | 1,396 | 92% | - | (57) | - | 1,454 | 0.50 | 0.96 | 1,392 | |
| FY22 | 1,509 | 1,402 | 93% | - | (57) | - | 1,459 | 1.50 | 0.88 | 1,281 | |
| FY23 | 1,509 | 1,399 | 93% | - | (0) | - | 1,399 | 2.50 | 0.80 | 1,125 | |
| FY24 | 1,509 | 1,394 | 92% | - | (1) | - | 1,396 | 3.50 | 0.74 | 1,029 | |
| FY25 | 1,508 | 1,390 | 92% | - | 1 | - | 1,390 | 4.50 | 0.68 | 939 | |
| FY26 | 1,508 | 1,386 | 92% | - | (0) | - | 1,386 | 5.50 | 0.62 | 859 | |
| FY27 | 1,507 | 1,381 | 92% | - | (0) | - | 1,381 | 6.50 | 0.57 | 785 | |
| FY28 | 1,507 | 1,376 | 91% | - | (1) | - | 1,378 | 7.50 | 0.52 | 717 | |
| FY29 | 1,506 | 1,371 | 91% | - | 0 | - | 1,371 | 8.50 | 0.48 | 654 | |
| FY30 | 1,505 | 1,366 | 91% | - | (1) | - | 1,366 | 9.50 | 0.44 | 598 | |
| FY31 | 1,504 | 1,360 | 90% | - | (1) | - | 1,361 | 10.50 | 0.40 | 546 | |
| FY32 | 1,504 | 1,355 | 90% | - | (2) | - | 1,356 | 11.50 | 0.37 | 498 | |
| FY33 | 1,503 | 1,349 | 90% | - | 0 | 107 | 1,241 | 12.50 | 0.34 | 418 | |
| FY34 | 1,502 | 1,342 | 89% | - | (1) | 300 | 1,043 | 13.50 | 0.31 | 322 | |
| FY35 | 1,500 | 1,336 | 89% | - | (1) | 304 | 1,033 | 14.50 | 0.28 | 292 | |
| FY36 | 1,499 | 1,329 | 89% | - | (2) | 307 | 1,024 | 15.50 | 0.26 | 266 | |
| FY37 | 1,498 | 1,322 | 88% | - | 0 | 309 | 1,012 | 16.50 | 0.24 | 241 | |
| FY38 | 1,496 | 1,314 | 88% | - | (1) | 311 | 1,004 | 17.50 | 0.22 | 219 | |
| FY39 | 1,495 | 1,307 | 87% | - | (1) | 312 | 996 | 18.50 | 0.20 | 199 | |
| FY40 | 1,493 | 1,298 | 87% | - | (2) | 312 | 988 | 19.50 | 0.18 | 181 | |
| FY41 | 1,491 | 1,290 | 87% | - | (0) | 312 | 978 | 20.50 | 0.17 | 164 | |
| FY42 | 1,489 | 1,281 | 86% | - | (1) | 312 | 970 | 21.50 | 0.15 | 149 | |
| FY43 | 1,487 | 1,272 | 86% | - | (1) | 311 | 962 | 22.50 | 0.14 | 136 | |
| FY44 | 1,484 | 1,262 | 85% | - | (2) | 310 | 954 | 23.50 | 0.13 | 123 | |
| FY45 | 1,482 | 1,252 | 84% | - | (0) | 309 | 944 | 24.50 | 0.12 | 112 | |
| FY46 | 1,479 | 1,241 | 84% | - | (1) | 307 | 936 | 25.50 | 0.11 | 102 | |
| FY47 | 1,476 | 1,230 | 83% | - | (1) | 305 | 927 | 26.50 | 0.10 | 92 | |
| FY48 | 1,473 | 1,219 | 83% | - | (2) | 303 | 918 | 27.50 | 0.09 | 84 | |
| FY49** | 1,345 | 1,104 | 82% | - | (1) | 275 | 830 | 28.46 | 0.08 | 70 | |
| TV | 1,470 | 1,207 | 82% | - | - | 304 | 903 | 28.46 | 0.08 | 76 | |
| Present Value of Explicit Period Cash Flows | | | | | | | | | | 13,592 | |
| Present Value of Terminal Year Cash Flow | | | | | | | | | | 834 | |
| Enterprise Value | | | | | | | | | | 14,426 | |

*From 1st April 2020

** 28th February 2049

Appendix 1c – Valuation of MTL as on 31st March 2020 under the DCF Method

| WACC | 8.61% | | | | | | | INR Mn | | |
|---|---------|--------|------------------|-------|------------------|----------|------|---------------------------|-----------------------|---------------------|
| Year | Revenue | EBITDA | EBITDA Margin | Capex | Changes in WC | Taxation | FCFF | Cash Accrual Factor | Discounting Factor | PV of Cash Flows |
| FY21 | 577 | 538 | 93% | - | 19 | - | 520 | 0.50 | 0.96 | 499 |
| FY22 | 577 | 537 | 93% | - | 0 | - | 537 | 1.50 | 0.88 | 475 |
| FY23 | 578 | 537 | 93% | - | 0 | - | 537 | 2.50 | 0.81 | 436 |
| FY24 | 578 | 536 | 93% | - | 0 | - | 536 | 3.50 | 0.75 | 401 |
| FY25 | 579 | 535 | 92% | - | 0 | - | 535 | 4.50 | 0.69 | 369 |
| FY26 | 580 | 534 | 92% | - | 0 | 78 | 455 | 5.50 | 0.63 | 289 |
| FY27 | 580 | 533 | 92% | - | 0 | 96 | 436 | 6.50 | 0.58 | 255 |
| FY28 | 581 | 532 | 92% | - | 0 | 102 | 430 | 7.50 | 0.54 | 231 |
| FY29 | 581 | 531 | 91% | - | 0 | 106 | 424 | 8.50 | 0.50 | 210 |
| FY30 | 582 | 530 | 91% | - | 0 | 110 | 419 | 9.50 | 0.46 | 191 |
| FY31 | 583 | 529 | 91% | - | 0 | 113 | 415 | 10.50 | 0.42 | 174 |
| FY32 | 583 | 527 | 90% | - | 0 | 116 | 411 | 11.50 | 0.39 | 159 |
| FY33 | 584 | 526 | 90% | - | 0 | 118 | 408 | 12.50 | 0.36 | 145 |
| FY34 | 585 | 525 | 90% | - | 0 | 120 | 405 | 13.50 | 0.33 | 133 |
| FY35 | 586 | 524 | 89% | - | 0 | 122 | 402 | 14.50 | 0.30 | 121 |
| FY36 | 587 | 523 | 89% | - | 0 | 123 | 400 | 15.50 | 0.28 | 111 |
| FY37 | 588 | 522 | 89% | - | 0 | 124 | 398 | 16.50 | 0.26 | 102 |
| FY38 | 589 | 520 | 88% | - | 0 | 125 | 396 | 17.50 | 0.24 | 93 |
| FY39 | 590 | 519 | 88% | - | 0 | 125 | 394 | 18.50 | 0.22 | 85 |
| FY40 | 591 | 518 | 88% | - | 0 | 126 | 392 | 19.50 | 0.20 | 78 |
| FY41 | 592 | 516 | 87% | - | 0 | 126 | 390 | 20.50 | 0.18 | 72 |
| FY42 | 593 | 515 | 87% | - | 0 | 126 | 388 | 21.50 | 0.17 | 66 |
| FY43 | 595 | 513 | 86% | - | 0 | 126 | 387 | 22.50 | 0.16 | 60 |
| FY44 | 596 | 512 | 86% | - | 0 | 126 | 385 | 23.50 | 0.14 | 55 |
| FY45 | 597 | 511 | 85% | - | 0 | 126 | 384 | 24.50 | 0.13 | 51 |
| FY46 | 599 | 509 | 85% | - | 0 | 126 | 382 | 25.50 | 0.12 | 47 |
| FY47 | 600 | 507 | 85% | - | 0 | 126 | 381 | 26.50 | 0.11 | 43 |
| FY48 | 602 | 506 | 84% | - | 0 | 126 | 380 | 27.50 | 0.10 | 39 |
| FY49 | 604 | 504 | 84% | - | 0 | 126 | 378 | 28.50 | 0.10 | 36 |
| FY50 | 605 | 503 | 83% | - | 0 | 126 | 377 | 29.50 | 0.09 | 33 |
| FY51 | 607 | 501 | 83% | - | 0 | 125 | 376 | 30.50 | 0.08 | 30 |
| FY52 | 609 | 499 | 82% | - | 0 | 125 | 374 | 31.50 | 0.07 | 28 |
| FY53** | 430 | 350 | 81% | - | 0 | 88 | 263 | 32.35 | 0.07 | 18 |
| TV | 611 | 498 | 81% | - | - | 125 | 372 | 32.35 | 0.07 | 26 |
| Present Value of Explicit Period Cash Flows | | | | | | | | | | 5,138 |
| Present Value of Terminal Year Cash Flow | | | | | | | | | | 299 |
| Enterprise Value | | | | | | | | | | 5,437 |

*From 1st April 2020

** 13th December 2052

Appendix 1d – Valuation of RTCL as on 31st March 2020 under the DCF Method

| WACC | 8.51% | | | | | | | | | | INR Mn |
|---|---------|--------|---------------|-------|---------------|----------|------|---------------------|--------------------|------------------|--------|
| Year | Revenue | EBITDA | EBITDA Margin | Capex | Changes in WC | Taxation | FCFF | Cash Accrual Factor | Discounting Factor | PV of Cash Flows | |
| FY21 | 455 | 428 | 94% | - | (21) | - | 449 | 0.50 | 0.96 | 431 | |
| FY22 | 454 | 427 | 94% | - | (5) | - | 432 | 1.50 | 0.88 | 382 | |
| FY23 | 454 | 426 | 94% | - | (0) | - | 426 | 2.50 | 0.82 | 347 | |
| FY24 | 454 | 425 | 93% | - | (0) | 10 | 415 | 3.50 | 0.75 | 312 | |
| FY25 | 454 | 423 | 93% | - | (0) | 82 | 342 | 4.50 | 0.69 | 237 | |
| FY26 | 454 | 422 | 93% | - | (0) | 85 | 337 | 5.50 | 0.64 | 215 | |
| FY27 | 454 | 421 | 93% | - | (0) | 88 | 333 | 6.50 | 0.59 | 196 | |
| FY28 | 454 | 419 | 92% | - | (0) | 90 | 329 | 7.50 | 0.54 | 178 | |
| FY29 | 454 | 418 | 92% | - | (0) | 92 | 326 | 8.50 | 0.50 | 163 | |
| FY30 | 454 | 416 | 92% | - | (0) | 94 | 323 | 9.50 | 0.46 | 149 | |
| FY31 | 454 | 415 | 91% | - | (0) | 95 | 320 | 10.50 | 0.42 | 136 | |
| FY32 | 454 | 413 | 91% | - | (0) | 96 | 317 | 11.50 | 0.39 | 124 | |
| FY33 | 453 | 412 | 91% | - | (0) | 97 | 315 | 12.50 | 0.36 | 113 | |
| FY34 | 453 | 410 | 90% | - | (0) | 97 | 313 | 13.50 | 0.33 | 104 | |
| FY35 | 453 | 408 | 90% | - | (0) | 98 | 310 | 14.50 | 0.31 | 95 | |
| FY36 | 453 | 406 | 90% | - | (0) | 98 | 308 | 15.50 | 0.28 | 87 | |
| FY37 | 453 | 404 | 89% | - | (0) | 98 | 306 | 16.50 | 0.26 | 80 | |
| FY38 | 452 | 402 | 89% | - | (0) | 98 | 304 | 17.50 | 0.24 | 73 | |
| FY39 | 452 | 399 | 88% | - | (0) | 98 | 302 | 18.50 | 0.22 | 67 | |
| FY40 | 452 | 397 | 88% | - | (0) | 98 | 300 | 19.50 | 0.20 | 61 | |
| FY41 | 452 | 395 | 87% | - | (0) | 98 | 297 | 20.50 | 0.19 | 56 | |
| FY42 | 451 | 392 | 87% | - | (0) | 97 | 295 | 21.50 | 0.17 | 51 | |
| FY43 | 355 | 294 | 83% | - | (24) | 73 | 245 | 22.50 | 0.16 | 39 | |
| FY44 | 316 | 253 | 80% | - | (10) | 62 | 200 | 23.50 | 0.15 | 29 | |
| FY45 | 316 | 250 | 79% | - | (0) | 62 | 188 | 24.50 | 0.14 | 25 | |
| FY46 | 316 | 247 | 78% | - | (0) | 61 | 186 | 25.50 | 0.12 | 23 | |
| FY47 | 315 | 244 | 77% | - | (0) | 61 | 183 | 26.50 | 0.11 | 21 | |
| FY48 | 315 | 240 | 76% | - | (0) | 60 | 181 | 27.50 | 0.11 | 19 | |
| FY49 | 314 | 237 | 75% | - | (0) | 59 | 178 | 28.50 | 0.10 | 17 | |
| FY50 | 313 | 233 | 74% | - | (0) | 58 | 175 | 29.50 | 0.09 | 16 | |
| FY51** | 264 | 188 | 71% | - | (6) | 47 | 147 | 30.46 | 0.08 | 12 | |
| TV | 289 | 206 | 71% | - | - | 52 | 154 | 30.46 | 0.08 | 13 | |
| Present Value of Explicit Period Cash Flows | | | | | | | | | | 3,858 | |
| Present Value of Terminal Year Cash Flow | | | | | | | | | | 150 | |
| Enterprise Value | | | | | | | | | | 4,008 | |

*From 1st April 2020

** 28th February 2051

Appendix 1e – Valuation of PKTCL as on 31st March 2020 under the DCF Method

| WACC | | 8.51% | | | | | | | | | INR Mn |
|---|---------|--------|---------------|-------|---------------|----------|------|---------------------|--------------------|------------------|--------|
| Year | Revenue | EBITDA | EBITDA Margin | Capex | Changes in WC | Taxation | FCFF | Cash Accrual Factor | Discounting Factor | PV of Cash Flows | |
| FY21 | 748 | 708 | 95% | - | 13 | - | 695 | 0.50 | 0.96 | 667 | |
| FY22 | 748 | 706 | 94% | - | (26) | - | 732 | 1.50 | 0.88 | 648 | |
| FY23 | 748 | 704 | 94% | - | (0) | - | 705 | 2.50 | 0.82 | 575 | |
| FY24 | 748 | 703 | 94% | - | (0) | 22 | 681 | 3.50 | 0.75 | 512 | |
| FY25 | 747 | 701 | 94% | - | (0) | 126 | 575 | 4.50 | 0.69 | 398 | |
| FY26 | 747 | 699 | 94% | - | (0) | 133 | 566 | 5.50 | 0.64 | 361 | |
| FY27 | 747 | 697 | 93% | - | (0) | 139 | 558 | 6.50 | 0.59 | 328 | |
| FY28 | 747 | 695 | 93% | - | (0) | 144 | 551 | 7.50 | 0.54 | 299 | |
| FY29 | 747 | 692 | 93% | - | (0) | 148 | 545 | 8.50 | 0.50 | 272 | |
| FY30 | 747 | 690 | 92% | - | (0) | 151 | 539 | 9.50 | 0.46 | 248 | |
| FY31 | 746 | 688 | 92% | - | (0) | 154 | 534 | 10.50 | 0.42 | 227 | |
| FY32 | 746 | 685 | 92% | - | (0) | 156 | 529 | 11.50 | 0.39 | 207 | |
| FY33 | 746 | 683 | 92% | - | (0) | 158 | 525 | 12.50 | 0.36 | 189 | |
| FY34 | 746 | 680 | 91% | - | (0) | 159 | 521 | 13.50 | 0.33 | 173 | |
| FY35 | 745 | 677 | 91% | - | (0) | 160 | 517 | 14.50 | 0.31 | 158 | |
| FY36 | 620 | 549 | 89% | - | (31) | 130 | 450 | 15.50 | 0.28 | 127 | |
| FY37 | 524 | 450 | 86% | - | (24) | 106 | 368 | 16.50 | 0.26 | 96 | |
| FY38 | 524 | 447 | 85% | - | (0) | 106 | 341 | 17.50 | 0.24 | 82 | |
| FY39 | 524 | 444 | 85% | - | (0) | 106 | 338 | 18.50 | 0.22 | 75 | |
| FY40 | 523 | 440 | 84% | - | (0) | 106 | 334 | 19.50 | 0.20 | 68 | |
| FY41 | 523 | 436 | 84% | - | (0) | 106 | 331 | 20.50 | 0.19 | 62 | |
| FY42 | 522 | 432 | 83% | - | (0) | 106 | 327 | 21.50 | 0.17 | 57 | |
| FY43 | 521 | 428 | 82% | - | (0) | 105 | 324 | 22.50 | 0.16 | 52 | |
| FY44 | 521 | 424 | 81% | - | (0) | 104 | 320 | 23.50 | 0.15 | 47 | |
| FY45 | 520 | 420 | 81% | - | (0) | 104 | 316 | 24.50 | 0.14 | 43 | |
| FY46 | 519 | 415 | 80% | - | (1) | 103 | 313 | 25.50 | 0.12 | 39 | |
| FY47 | 518 | 410 | 79% | - | (1) | 102 | 309 | 26.50 | 0.11 | 35 | |
| FY48 | 518 | 405 | 78% | - | (1) | 101 | 305 | 27.50 | 0.11 | 32 | |
| FY49 | 517 | 399 | 77% | - | (1) | 99 | 300 | 28.50 | 0.10 | 29 | |
| FY50 | 515 | 394 | 76% | - | (1) | 98 | 296 | 29.50 | 0.09 | 27 | |
| FY51** | 485 | 366 | 75% | - | (1) | 91 | 275 | 30.47 | 0.08 | 23 | |
| TV | 514 | 388 | 75% | - | - | 98 | 290 | 30.47 | 0.08 | 24 | |
| Present Value of Explicit Period Cash Flows | | | | | | | | | | 6,155 | |
| Present Value of Terminal Year Cash Flow | | | | | | | | | | 283 | |
| Enterprise Value | | | | | | | | | | 6,439 | |

*From 1st April 2020

** 10th March 2051

Appendix 1f – Valuation of PTCL as on 31st March 2020 under the DCF Method

| WACC | | 8.56% | | | | | | | | | INR Mn |
|---|---------|--------|---------------|-------|---------------|----------|------|---------------------|--------------------|------------------|--------|
| Year | Revenue | EBITDA | EBITDA Margin | Capex | Changes in WC | Taxation | FCFF | Cash Accrual Factor | Discounting Factor | PV of Cash Flows | |
| FY21 | 317 | 290 | 91% | 27 | 12 | - | 251 | 0.50 | 0.96 | 241 | |
| FY22 | 317 | 289 | 91% | 27 | (0) | - | 262 | 1.50 | 0.88 | 232 | |
| FY23 | 318 | 288 | 91% | 27 | (0) | - | 261 | 2.50 | 0.81 | 213 | |
| FY24 | 318 | 287 | 90% | 27 | (0) | - | 260 | 3.50 | 0.75 | 195 | |
| FY25 | 319 | 286 | 90% | 27 | 0 | 23 | 236 | 4.50 | 0.69 | 163 | |
| FY26 | 319 | 285 | 89% | 27 | (0) | 46 | 212 | 5.50 | 0.64 | 135 | |
| FY27 | 320 | 284 | 89% | 27 | (0) | 48 | 209 | 6.50 | 0.59 | 122 | |
| FY28 | 320 | 283 | 88% | 27 | (0) | 50 | 206 | 7.50 | 0.54 | 111 | |
| FY29 | 321 | 282 | 88% | 27 | 0 | 52 | 202 | 8.50 | 0.50 | 101 | |
| FY30 | 321 | 281 | 87% | 27 | (0) | 54 | 200 | 9.50 | 0.46 | 92 | |
| FY31 | 322 | 279 | 87% | 27 | (0) | 55 | 198 | 10.50 | 0.42 | 83 | |
| FY32 | 258 | 214 | 83% | 27 | (16) | 40 | 163 | 11.50 | 0.39 | 63 | |
| FY33 | 258 | 212 | 82% | 27 | 0 | 40 | 145 | 12.50 | 0.36 | 52 | |
| FY34 | 258 | 210 | 81% | 27 | (0) | 41 | 142 | 13.50 | 0.33 | 47 | |
| FY35 | 258 | 208 | 80% | 27 | (0) | 41 | 140 | 14.50 | 0.30 | 43 | |
| FY36 | 279 | 226 | 81% | 27 | 5 | 46 | 148 | 15.50 | 0.28 | 41 | |
| FY37 | 279 | 224 | 80% | 27 | (0) | 46 | 151 | 16.50 | 0.26 | 39 | |
| FY38 | 279 | 221 | 79% | 27 | (0) | 46 | 148 | 17.50 | 0.24 | 35 | |
| FY39 | 279 | 219 | 78% | 27 | (0) | 46 | 146 | 18.50 | 0.22 | 32 | |
| FY40 | 279 | 216 | 77% | 27 | (0) | 45 | 144 | 19.50 | 0.20 | 29 | |
| FY41 | 279 | 213 | 76% | 27 | (0) | 45 | 141 | 20.50 | 0.19 | 26 | |
| FY42 | 289 | 220 | 76% | 27 | 2 | 47 | 144 | 21.50 | 0.17 | 25 | |
| FY43 | 289 | 217 | 75% | 27 | (0) | 47 | 144 | 22.50 | 0.16 | 23 | |
| FY44 | 289 | 214 | 74% | 27 | (0) | 46 | 141 | 23.50 | 0.15 | 21 | |
| FY45 | 289 | 210 | 73% | 27 | (0) | 45 | 138 | 24.50 | 0.13 | 18 | |
| FY46 | 289 | 207 | 71% | 27 | (0) | 44 | 136 | 25.50 | 0.12 | 17 | |
| FY47 | 289 | 203 | 70% | 27 | (0) | 44 | 133 | 26.50 | 0.11 | 15 | |
| FY48 | 289 | 199 | 69% | 27 | (1) | 43 | 130 | 27.50 | 0.10 | 14 | |
| FY49 | 289 | 195 | 67% | 27 | (0) | 42 | 126 | 28.50 | 0.10 | 12 | |
| FY50 | 289 | 190 | 66% | 27 | (0) | 41 | 123 | 29.50 | 0.09 | 11 | |
| FY51 | 289 | 186 | 64% | 27 | (0) | 40 | 119 | 30.50 | 0.08 | 10 | |
| FY52** | 178 | 112 | 63% | 17 | (0) | 24 | 72 | 31.31 | 0.08 | 5 | |
| TV | 290 | 182 | 63% | 27 | - | 39 | 116 | 31.31 | 0.08 | 9 | |
| Present Value of Explicit Period Cash Flows | | | | | | | | | | 2,266 | |
| Present Value of Terminal Year Cash Flow | | | | | | | | | | 104 | |
| Enterprise Value | | | | | | | | | | 2,370 | |

*From 1st April 2020

** 10th November 2051

Appendix 1g – Valuation of NRSS as on 31st March 2020 under the DCF Method

| WACC | 8.44% | | | | | | | | | | INR Mn |
|---|---------|--------|---------------|-------|---------------|----------|-------|---------------------|--------------------|------------------|--------|
| Year | Revenue | EBITDA | EBITDA Margin | Capex | Changes in WC | Taxation | FCFF | Cash Accrual Factor | Discounting Factor | PV of Cash Flows | |
| FY21 | 5,182 | 5,009 | 97% | - | 29 | - | 4,980 | 0.50 | 0.96 | 4,782 | |
| FY22 | 5,181 | 5,002 | 97% | - | (1) | - | 5,002 | 1.50 | 0.89 | 4,430 | |
| FY23 | 5,180 | 4,994 | 96% | - | (1) | 510 | 4,485 | 2.50 | 0.82 | 3,663 | |
| FY24 | 5,178 | 4,986 | 96% | - | (1) | 831 | 4,155 | 3.50 | 0.75 | 3,129 | |
| FY25 | 5,177 | 4,977 | 96% | - | (1) | 893 | 4,085 | 4.50 | 0.69 | 2,837 | |
| FY26 | 5,176 | 4,968 | 96% | - | (1) | 944 | 4,025 | 5.50 | 0.64 | 2,578 | |
| FY27 | 5,174 | 4,959 | 96% | - | (1) | 988 | 3,972 | 6.50 | 0.59 | 2,346 | |
| FY28 | 5,172 | 4,949 | 96% | - | (1) | 1,024 | 3,925 | 7.50 | 0.54 | 2,138 | |
| FY29 | 5,170 | 4,938 | 96% | - | (1) | 1,055 | 3,885 | 8.50 | 0.50 | 1,951 | |
| FY30 | 5,168 | 4,928 | 95% | - | (1) | 1,081 | 3,848 | 9.50 | 0.46 | 1,783 | |
| FY31 | 4,828 | 4,578 | 95% | - | (85) | 1,017 | 3,646 | 10.50 | 0.43 | 1,558 | |
| FY32 | 4,825 | 4,566 | 95% | - | (1) | 1,034 | 3,534 | 11.50 | 0.39 | 1,392 | |
| FY33 | 3,631 | 3,362 | 93% | - | (295) | 748 | 2,909 | 12.50 | 0.36 | 1,057 | |
| FY34 | 3,628 | 3,349 | 92% | - | (2) | 760 | 2,591 | 13.50 | 0.34 | 868 | |
| FY35 | 3,624 | 3,335 | 92% | - | (2) | 769 | 2,568 | 14.50 | 0.31 | 794 | |
| FY36 | 3,621 | 3,321 | 92% | - | (2) | 776 | 2,547 | 15.50 | 0.28 | 726 | |
| FY37 | 3,617 | 3,306 | 91% | - | (2) | 781 | 2,527 | 16.50 | 0.26 | 664 | |
| FY38 | 3,612 | 3,290 | 91% | - | (2) | 784 | 2,507 | 17.50 | 0.24 | 608 | |
| FY39 | 3,608 | 3,273 | 91% | - | (2) | 787 | 2,488 | 18.50 | 0.22 | 556 | |
| FY40 | 3,602 | 3,255 | 90% | - | (2) | 788 | 2,469 | 19.50 | 0.21 | 509 | |
| FY41 | 3,597 | 3,236 | 90% | - | (2) | 788 | 2,451 | 20.50 | 0.19 | 466 | |
| FY42 | 3,591 | 3,217 | 90% | - | (3) | 787 | 2,432 | 21.50 | 0.18 | 426 | |
| FY43 | 3,584 | 3,196 | 89% | - | (3) | 785 | 2,414 | 22.50 | 0.16 | 390 | |
| FY44 | 3,577 | 3,174 | 89% | - | (3) | 783 | 2,395 | 23.50 | 0.15 | 357 | |
| FY45 | 3,569 | 3,152 | 88% | - | (3) | 779 | 2,375 | 24.50 | 0.14 | 326 | |
| FY46 | 3,561 | 3,127 | 88% | - | (3) | 775 | 2,355 | 25.50 | 0.13 | 299 | |
| FY47 | 3,552 | 3,102 | 87% | - | (4) | 771 | 2,335 | 26.50 | 0.12 | 273 | |
| FY48 | 3,542 | 3,075 | 87% | - | (4) | 766 | 2,314 | 27.50 | 0.11 | 249 | |
| FY49 | 3,531 | 3,047 | 86% | - | (4) | 760 | 2,292 | 28.50 | 0.10 | 228 | |
| FY50 | 3,520 | 3,018 | 86% | - | (4) | 753 | 2,269 | 29.50 | 0.09 | 208 | |
| FY51 | 3,507 | 2,986 | 85% | - | (5) | 746 | 2,245 | 30.50 | 0.08 | 190 | |
| FY52 | 3,493 | 2,952 | 85% | - | (5) | 739 | 2,219 | 31.50 | 0.08 | 173 | |
| FY53 | 3,480 | 2,919 | 84% | - | (5) | 731 | 2,193 | 32.50 | 0.07 | 158 | |
| FY54** | 1,463 | 1,218 | 83% | - | (5) | 305 | 917 | 33.21 | 0.07 | 62 | |
| TV | 3,468 | 2,887 | 83% | - | - | 727 | 2,160 | 33.21 | 0.07 | 147 | |
| Present Value of Explicit Period Cash Flows | | | | | | | | | | 42,173 | |
| Present Value of Terminal Year Cash Flow | | | | | | | | | | 1,738 | |
| Enterprise Value | | | | | | | | | | 43,911 | |

*From 1st April 2020

** 1st September 2053

Appendix 1h – Valuation of OGPTL as on 31st March 2020 under the DCF Method

| WACC | 8.54% | | | | | | | | | | INR Mn |
|---|---------|--------|---------------|-------|---------------|----------|-------|---------------------|--------------------|------------------|--------|
| Year | Revenue | EBITDA | EBITDA Margin | Capex | Changes in WC | Taxation | FCFF | Cash Accrual Factor | Discounting Factor | PV of Cash Flows | |
| FY21 | 1,662 | 1,543 | 93% | - | (6) | - | 1,549 | 0.50 | 0.96 | 1,487 | |
| FY22 | 1,624 | 1,564 | 96% | - | (9) | - | 1,573 | 1.50 | 0.88 | 1,391 | |
| FY23 | 1,587 | 1,525 | 96% | - | (9) | - | 1,534 | 2.50 | 0.81 | 1,250 | |
| FY24 | 1,552 | 1,488 | 96% | - | (9) | - | 1,497 | 3.50 | 0.75 | 1,123 | |
| FY25 | 1,517 | 1,451 | 96% | - | (9) | 0 | 1,459 | 4.50 | 0.69 | 1,009 | |
| FY26 | 1,483 | 1,415 | 95% | - | (9) | 184 | 1,240 | 5.50 | 0.64 | 790 | |
| FY27 | 1,450 | 1,380 | 95% | - | (8) | 201 | 1,188 | 6.50 | 0.59 | 697 | |
| FY28 | 1,418 | 1,346 | 95% | - | (8) | 214 | 1,140 | 7.50 | 0.54 | 616 | |
| FY29 | 1,387 | 1,312 | 95% | - | (8) | 224 | 1,096 | 8.50 | 0.50 | 546 | |
| FY30 | 1,356 | 1,279 | 94% | - | (8) | 232 | 1,055 | 9.50 | 0.46 | 484 | |
| FY31 | 1,327 | 1,247 | 94% | - | (7) | 237 | 1,017 | 10.50 | 0.42 | 430 | |
| FY32 | 1,298 | 1,216 | 94% | - | (7) | 241 | 982 | 11.50 | 0.39 | 383 | |
| FY33 | 1,270 | 1,185 | 93% | - | (7) | 243 | 949 | 12.50 | 0.36 | 341 | |
| FY34 | 1,244 | 1,156 | 93% | - | (7) | 244 | 919 | 13.50 | 0.33 | 304 | |
| FY35 | 1,219 | 1,129 | 93% | - | (6) | 244 | 891 | 14.50 | 0.30 | 272 | |
| FY36 | 1,210 | 1,118 | 92% | - | (2) | 247 | 873 | 15.50 | 0.28 | 245 | |
| FY37 | 1,212 | 1,117 | 92% | - | 0 | 252 | 864 | 16.50 | 0.26 | 224 | |
| FY38 | 1,214 | 1,116 | 92% | - | 0 | 256 | 859 | 17.50 | 0.24 | 205 | |
| FY39 | 1,217 | 1,115 | 92% | - | 0 | 260 | 855 | 18.50 | 0.22 | 188 | |
| FY40 | 1,219 | 1,114 | 91% | - | 0 | 263 | 851 | 19.50 | 0.20 | 172 | |
| FY41 | 1,221 | 1,113 | 91% | - | 0 | 265 | 848 | 20.50 | 0.19 | 158 | |
| FY42 | 1,224 | 1,113 | 91% | - | 0 | 267 | 845 | 21.50 | 0.17 | 145 | |
| FY43 | 1,227 | 1,112 | 91% | - | 0 | 269 | 843 | 22.50 | 0.16 | 133 | |
| FY44 | 1,230 | 1,112 | 90% | - | 0 | 270 | 841 | 23.50 | 0.15 | 123 | |
| FY45 | 1,233 | 1,111 | 90% | - | 0 | 272 | 839 | 24.50 | 0.13 | 113 | |
| FY46 | 1,236 | 1,110 | 90% | - | 0 | 273 | 837 | 25.50 | 0.12 | 104 | |
| FY47 | 1,239 | 1,110 | 90% | - | 1 | 274 | 835 | 26.50 | 0.11 | 95 | |
| FY48 | 1,243 | 1,109 | 89% | - | 1 | 274 | 834 | 27.50 | 0.11 | 88 | |
| FY49 | 1,246 | 1,109 | 89% | - | 1 | 275 | 833 | 28.50 | 0.10 | 81 | |
| FY50 | 1,250 | 1,108 | 89% | - | 1 | 275 | 832 | 29.50 | 0.09 | 74 | |
| FY51 | 1,254 | 1,108 | 88% | - | 1 | 276 | 831 | 30.50 | 0.08 | 68 | |
| FY52 | 1,259 | 1,108 | 88% | - | 1 | 276 | 831 | 31.50 | 0.08 | 63 | |
| FY53 | 1,263 | 1,107 | 88% | - | 1 | 277 | 830 | 32.50 | 0.07 | 58 | |
| FY54 | 1,267 | 1,107 | 87% | - | 1 | 277 | 829 | 33.50 | 0.06 | 53 | |
| FY55** | 17 | 15 | 87% | - | (2) | 4 | 13 | 34.01 | 0.06 | 1 | |
| TV | 1,262 | 1,096 | 87% | - | - | 276 | 820 | 34.01 | 0.06 | 51 | |
| Present Value of Explicit Period Cash Flows | | | | | | | | | | 13,513 | |
| Present Value of Terminal Year Cash Flow | | | | | | | | | | 592 | |
| Enterprise Value | | | | | | | | | | 14,105 | |

*From 1st April 2020

** 5th April 2054

Appendix 1i – Valuation of ENICL as on 31st March 2020 under the DCF Method

| WACC | | 8.91% | | | | | | | | | INR Mn |
|---|---------|--------|---------------|-------|---------------|----------|-------|---------------------|--------------------|------------------|--------|
| TVG WACC | | 12.42% | | | | | | | | | |
| Year | Revenue | EBITDA | EBITDA Margin | Capex | Changes in WC | Taxation | FCFF | Cash Accrual Factor | Discounting Factor | PV of Cash Flows | |
| FY21 | 1,473 | 1,335 | 91% | - | 255 | - | 1,080 | 0.50 | 0.96 | 1,035 | |
| FY22 | 1,479 | 1,337 | 90% | - | (74) | - | 1,411 | 1.50 | 0.88 | 1,242 | |
| FY23 | 1,485 | 1,339 | 90% | - | 1 | - | 1,338 | 2.50 | 0.81 | 1,081 | |
| FY24 | 1,491 | 1,342 | 90% | - | 0 | - | 1,342 | 3.50 | 0.74 | 995 | |
| FY25 | 1,498 | 1,345 | 90% | - | 2 | - | 1,343 | 4.50 | 0.68 | 915 | |
| FY26 | 1,506 | 1,348 | 90% | - | 1 | 189 | 1,158 | 5.50 | 0.63 | 724 | |
| FY27 | 1,513 | 1,351 | 89% | - | 2 | 267 | 1,082 | 6.50 | 0.57 | 622 | |
| FY28 | 1,521 | 1,355 | 89% | - | 1 | 279 | 1,075 | 7.50 | 0.53 | 567 | |
| FY29 | 1,530 | 1,359 | 89% | - | 3 | 289 | 1,067 | 8.50 | 0.48 | 516 | |
| FY30 | 1,538 | 1,363 | 89% | - | 2 | 298 | 1,063 | 9.50 | 0.44 | 473 | |
| FY31 | 1,548 | 1,367 | 88% | - | 2 | 306 | 1,059 | 10.50 | 0.41 | 432 | |
| FY32 | 1,557 | 1,372 | 88% | - | 1 | 313 | 1,058 | 11.50 | 0.37 | 397 | |
| FY33 | 1,568 | 1,377 | 88% | - | 3 | 319 | 1,055 | 12.50 | 0.34 | 363 | |
| FY34 | 1,578 | 1,383 | 88% | - | 2 | 325 | 1,056 | 13.50 | 0.32 | 334 | |
| FY35 | 1,590 | 1,389 | 87% | - | 2 | 330 | 1,057 | 14.50 | 0.29 | 307 | |
| FY36** | 922 | 803 | 87% | - | 3 | 185 | 615 | 15.29 | 0.27 | 167 | |
| TV | | | | | | | 581 | 15.29 | 0.17 | 97 | |
| Present Value of Explicit Period Cash Flows | | | | | | | | | | 10,168 | |
| Present Value of Terminal Year Cash Flow | | | | | | | | | | 781 | |
| Enterprise Value | | | | | | | | | | 10,949 | |

*From 1st April 2020

** 27th October 2035

Strictly Private and Confidential

Appendix 2 – Weighted Average Cost of Capital of the SPVs

Appendix 2a – WACC of the SPVs

| Particulars | BDTCL | JTCL | MTL | RTCL | PKTCL | PTCL | NRSS | OGPTL | Remarks |
|--|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|--|
| Risk Free Rate (Rf) | 6.55% | 6.55% | 6.55% | 6.55% | 6.55% | 6.55% | 6.55% | 6.55% | Risk Free Rate has been considered based on zero coupon yield curve as at 31st March 2020 of Government Securities having maturity period of 10 years, as quoted on CCIL's website. |
| Equity Risk Premium (ERP) | 7.00% | 7.00% | 7.00% | 7.00% | 7.00% | 7.00% | 7.00% | 7.00% | Based on the historical realized returns on equity investments over a risk free rate of as represented by 10 year government bonds, a 7% equity risk premium is considered appropriate for India . |
| Temporary Additional Risk Premium (TARP) | 1.00% | 1.00% | 1.00% | 1.00% | 1.00% | 1.00% | 1.00% | 1.00% | Temporary additional risk premium of 1% applied due to COVID-19 impact |
| Beta (relevered) | 0.68 | 0.70 | 0.66 | 0.66 | 0.66 | 0.66 | 0.65 | 0.66 | Beta has been considered based on the beta of companies operating in the similar kind of business in India. |
| Base Cost of Equity (Ke) | 12.00% | 12.15% | 11.86% | 11.80% | 11.80% | 11.83% | 11.76% | 11.82% | Base Ke = Rf + β x (Rm-Rf+TARP) |
| Risk Premium/Discount | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | Company Specific Risk Premium (CSRP) |
| Temporary Company Specific Risk Premium | 1.00% | 1.00% | 1.00% | 1.00% | 1.00% | 1.00% | 1.00% | 1.00% | Temporary Company Specific Risk Premium (TCSR) has been added considering the likely impact of COVID-19. |
| Adjusted Cost of Equity (Ke) | 13.00% | 13.15% | 12.86% | 12.80% | 12.80% | 12.83% | 12.76% | 12.82% | Adjusted Ke = Rf + β x (Rm-Rf+TARP) + CSRP+TCSR |
| Pre-tax Cost of Debt (Kd) | 8.63% | 8.63% | 8.63% | 8.63% | 8.63% | 8.63% | 8.63% | 8.63% | As represented by the Investment Manager |
| Effective tax rate of SPV | 18.23% | 14.75% | 21.35% | 22.73% | 22.73% | 22.02% | 23.69% | 22.29% | Average tax rate for the life of the project has been considered |
| Post-tax Cost of Debt | 7.06% | 7.36% | 6.79% | 6.67% | 6.67% | 6.73% | 6.59% | 6.71% | Effective cost of debt. Kd = Pre tax Kd * (1-Effective Tax Rate) |
| Debt/(Debt+Equity) | 70.0% | 70.0% | 70.0% | 70.0% | 70.0% | 70.0% | 70.0% | 70.0% | The debt - equity ratio computed as [D/(D+E)] is considered as 70% |
| WACC | 8.84% | 9.09% | 8.61% | 8.51% | 8.51% | 8.56% | 8.44% | 8.54% | WACC = [Ke*(1-D/(D+E))]+[Kd*(1-t)*(D/(D+E))] |

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Appendix 2b – WACC for ENICL for Explicit period

| Particulars | ENICL Remarks |
|--|--|
| Risk Free Rate (Rf) | 6.55% Risk Free Rate has been considered based on zero coupon yield curve as at 31st March 2020 of Government Securities having maturity period of 10 years, as quoted on CCIL's website. |
| Equity Risk Premium (ERP) | 7.00% Based on the historical realized returns on equity investments over a risk free rate of as represented by 10 year government bonds, a 7% equity risk premium is considered appropriate for India . |
| Temporary Additional Risk Premium (TARP) | 1.00% Temporary additional risk premium of 1% applied due to COVID-19 impact |
| Beta (relevered) | 0.69 Beta has been considered based on the beta of companies operating in the similar kind of business in India. |
| Base Cost of Equity (Ke) | 12.04% Base Ke = Rf + β x (Rm-Rf+TARP) |
| Risk Premium/Discount | 0.00% Company Specific Risk Premium (CSRP) |
| Temporary Company Specific Risk Premium | 1.00% Temporary Company Specific Risk Premium (TCSR) has been added considering the likely impact of COVID-19. |
| Adjusted Cost of Equity (Ke) | 13.04% Adjusted Ke = Rf + β x (Rm-Rf+TARP) + CSRP+TCSR |
| Pre-tax Cost of Debt | 8.63% As represented by the Investment Manager |
| Effective tax rate of SPV | 17.30% Average tax rate for the life of the project has been considered |
| Post-tax Cost of Debt | 7.14% Effective cost of debt. Kd = Pre tax Kd * (1-Effective Tax Rate) |
| Debt/(Debt+Equity) | 70.0% The debt - equity ratio computed as [D/(D+E)] is considered as 70% |
| WACC | 8.91% WACC = [Ke*(1-D/(D+E))]+[Kd*(1-t)*(D/(D+E))] |

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WACC for ENICL for Terminal period:

| Particulars | ENICL Remarks |
|--|--|
| Risk Free Rate (Rf) | 6.55% Risk Free Rate has been considered based on zero coupon yield curve as at 31st March 2020 of Government Securities having maturity period of 10 years, as quoted on CCIL's website. |
| Equity Risk Premium (ERP) | 7.00% Based on the historical realized returns on equity investments over a risk free rate of as represented by 10 year government bonds, a 7% equity risk premium is considered appropriate for India . |
| Temporary Additional Risk Premium (TARP) | 1.00% Temporary additional risk premium of 1% applied due to COVID-19 impact |
| Beta (relevered) | 0.23 Beta has been considered based on the beta of companies operating in the similar kind of business in India. |
| Base Cost of Equity (Ke) | 8.42% Base Ke = Rf + β x (Rm-Rf+TARP) |
| Risk Premium/Discount | 3.00% Company Specific Risk Premium (CSRP) |
| Temporary Company Specific Risk Premium | 1.00% Temporary Company Specific Risk Premium (TCSRP) has been added considering the likely impact of COVID-19. |
| Adjusted Cost of Equity (Ke) | 12.42% Adjusted Ke = Rf + β x (Rm-Rf+TARP) + CSRP+TCSRP |
| Pre-tax Cost of Debt | 8.63% As represented by the Investment Manager |
| Effective tax rate of SPV | 25.17% Average tax rate for the life of the project has been considered |
| Post-tax Cost of Debt | 6.46% Effective cost of debt. Kd = Pre tax Kd * (1-Effective Tax Rate) |
| Debt/(Debt+Equity) | 0.0% The debt - equity ratio computed as [D/(D+E)] is considered as |
| WACC | 12.42% WACC = [Ke*(1-D/(D+E))]+[Kd*(1-t)*(D/(D+E))] |

Appendix [3A] - : BDTCL: Fixed Asset Summary as on 31st March 2020

| Asset Type | Gross Block | Depreciation | Net Block | INR Million |
|--------------------|-----------------|----------------|-----------------|------------------------|
| | | | | % of asset depreciated |
| Transmission Lines | 14,473.6 | 2,395.9 | 12,077.7 | 17% |
| Sub-station | 6,662.4 | 1,274.0 | 5,388.4 | 19% |
| Leasehold Land | 105.4 | 25.5 | 79.9 | 24% |
| Other Assets | 75.0 | 19.5 | 55.5 | 26% |
| Freehold Land | 14.1 | 0.0 | 14.1 | 0% |
| Total | 21,330.5 | 3,714.9 | 17,615.6 | |

Source: Provisional Financials Statements as at 31st March 2020

Appendix [3B] - : JTCL: Fixed Asset Summary as on 31st March 2020

| Asset Type | Gross Block | Depreciation | Net Block | INR Million |
|--------------------|-----------------|----------------|-----------------|------------------------|
| | | | | % of asset depreciated |
| Transmission Lines | 18,876.0 | 5,394.4 | 13,481.7 | 29% |
| Freehold Land | 10.2 | - | 10.2 | 0% |
| Other Assets | 5.7 | 5.3 | 0.4 | 93% |
| Impairment Reserve | | | 539.7 | |
| Total | 18,891.9 | 5,399.6 | 14,032.0 | |

Source: Provisional Financials Statements as at 31st March 2020

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Appendix [3C] - : MTL: Fixed Asset Summary as on 31st March 2020

| Asset Type | Gross Block | Depreciation | Net Block | INR Million |
|--------------------|----------------|--------------|----------------|------------------------|
| | | | | % of asset depreciated |
| Transmission Lines | 3,876.1 | 291.3 | 3,584.8 | 8% |
| Freehold Land | 0.6 | - | 0.6 | 0% |
| Other Assets | 0.9 | 0.7 | 0.1 | 84% |
| Total | 3,877.6 | 292.0 | 3,585.6 | |

Source: Provisional Financials Statements as at 31st March 2020

Appendix [3D] - : RTCL: Fixed Asset Summary as on 31st March 2020

| Asset Type | Gross Block | Depreciation | Net Block | INR Million |
|--------------------|----------------|--------------|----------------|------------------------|
| | | | | % of asset depreciated |
| Transmission Lines | 2,600.1 | 363.5 | 2,236.6 | 14% |
| Other assets | 0.5 | 0.4 | 0.0 | 98% |
| Total | 2,600.6 | 364.0 | 2,236.6 | |

Source: Provisional Financials Statements as at 31st March 2020

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Appendix [3E] - : PKTCL: Fixed Asset Summary as on 31st March 2020

| Asset Type | Gross Block | Depreciation | Net Block | INR Million |
|--------------------|----------------|--------------|----------------|------------------------|
| | | | | % of asset depreciated |
| Transmission Lines | 4,404.6 | 505.6 | 3,899.0 | 11% |
| Other assets | 0.4 | 0.4 | 0.0 | 97% |
| Total | 4,405.0 | 506.0 | 3,899.0 | |

Source: Provisional Financials Statements as at 31st March 2020

Appendix [3F] - : PTCL: Fixed Asset Summary as on 31st March 2020

| Asset Type | Gross Block | Depreciation | Net Block | INR Million |
|------------------------------|----------------|--------------|----------------|------------------------|
| | | | | % of asset depreciated |
| Property, Plant & Equipments | 2,141.7 | 626.3 | 1,515.4 | 29% |
| Land | 87.3 | - | 87.3 | - |
| Total | 2,229.0 | 626.3 | 1,602.7 | |

Source: Provisional Financials Statements as at 31st March 2020

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Appendix [3G] - : NRSS: Fixed Asset Summary as on 31st March 2020

| Asset Type | Gross Block | Depreciation | Net Block | INR Million |
|--------------------|-----------------|----------------|-----------------|------------------------|
| | | | | % of asset depreciated |
| Transmission Lines | 28,077.5 | 1,517.3 | 26,560.2 | 5% |
| Other Assets | 13.5 | 8.2 | 5.3 | 61% |
| Total | 28,091.0 | 1,525.5 | 26,565.5 | |

Source: Provisional Financials Statements as at 31st March 2020

Appendix [3H] - : OGPTL: Fixed Asset Summary as on 31st March 2020

| Asset Type | Gross Block | Depreciation | Net Block | INR Million |
|--------------------|-----------------|----------------|-----------------|------------------------|
| | | | | % of asset depreciated |
| Transmission Lines | 12,411.6 | 1,086.1 | 11,325.6 | 9% |
| Impairment Reserve | - | - | 656.2 | 0% |
| Total | 12,411.6 | 1,086.1 | 11,981.8 | |

Source: Provisional Financials Statements as at 31st March 2020

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Appendix [3I] - : ENICL: Fixed Asset Summary as on 31st March 2020

| Asset Type | Gross Block | Depreciation | Net Block | INR Million |
|--------------------|-----------------|----------------|----------------|------------------------|
| | | | | % of asset depreciated |
| Transmission Lines | 12,206.1 | 2,923.2 | 9,282.9 | 24% |
| Plant & Machinery | 276.7 | 39.3 | 237.4 | 14% |
| Land | 9.3 | - | 9.3 | - |
| Other Assets | 1.1 | 1.02 | 0.1 | 94% |
| Total | 12,493.2 | 2,963.5 | 9,529.7 | |

Source: Provisional Financials Statements as at 31st March 2020

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Appendix 4 - BDTCL: Summary of Approvals & Licenses (1/3)

| Sr. No. | Approvals | Date of Issue | Validity (in years) | Issuing Authority |
|---------|--|----------------|---------------------|--|
| 1 | Company Registration | 08-Sep-09 | Valid | Ministry of Corporate Affairs |
| 2 | Transmission License | 12-Oct-11 | 25 | Central Electricity Regulatory Commission |
| 3 | Forest Clearance | | | |
| | Dhule-Dhule Transmission Line in Dhule District - Stage I | 15-May-14 | Valid | Ministry of Environment and Forests |
| | Dhule-Dhule Transmission Line in Dhule District - Stage II | 25-Jan-17 | Valid | Ministry of Environment and Forests |
| | Dhule- Aurangabad Transmission Line in Aurangabad District - Stage I | 30-May-14 | Valid | Ministry of Environment and Forests |
| | Dhule- Aurangabad Transmission Line in Aurangabad District - Stage II | 25-Jan-17 | Valid | Ministry of Environment and Forests |
| | Bhopal- Indore Transmission Line in Bhopal District - Stage I | 24-Jun-14 | Valid | Ministry of Environment and Forests |
| | Bhopal- Indore Transmission Line in Bhopal District - Stage II | 21-Sep-15 | Valid | Ministry of Environment, Forests & Climate Changes |
| | Bhopal- Bhopal Transmission Line in Bhopal District - Stage I | 20-Jun-14 | Valid | Ministry of Environment and Forests |
| | Bhopal- Bhopal Transmission Line in Bhopal District - Stage II | 16-Sep-15 | Valid | Ministry of Environment, Forests & Climate Changes |
| | Dhule - Vadodara Transmission Line in Bharuch & Vadodara Districts (General Manager) -Stage I | 27-Aug-14 | Valid | Ministry of Environment, Forests & Climate Changes |
| | Dhule - Vadodara Transmission Line in Bharuch & Vadodara Districts (Assistant General Manager) - Stage I | 27-Aug-14 | Valid | Ministry of Environment, Forests & Climate Changes |
| | Dhule - Vadodara Transmission Line in Bharuch & Vadodara Districts - Stage II | 04-Mar-15 | Valid | Ministry of Environment, Forests & Climate Changes |
| | Dhule - Vadodara Transmission Line in Dhule District - Stage II | 19-Nov-15 | Valid | Ministry of Environment, Forests & Climate Changes |
| | Jabalpur-Bhopal Transmission Line in Bhopal & Raisen Districts - Stage I | 31-Dec-14 | Valid | Ministry of Environment, Forests & Climate Changes |
| | Jabalpur-Bhopal Transmission Line in Bhopal & Raisen Districts - Stage II | 25-Mar-15 | Valid | Ministry of Environment, Forests & Climate Changes |
| 4 | Approval under section 68 of Electricity Act, 2003 | 25-Nov-10 | Valid | Ministry of Power |
| 5 | Approval from GOI under section 164 of Electricity Act, 2003- Under Gazette of India | 29-Jan-13 | 25 | Ministry of Power |
| 6 | Approval from CERC under section 17(3) | 06-Apr-16 | Valid | |
| 7 | Environmental Clearance | Not Applicable | | |

Source: Investment manager

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Appendix 4 - BDTCL: Summary of Approvals & Licenses (2/3)

| Sr. No. | Approvals | Date of Issue | Validity (in years) | Issuing Authority |
|---------|---|---------------|---------------------|--|
| 8 | Power & Telecommunication Coordination Committee ("PTCC") Clearance | | | |
| | Bhopal- Bhopal Transmission Line | 31-Aug-13 | Valid | PTCC, Government of India |
| | Jabalpur-Bhopal Transmission Line | 13-Sep-13 | Valid | PTCC, Government of India |
| | Dhule-Dhule Transmission Line | 22-Jul-13 | Valid | PTCC, Government of India |
| | Dhule- Vadodara Transmission Line | 07-Mar-14 | Valid | PTCC, Government of India |
| 9 | Railway Crossing | | | |
| | 765 KV at KM 195/7-10 - Ratlam | 13-Mar-14 | Valid | Western Railway |
| | 765 KV at KM 37/1-4 - Ratlam | 09-May-13 | Valid | Western Railway |
| | Between Diwanganj - Salamatpur at KM 865/2-4 | 18-Jun-13 | 35 | West Central Railway |
| | KM 953/4-5 ET- JBP Section | 18-Oct-13 | Valid | West Central Railway |
| | Near Galan Railway Station at KM 359/27-28 & 360/1-2 | 25-Apr-14 | Valid | Central Railway |
| | Between Ranala & Dondicha at KM 172/11 & 172/12 and tower LOC No. 22/0 & 23/0 | 07-Aug-14 | Valid | Western Railway |
| 10 | Road Crossing | | | |
| | KM 569/1 & 569/2 on Dewas City Portion on NH-3 | 11-Sep-13 | Valid | National Highway Authority of India |
| | KM 333+830 on Bhopal-Bloara NH-12 | 06-Jul-12 | Valid | Madhya Pradesh Road Development Corporation Ltd. |
| | NH - 86 | 12-Aug-13 | Valid | National Highway Authority of India |
| | NH-26 (Sagar Narsinghpur Section and Milestone 302-303 respectively) | 05-Feb-14 | Valid | National Highway Authority of India |
| | Between KM 148-149 NH-12 Deora- Udaipura Section | 21-Jan-13 | Valid | Madhya Pradesh Road Development Corporation Ltd. |
| | Dhule- Aurangabad at KM 240-241 of NH-3 | 08-May-14 | Valid | National Highway Authority of India |
| | Dhule- Aurangabad at KM 500-501 of NH-6 | 16-May-14 | Valid | National Highway Authority of India |
| | Dhule-Dhule at 241-242 of NH-3 | 15-May-14 | Valid | National Highway Authority of India |

Source: Investment manager

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Appendix 4 - BDTCL: Summary of Approvals & Licences (3/3)

| Sr. No. | Approvals | Date of Issue | Validity (in years) | Issuing Authority |
|---------|---|-------------------|---------------------|---|
| 11 | River Crossing | No River Crossing | | |
| 12 | Power Line Crossing | | | |
| | Bhopal - Bhopal | 03-Aug-13 | Valid | Madhya Pradesh Power Transmission Co. Ltd. |
| | Indore Bhopal (Jaitura-Ashta Line) | 10-Dec-12 | Valid | Madhya Pradesh Power Transmission Co. Ltd. |
| | Bhopal Indore (Bairagarh- Shyampur Line, Sawania- Ashta Line, Sawania- Suajipur Line, Bairagarh- Kurawar Line, Ashta-Polai Line, Ashta-Amiyakal Line & Ashta-Bercha Line) | 15-Jan-13 | Valid | Madhya Pradesh Power Transmission Co. Ltd. |
| | Bhopal Jabalpur line (Shahpura Line & Sukhanarsinghpur line) | 05-Apr-13 | Valid | Madhya Pradesh Power Transmission Co. Ltd. |
| | Bhopal Jabalpur line (Barasia-Vidhisha line, Vidhisha-Raisen Line, Berasla-Vishisha Line, Bhopal-Bina Line & Bhopal-Vidhisha Line) | 15-Jan-13 | Valid | Madhya Pradesh Power Transmission Co. Ltd. |
| | Bhopal- Dhule Transmission Line | 19-Oct-13 | Valid | Maharashtra Electricity Transmission Co. Ltd. |
| | Dhule- Dhule Transmission Line (Provisional Permission) | 30-Oct-14 | Valid | Public Works Department - Mumbai |
| | Dhule Vadodara - I | 30-May-13 | Valid | Gujarat Energy Transmission Corporation Ltd. |
| | Dhule Vadodara - II | 28-Feb-13 | Valid | Gujarat Energy Transmission Corporation Ltd. |
| | Dhule Vadodara - III | 25-Jul-13 | Valid | Gujarat Energy Transmission Corporation Ltd. |
| 13 | Aviation Clearance | | | |
| | NOC for Height Clearance - Bhopal | 12-Feb-13 | 7 | Airport Authority of India |
| | NOC for Height Clearance between Bhopal & Indore | 20-Feb-13 | 7 | Airport Authority of India |
| | NOC for Height Clearance between Jabalpur & Bhopal | 20-Feb-13 | 7 | Airport Authority of India |
| | NOC for Height Clearance between Dhule to Aurangabad | 01-Feb-14 | 7 | Airport Authority of India |
| | NOC for Height Clearance between Dhule to Vadodara | 13-Mar-14 | 7 | Airport Authority of India |
| 14 | Defence Clearance | | | |
| | NOC for Construction of Dhule Aurangabad Line | 19-Sep-13 | Valid | Ministry of Defence |
| | NOC for Construction of Dhule Dhule Line | 19-Sep-13 | Valid | Ministry of Defence |
| | NOC for Construction of Dhule Vododara Line | 19-Sep-13 | Valid | Ministry of Defence |
| 15 | Transmission Service Agreement | 07-Dec-10 | Valid | |
| 16 | Approval for adoption of Tariff | 28-Oct-11 | 35 | Central Electricity Regulatory Commission |
| 17 | Approval for Energisation | 17-May-17 | Expired | Central Electricity Authority, Chief Electrical Inspectorate Division |

Source: Investment manager

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Appendix 5 - JTCL: Summary of Approvals & Licenses (1/2)

| Sr. No. | Approvals | Date of Issue | Validity (in years) | Issuing Authority |
|---------|--|----------------|---------------------|---|
| 1 | Company Registration | 08-Sep-09 | Valid | Ministry of Corporate Affairs |
| 2 | Transmission License | 12-Oct-11 | 25 | Central Electricity Regulatory Commission |
| 3 | Forest Clearance | | | |
| | 765KV Double Circuit Dharamjayagarh to Jabalpur Transmission Line- 09/DND/POW/2012-112 | 17-Aug-12 | Valid | Forest Department |
| | 765KV Double Circuit Dharamjayagarh to Jabalpur Transmission Line- 09/DND/POW/2012-113 | 17-Aug-12 | Valid | Forest Department |
| | 765KV Double Circuit Dharamjayagarh to Jabalpur Transmission Line- 09/DND/POW/2012-114 | 17-Aug-12 | Valid | Forest Department |
| | Forest Registration Letter for Dharamjayagarh to Jabalpur Transmission Line | 17-Jul-14 | Valid | Collector, Jabalpur, Madhya Pradesh |
| | In Principle approval for the diversion of forest land for construction of 765 KV D/C Jabalpur Transmission Line | 23-Dec-14 | Valid | Ministry of Environment & Forests |
| | Approval for construction of 765 KV D/C Jabalpur Transmission Line in Korba District of Chhattisgarh | 10-Jun-15 | Valid | Ministry of Environment, Forests & Climate Change |
| | Dharamjayagarh to Jabalpur Transmission Line Stage I Clearance | 31-Dec-14 | Valid | Ministry of Environment, Forests & Climate Change |
| | Dharamjayagarh to Jabalpur Transmission Line Stage II Clearance | 10-Mar-15 | Valid | Ministry of Environment, Forests & Climate Change |
| | Jabalpur Bina Transmission Line Stage I | 15-Jan-15 | Valid | Ministry of Environment, Forests & Climate Change |
| | Jabalpur Bina Transmission Line Stage II | 16-Mar-15 | Valid | Ministry of Environment, Forests & Climate Change |
| 4 | Approval under section 68 of Electricity Act, 2003 | 25-Nov-10 | Valid | Ministry of Power |
| 5 | Approval from GOI under section 164 of Electricity Act, 2003 | 05-Jun-13 | Valid | Ministry of Power |
| 6 | Approval from CERC under section 17(3) | Not Found | | |
| 7 | Environmental Clearance | Not Applicable | Valid | |
| 8 | Power & Telecommunication Coordination Committee ("PTCC") Clearance | | | |
| | PTCC - Chhattisgarh Portion | 21-May-15 | Valid | PTCC, GOI |
| | PTCC - Madhya Pradesh Portion | 13-Apr-15 | Valid | PTCC, GOI |
| 9 | Railway Crossing | | | |
| | Provisional Approval for Erection of power line between Urga & Saragbundia Railway Station at KM 688/C 21-23 & KM 688/C22-24 | 18-Sep-14 | Valid | South East Central Railway |
| | Provisional Approval for Erection of power line between Gevra Road Railway Station & NTPC Sipat at KM Stone 12 & 13 | 13-Jun-14 | Valid | South East Central Railway |
| | Provisional Approval for Erection of power line between Guthku & Kalmitar Railway Station at KM 740/20-22 & Km 740/21N-23N | 13-Jun-14 | Valid | South East Central Railway |
| | Erection of power line between Bargi - Gowarighat Railway Station at KM 1208/4-5 | 27-Apr-15 | Valid | South East Central Railway |
| 10 | Road Crossing | | | |
| | 765 KV D/C OH NH crossing Bilaspur- Ratanpur (NH-130) | 28-May-15 | Valid | Chhattisgarh Road Development Corporation Ltd. |
| | 765KV Double Circuit Dharamjayagarh | 09-Dec-13 | Valid | Madhya Pradesh Road Development Corporation Ltd. |

Source: Investment Manager

*Permission not signed by the executive engineer of the government in Road Crossing 765 KV D/C OH NH crossing Bilaspur - Ratanpur (NH-130) .

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Appendix 5 - JTCL: Summary of Approvals & Licenses (2/2)

| Sr. No. | Approvals | Date of Issue | Validity (in years) | Issuing Authority |
|---------|---|-------------------|---------------------|--|
| 11 | River Crossing | No River Crossing | | |
| 12 | Power Line Crossing | | | |
| | Approval order for power line crossings of tower no. 7/0 and 8/0. | 27-Jun-15 | Valid | Chhattisgarh State Power Transmission Company Ltd. |
| | Approval order for power line crossings of tower no. 11A/0 and 11B/0. | 23-Jan-15 | Valid | Chhattisgarh State Power Transmission Company Ltd. |
| | Approval for overhead crossing of existing 132 KV DCDS Korba- Champa Line of CSPTCL By 765 KV D/C Dharmjaygarh- Jabalpur Transmission Line | 20-Nov-13 | Valid | Chhattisgarh State Power Transmission Company Ltd. |
| | Approval for overhead crossing of 400KV and 200KV and 132KV lines of CSTPL by 765 KV D/C Dharmjaygarh- Jabalpur Transmission Line | 03-Jun-13 | Valid | Chhattisgarh State Power Transmission Company Ltd. |
| | Approval for overhead crossing of Chhuri to S/s Mopka of CSTPCL by 765 KV D/C Dharmjaygarh Jabalpur Transmission Line of JTCL | 04-Dec-13 | Valid | Chhattisgarh State Power Transmission Company Ltd. |
| | Approval for overhead crossing Korba to Mopka of CSTPCL by 765 KV D/C Dharmjaygarh Jabalpur Transmission Line of JTCL | 04-Dec-13 | Valid | Chhattisgarh State Power Transmission Company Ltd. |
| | Approval for overhead crossing of LILO of one circuit of 400KV DCDS Korba Khedmara line to Marwa under construction of CSPTCL by 765 KV D/C Dharmjaygarh- Jabalpur Transmission Line of M/s JTCL. | 05-Nov-14 | Valid | Chhattisgarh State Power Transmission Company Ltd. |
| | Approval for overhead crossing of existing 400 KV DCDS Korba (W)- Khedamara line of CSPTCL by 765 KV D/C Dharmjaygarh- Jabalpur Transmission line of M/s JTCL. | 29-Apr-14 | Valid | Chhattisgarh State Power Transmission Company Ltd. |
| | Approval for overhead crossing of existing 132 KV DCDS Belgahna Railway Traction line of CSPTCL by 765 KV D/C Dharmjaygarh Jabalpur Transmission Line of M/s JTCL. | 21-Nov-13 | Valid | Chhattisgarh State Power Transmission Company Ltd. |
| | Joint Inspection report of Powerline Crossings_ 02-04/TL/JTCL/765KV/01-03/1031 | 29-Mar-14 | Valid | Chhattisgarh State Power Transmission Company Ltd. |
| | Approval for overhead crossing of existing 220 KV DCDS Korba- Banari-Suhela Line of CSPTCL by 765KV D/C Dharmjaygarh Jabalpur Transmission Line of M/s JTCL | 01-Oct-13 | Valid | Chhattisgarh State Power Transmission Company Ltd. |
| | Approval for overhead crossing of 400 KV & 765 KV line of Power Grid by 765 KV D/C Dharmjaygarh Jabalpur T/L of M/s JTCL. Tower No. 64/0 and 65/0 | 10-Aug-13 | Valid | Power Grid Corporation Ltd. |
| | Approval for Overhead Crossing of 400 KV S/C Korba Bhilai II T/L of Power Grid by 765KV D/C Dharmjaygarh Jabalpur T/L of M/s JTCL. | 07-Feb-14 | Valid | Power Grid Corporation Ltd. |
| | Approval for overhead crossing of 765KV D/C Dharmjaygarh Jabalpur Transmission Line of JTCL with upcoming 765 KV D/C Champa PS to Korba & Bilaspur- Korba Transmission Line. | 02-Jan-14 | Valid | Power Grid Corporation Ltd. |
| 13 | Aviation Clearance - NOC for Transmission Line | 27-Nov-13 | 7 | Airport Authority of India |
| 14 | Defence Clearance - NOC from Aviation Angle for Construction | 27-May-15 | Valid | Ministry of Defence |
| 15 | Transmission Service Agreement | 01-Dec-10 | Valid | |
| 16 | Approval for adoption of Tariff | 28-Oct-11 | 35 | Central Electricity Regulatory Commission |

Source: Investment Manager

*Permission not signed by the executive engineer of the government in Road Crossing 765 KV D/C OH NH crossing Bilaspur - Ratanpur (NH-130) .

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Appendix 6 - MTL: Summary of Approvals & Licenses (1/3)

| Sr. No. | Approvals | Date of Issue | Validity (in years) | Issuing Authority |
|---------|--|---------------|---------------------|---|
| 1 | Company Registration | 14-Aug-14 | Valid | Ministry of Corporate Affairs |
| 2 | Aviation Clearance | | | |
| | NOC for Height Clearance | 9-Mar-17 | 7 | Airport Authority Of India |
| | NOC for Height Clearance | 9-Mar-17 | 7 | Airport Authority Of India |
| | NOC for Height Clearance | 9-Mar-17 | 7 | Airport Authority Of India |
| | NOC for Height Clearance | 9-Mar-17 | 7 | Airport Authority Of India |
| | NOC for Height Clearance | 16-Mar-17 | 7 | Airport Authority Of India |
| | NOC for Height Clearance | 9-Mar-17 | 7 | Airport Authority Of India |
| | NOC for Height Clearance | 21-Mar-17 | 7 | Airport Authority Of India |
| | NOC for Height Clearance | 21-Mar-17 | 7 | Airport Authority Of India |
| | NOC for Height Clearance | 9-Mar-17 | 7 | Airport Authority Of India |
| | NOC for Height Clearance | 9-Mar-17 | 7 | Airport Authority Of India |
| | NOC for Height Clearance | 21-Mar-17 | 7 | Airport Authority Of India |
| | NOC for Height Clearance | 9-Mar-17 | 7 | Airport Authority Of India |
| | NOC for Height Clearance | 21-Mar-17 | 7 | Airport Authority Of India |
| | NOC for Height Clearance | 9-Mar-17 | 7 | Airport Authority Of India |
| 3 | Approval under section 68(1) of Electricity Act, 2003 | 27-Jul-15 | Valid | Ministry of Power |
| 4 | Approval from GOI under section 164 of Electricity Act, 2003 - Under Gazette of India | 20-Sep-16 | 25 | Ministry of Power |
| 5 | Approval from CERC under section 17(3) | 4-Jun-16 | Valid | Central Electricity Regulatory Commission |
| 6 | Approval under section 14 of Electricity Act, 2003 | 23-Nov-15 | 25 | Central Electricity Regulatory Commission |
| 7 | Approval for Energisation under regulation 43 of CEA | 15-May-17 | Valid | Central Electricity Authority |
| 8 | Forest Clearance | | | |
| | Nizamabad- Yeddumailaram Transmission Line at Nizamabad - Stage I (in Principal Approval) | 14-Oct-16 | 5 | Ministry of Environment, Forests & Climate Change |
| | Nizamabad- Yeddumailaram Transmission Line at Nizamabad - Stage I (Working approval) | 6-Jan-17 | 1 | Forest Department (Government of Telangana) |
| | Nizamabad- Yeddumailaram Transmission Line at Nizamabad - Stage II (in Principal Approval) | 12-Jan-18 | Valid | Ministry of Environment, Forests & Climate Change |

Source: Investment Manager

Strictly Private and Confidential

Appendix 6 - MTL: Summary of Approvals & Licenses (2/3)

| Sr. No. | Approvals | Date of Issue | Validity (in years) | Issuing Authority |
|---------|---|---------------|---------------------|---|
| 9 | <u>Power & Telecommunication Coordination Committee ("PTCC") Clearance</u> | | | |
| | Nizamabad- Yeddumailaram Transmission Line | 11-Apr-17 | Valid | PTCC, Government of India |
| | Maheshwaram-MahabubNagar Transmission Line | 14-Jun-17 | Valid | PTCC, Government of India |
| 10 | <u>Road Crossing</u> | | | |
| | Nizamabad-Shankarpali over NH 44 between AP 8/0 and AP 9/0 | 27-Jan-17 | Valid | National Highway Authority of India |
| | Nizamabad-Shankarpali over NH 9 (Hyderabad to Mumbai) | 3-Mar-17 | Valid | Ministry of Road Transport & Highways |
| | Maheshwaram-MahabubNagar Transmission Line | 10-Mar-17 | Valid | National Highway Authority of India |
| 11 | <u>Defence Clearance</u> | | | |
| | NOC from aviation angle for Construction of Maheshwaram Mahabubnagar Line. | 26-May-17 | Valid | Ministry of Defence |
| | NOC from aviation angle for Construction of Nizamabad- Shankarpali | 29-May-17 | Valid | Ministry of Defence |
| 12 | <u>Power Line Crossing Approval</u> | | | |
| | Raichur Line Tower (Provisional Permission) | 6-Jul-16 | Valid | Power Grid Corporation of India Ltd |
| | Maheshwaram-MahabubNagar 132 KV & 220 KV | 12-Sep-16 | Valid | Transmission Corporation of Telangana Limited |
| | Maheshwaram-MahabubNagar (Provisional Permission) | 8-Dec-16 | Valid | Power Grid Corporation of India Ltd |
| | Maheshwaram- Veltoor | 26-May-17 | Valid | Transmission Corporation of Telangana Limited |
| | Nizamabad-Sharkarpally Transmission Line crossing 132KV Kandi | 3-Mar-17 | Valid | Transmission Corporation of Telangana Limited |
| | Nizamabad-Yeddumailaram Transmission Line crossing 132KV & 220 KV | 9-Aug-16 | Valid | Transmission Corporation of Telangana Limited |
| | Nizamabad-Yeddumailaram Transmission Line crossing 132KV & 220 KV in Medak Circle | 10-Oct-16 | Valid | Transmission Corporation of Telangana Limited |
| | Nizamabad-Sharkarpally 400KV Gajwel-Shankarpally DC line | 19-Oct-16 | Valid | Transmission Corporation of Telangana Limited |
| | Nizamabad-Sharkarpally Transmission Line (Provisional Permission) | 23-Jan-17 | Valid | Power Grid Corporation of India Ltd |
| | Nizamabad-Sharkarpally 220 KV Sadasivpet- Shankarpally Line | 4-Aug-17 | Valid | Transmission Corporation of Telangana Limited |

Source: Investment Manager

Strictly Private and Confidential

Appendix 6 - MTL: Summary of Approvals & Licenses (3/3)

| Sr. No. | Approvals | Date of Issue | Validity (in years) | Issuing Authority |
|----------------|--|----------------------|----------------------------|--|
| 13 | <u>Railway Crossing</u> | | | |
| | 400kv D/C Nizamabad-Shankarpali | 13-Feb-17 | Valid | South Central Railway |
| 14 | <u>Transmission Service Agreement</u> | | | |
| | Transmission Service Agreement between MTL & Long Term Transmission Customers | 10-Jun-15 | 35 | |
| | Transmission Service Agreement between MTL & Power Grid Corporation of India Ltd | 27-Apr-17 | Valid | |
| 15 | <u>Approval for adoption of Tariff</u> | | | |
| | Approval for adoption of Tariff | 24-Nov-15 | 35 | |
| | Revised approval for adoption of Tariff | 12-Jun-17 | 35 | |
| 16 | <u>Trial run certificate</u> | | | |
| | Nizamabad - Shankarapally lines I & II. | 20-Oct-17 | Valid | Power System Operation Corporation Limited |
| | Maheshwaram - Mahabubnagar lines I & II. | 26-Dec-17 | Valid | Power System Operation Corporation Limited |

Source: Investment Manager

Strictly Private and Confidential

Appendix 7 - RTCL: Summary of Approvals & Licenses (1/2)

| Sr. No. | Approvals | Date of Issue | Validity (in years) | Issuing Authority |
|---------|--|---------------|---------------------|--|
| 1 | Company Registration | 20-Dec-12 | Valid | Ministry of Corporate Affairs |
| 2 | Transmission License | 27-Oct-11 | 25 | Central Electricity Regulatory Commission |
| 3 | <u>Environment (Forest) Clearance</u> | | | |
| | FRA Certificate and District level Committee Meeting | 22-Jun-15 | Valid | Office of District Collector, Chittorgarh, Government of Rajasthan |
| | 400 KV/ D/C RAPP to Shujalpur | 19-Aug-15 | Valid | Ministry of Environment, Forests & Climate Change Regional Office (Central Region) |
| 4 | Approval under section 68 of Electricity Act, 2003 | 16-May-13 | Valid | Ministry of Power, Government of India |
| 5 | Approval from GOI under section 164 of Electricity Act, 2003- under Gazette of India | 07-Jan-15 | 25 | Ministry of Power, Government of India |
| 6 | Approval under section 14 of Electricity Act, 2003 | 26-Sep-13 | 25 | Central Electricity Regulatory Commission |
| 7 | Approval under section 17 (3) of Electricity Act, 2003 | 01-Apr-15 | Valid | Central Electricity Regulatory Commission |
| 8 | <u>Power Telecommunication Coordination Committee ("PTCC") Clearance</u> | | | |
| | PTCC route approval for 400KV D/C RAPP (Rawatbhata Atomic power plant) - Shujalpur T/L (For Rajasthan Portion) | 14-Dec-15 | Valid | PTCC, Government of India |
| | PTCC route approval for 400KV Double Circuit Transmission line from RAPP- Shujalpur (Length 101 km) (For Madhya Pradesh Portion) | 19-Dec-15 | Valid | PTCC, Government of India |
| 9 | <u>Railway Clearance</u> | | | |
| | Nagda- Kota section railway | 21-Apr-15 | Valid | West Central Railway |
| | RTA-MKC section | 12-Jun-15 | 35 | West Central Railway |

Source: Investment Manager

Strictly Private and Confidential

Appendix 7 - RTCL: Summary of Approvals & Licenses (2/2)

| Sr. No. | Approvals | Date of Issue | Validity (in years) | Issuing Authority |
|---------|--|---------------|---------------------|---|
| 10 | Power Line Clearance RVPN Transmission Lines: =>132 KV D/C Kota to Gandhisagar =>220 KV D/C Kota - Barod =>132 KV S/C Morak to Bhiwanimandi =>132 KV S/C Bhiwanimandi to Kanwari | 30-Apr-15 | Valid | Office of The Superintending Engineer (TCC V) Kota |
| | 220 KV Shujalpur-Rajgarh and 132KV Sarangpur-Khilchipur Line of MPPTCL | 08-May-15 | Valid | Office of The Superintending Engineer Eht(Maint.) Circle Mp Power |
| | Powergrid 400KV D/C Shujalpur- Nagda TL to RTCL | 29-Jul-15 | Valid | Power Grid Corporation of India Limited |
| 11 | Application for Civil Aviation | 29-Apr-15 | Not Available | Airport Authority of India Limited |
| 12 | Civil Defence Clearance for installation of 400KV D/C(TWIN) RAAP to Shujalpur | 08-Apr-16 | 5 | Directorate of Operations, Air Traffic Services |
| 13 | Transmission Service Agreement between RAPP and Power Distribution companies(LTTC - Long Term Transmission Companies) | 24-Jul-13 | 35 | |
| 14 | Transmission Service Agreement between RAPP and Power Grid Corporation India Limited | 17-Dec-15 | | |
| 15 | Transmission license order | 31-Jul-14 | 25 | Central Electricity Regulatory Commission |
| 16 | Approval for adoption of tariff | 23-Jul-14 | Valid | Central Electricity Regulatory Commission |
| 17 | Energisation of 400KV D/C (Twin Moose) RAPP- Shujalpur transmission line | 18-Dec-15 | Valid | Central Electricity Authority (Measures relating to safety and electric supply) Regulations, 2010 |
| 18 | RAPP Rawatbhata to Shujalpur Transmission line | 12-May-15 | Not Available | National Highway Crossing (Ministry of Road Transport and Highway) |
| 19 | Trial Operation of Transmission Element (LINE- RPTL bays and line reactor at RAPP-7&8-NPCIL) | 28-Dec-16 | Valid | Power System Operation Corporation Limited |

Source: Investment Manager

Strictly Private and Confidential

Appendix 8 - PKTCL: Summary of Approvals & Licenses (1/2)

| Sr. No. | Approvals | Date of Issue | Validity (in years) | Issuing Authority |
|---------|---|---------------|---------------------|---|
| 1 | Aviation Clearance | | | |
| | - No Objection Certificate for Height Clearance: | | | |
| | JAMS/EAST/P/090716/170575 | 22-Sep-16 | 7 | Airports Authority of India |
| | JAMS/EAST/P/090716/170575/2 | 22-Sep-16 | 7 | Airports Authority of India |
| | JAMS/EAST/P/090716/170575/3 | 26-Sep-16 | 7 | Airports Authority of India |
| | JAMS/EAST/P/090716/170575/4 | 26-Sep-16 | 7 | Airports Authority of India |
| | JAMS/EAST/P/090716/170575/5 | 26-Sep-16 | 7 | Airports Authority of India |
| | JAMS/EAST/P/090716/170575/6 | 22-Sep-16 | 7 | Airports Authority of India |
| | JAMS/EAST/P/090716/170575/7 | 22-Sep-16 | 7 | Airports Authority of India |
| | JAMS/EAST/P/090716/170575/8 | 22-Sep-16 | 7 | Airports Authority of India |
| | JAMS/EAST/P/090716/170575/9 | 22-Sep-16 | 7 | Airports Authority of India |
| | JAMS/EAST/P/090716/170575/10 | 26-Sep-16 | 7 | Airports Authority of India |
| | JAMS/EAST/P/090716/170575/11 | 22-Sep-16 | 7 | Airports Authority of India |
| | JAMS/EAST/P/090716/170575/12 | 26-Sep-16 | 7 | Airports Authority of India |
| 2 | Energisation of Plants | | | |
| | 400 Kv Kharagpur - Chaibasa D/C transmission line of PKTCL | 13-May-16 | Valid | Central Electricity Authority |
| | 400 Kv Purulia - Ranchi D/C transmission line of PKTCL | 27-Dec-16 | Valid | Central Electricity Authority |
| 3 | Forest Clearance | | | |
| | Jharkhand - Saraikela and East Singhbhum | 24-Sep-15 | Valid | Ministry of Environment, Forests & Climate Change |
| | Kharagpur to Chaibasa | 17-Jul-15 | Valid | Ministry of Environment, Forests & Climate Change |
| | Rairangpur Forest Division in Mayurbhanj district of Odisha | 4-Sep-15 | Valid | Ministry of Environment, Forests & Climate Change |
| | Ranchi & Khunti district of Jharkhand | 24-Sep-15 | Valid | Ministry of Environment, Forests & Climate Change |
| | Purulia - Ranchi | 22-Sep-16 | Valid | Ministry of Environment, Forests & Climate Change |
| 4 | Road Crossing | | | |
| | NH-6, Kharagpur to Behragora | 5-Nov-15 | Valid | National Highway Authority of India |
| | NH-23, Tengriya Village | 27-Feb-16 | Valid | National Highway Authority of India |
| | NOC for NH-75, Ranchi - Chaibasa - Jaintgarh | 25-May-16 | Valid | National Highway Authority of India |
| | Overhead crossing of 132 Kv D/C Gola Chandil transmission line | 29-Jan-16 | Valid | Damodar Valley Corporation Electricity Department |
| | Overhead crossing of 220 Kv D/C BTPS-Jamshedpur transmission line | 29-Jan-16 | Valid | Damodar Valley Corporation Electricity Department |
| | NH-33, Ranchi-Tata, near village Darbul. | 9-Dec-15 | Valid | National Highway Authority of India |

Source: Investment Manager

Strictly Private and Confidential

Appendix 8 - PKTCL: Summary of Approvals & Licenses (2/2)

| Sr. No. | Approvals | Date of Issue | Validity (in years) | Issuing Authority |
|---------|---|------------------|---------------------|---|
| 5 | Power Line Crossing | | | |
| | Kharagpur-Chaibasa line over KTPP-Kharagpur line | 11-May-16 | Valid | West Bengal State Electricity Transmission Company Limited |
| | Kharagpur-Chaibasa line over Jamshedpur-Joda line | 30-Dec-15 | Valid | Damodar Valley Corporation Electricity Department |
| | Kharagpur-Chaibasa line over RCP-Joda line | 30-Dec-15 | Valid | Jharkhand Urja Sancharan Nigam Limited |
| | Kharagpur-Chaibasa line over Jamshedpur-Baripada line | 4-Dec-15 | Valid | Power Grid Corporation of India Limited |
| | Kharagpur-Chaibasa line over Chaibasa Mini Grid Substation to our Chaliyama Steel Plant | 29-Jul-15 | Valid | Rungta Mines Limited |
| | Ranchi-Chandwa line near village-Bero | 7-Mar-16 | Valid | Power Grid Corporation of India Limited |
| | Bero-Patratu line near village-Bero | 17-Mar-16 | Valid | Power Grid Corporation of India Limited |
| | Purulia-Ranchi line over Chandil line of Power Grid Corporation of India Limited | 16-Feb-16 | Valid | Power Grid Corporation of India Limited |
| | Purulia-Ranchi line over Gola-Chandil line | 29-Jan-16 | Valid | Damodar Valley Corporation Electricity Department |
| | Purulia-Ranchi line over BTPS-Jamshedpur line | 29-Jan-16 | Valid | Damodar Valley Corporation Electricity Department |
| | Purulia-Ranchi line over Hatia-Kamdara line | 26-Feb-16 | Valid | Jharkhand Urja Sancharan Nigam Limited |
| | Purulia-Ranchi line over Ranchi Bero line of Power Grid | 7-Mar-16 | Valid | Power Grid Corporation of India Limited |
| | Purulia-Ranchi line over Ranchi-Rourkela line | 31-Dec-15 | Valid | Power Grid Corporation of India Limited |
| 6 | Power Telecommunication Co-ordination Committee ("PTCC") Clearance | | | |
| | Kharagpur to Chaibasa line | 10-May-16 | Valid | Power Telecommunication Co-ordination Committee |
| | Purulia to Ranchi line | 16-Jun-16 | Valid | Power Telecommunication Co-ordination Committee |
| 7 | Railway Crossing | | | |
| | Haludpukur - Bahalda Road Railway Station | 17-Feb-16 | Valid | South Eastern Railway |
| | Purulia-Ranchi line over Suisa-Torang stations | 8-Jul-16 | Valid | South Eastern Railway |
| | Purulia-Ranchi line over Lodhma-Baisiring stations | 8-Jul-16 | Valid | South Eastern Railway |
| 8 | Transmission License | 16-Jun-14 | 25 | Central Electricity Regulatory Commission |
| 9 | Diversion of Forest Land/ Permission for felling of trees | | | |
| | Kharagpur Division | 24-Sep-15 | Valid | Government of West Bengal - Directorate of Forest |
| | Rairangpur Division | 8-Oct-15 | Valid | Office of the Divisional Forest Officer - Rairangpur Division |
| | Saraikela and Jamshedpur Division | 21-Dec-15 | Valid | Government of Jharkhand - Directorate of Forest |
| | Baghmundi Range | 28-Oct-16 | Valid | Government of West Bengal - Directorate of Forest |
| | Ranchi and Khunti Division | 6-Jan-16 | Valid | Government of Jharkhand - Directorate of Forest |
| 10 | Transmission Service Agreement | | | |
| | Power Grid Corporation of India Ltd - Kharagpur-Chaibasa Line | 22-Dec-15 | Valid | |
| | Long Term Transmission Customers (Various Parties) | 6-Aug-13 | 35 | |
| 11 | Approval for Adoption of Tariff | 20-Aug-14 | | Central Electricity Regulatory Commission, New Delhi |
| 12 | Company Registration | 15-Dec-12 | Valid | Ministry of Corporate Affairs |
| 13 | Approval from GOI under section 164 of Electricity Act, 2003- under Gazette of India | 7-May-15 | 25 | Ministry of Power |
| 14 | Approval under section 68 of Electricity Act, 2003 | 29-May-13 | Valid | Ministry of Power |
| 15 | Approval from CERC under section 17(3) | 1-Apr-15 | Valid | Central Electricity Regulatory Commission |
| 16 | Defence Clearance | Application Made | | |
| 17 | Trial Operation of Transmission Element (Tower 223 & 224 Chaibasa-Kharagpur) | 1-Aug-16 | Valid | Power System Operation Corporation Limited |
| 18 | Trial Operation of Transmission Element (New Ranchi- New Purulia CKT-I & CKT-II) | 10-Feb-17 | Valid | Power System Operation Corporation Limited |

Source: Investment Manager

Strictly Private and Confidential**Appendix 9 - PTCL: Summary of Approvals & Licenses (1/1)**

| Sr. No. | Approvals | Date of Issue | Validity (in years) | Issuing Authority |
|----------------|---|----------------------|----------------------------|--|
| 1 | Company Registration | 19-Dec-12 | Valid | Ministry of Corporate Affairs |
| 2 | Transmission License | 14-Jul-14 | 25 | Central Electricity Regulatory Commission |
| 3 | <u>Transmission Service Agreement</u> | | | |
| | Transmission Service Agreement between PTCL & Long Term Transmission Customers | 12-May-14 | 35 | |
| | Transmission Service Agreement between PTCL & Power Grid Corporation of India Ltd | 23-May-16 | Valid | Central Electricity Regulatory Commission |
| 4 | <u>Approval for adoption of Tariff</u> | | | |
| | Approval for Adoption of Tariff | 5-Aug-14 | Valid | Central Electricity Regulatory Commission |
| 5 | Approval under section 68(1) of Electricity Act, 2003 | 21-Mar-16 | Valid | Ministry of Power |
| | Approval from GOI under section 164 of Electricity Act, 2003 - under Gazette of India | 16-May-13 | 25 | Ministry of Power |
| 6 | Approval for Energisation under regulation 43 of CEA | 27-May-16 | Valid | Ministry of Power |
| 7 | Permission for change of land use | 31-Dec-15 | Valid | |
| 8 | <u>Aviation Clearance</u> | | | |
| | NOC for Height Clearance | 9-Mar-17 | Valid | Airport Authority of India |
| 9 | <u>Power & Telecommunication Coordination Committee ("PTCC") Clearance</u> | | | |
| | Patiala - Kaithlal Transmission Line at Patran | 28-Apr-15 | Valid | PTCC, Government of India |
| | <u>Trial Run Certificate</u> | | | |
| | Patran-Kakrala, Patran-Patran I & II and Patran-Rajla | 20-Oct-17 | Valid | Power System Operation Corporation Limited |

Source: Investment Manager

Strictly Private and Confidential

Appendix 10 - NRSS: Summary of Approvals & Licenses (1/4)

| Sr. No. | Approvals | Date of Issue | Validity (in years) | Issuing Authority |
|---------|---|---------------|---------------------|--|
| 1 | Company Related Registrations | | | |
| | Certificate of Incorporation | 29-07-2013 | Valid | Registrar of Companies |
| | Certificate for Commencement of Business | 18-10-2013 | Valid | Registrar of Companies |
| | Transmission License | 14-11-2014 | 25 | Central Electricity Regulatory Commission |
| 2 | Power Line Clearance (Crossing Proposal) | | | |
| | 400 KV S/C Jalandhar-Amritsar, 400 KV D/C Jalandhar - Moga LILO, 400 KV D/C Chamera - Jalandhar LILO, 400 KV D/C Chamera - Jalandhar, 800 KV S/C Krishnapur - Moga ckt-11, 400 KV D/C banala - Amritsar Transmission Lines by proposed 400 KV D/C jalandhar - Samba Line. | 04-06-2015 | Valid | Power Grid Corporation of India Ltd |
| | Overhead crossing of 800 KV KMTL-I by 400 KV Jalandhar-Samba TL. | 06-07-2015 | Valid | Power Grid Corporation of India Ltd |
| | Underneath crossing of 400 KV D/C Jalandhar - Samba Line with existing 400 KV D/C Kurushetra - Jalandhar | 29-07-2015 | Valid | Power Grid Corporation of India Ltd |
| | 400 KV power line over 132 KV D/C Pattan Magam & 220 KV Zainakote - Amargrah Transmission Line | 08-05-2017 | Valid | J&K Power Development Department |
| | 400 KV, D/C Transmission Line between location No. 39 & 40 of 132 KV - Barn Jourian Transmission Line | 17-02-2016 | Valid | Power Development Department (Jammu & Kashmir) |
| | Electrical clearance between span 179-180 existing line of 220KV D/C Bishnah - Hiranagar Transmission Line | 03-11-2016 | Valid | Power Development Department (Jammu & Kashmir) |
| | 400 KV D/C jalandhar-samba-Amargrah Transmission Line | 15-01-2016 | Valid | Power Development Department (Jammu & Kashmir) |
| | 400 KV D/C Samba-Amargrah Transmission Line | 02-10-2016 | Valid | Power Development Department (Jammu & Kashmir) |
| | Overhead power line crossing of 400 KV S/C Uri-11-Waqaora T/L by 400 KV Samba - Amargarh T/L | 04-04-2017 | Valid | Power Grid Corporation of India Ltd |
| 3 | Transmission Service Agreement | | | |
| | Transmission Service Agreement between NRSS & Long Term Transmission Customers | 02-01-2014 | 35 | Central Electricity Regulatory Commission |
| | Transmission Service Agreement between NRSS & Power Grid Corporation of India Ltd | 22-12-2015 | Valid | Central Electricity Regulatory Commission |

Source: Investment Manager

Strictly Private and Confidential

Appendix 10 - NRSS: Summary of Approvals & Licenses (2/4)

| Sr. No. | Approvals | Date of Issue | Validity (in years) | Issuing Authority |
|---------|--|---------------|---------------------|--|
| 4 | River Crossing 400 KV Double circuit Jalandhar-Samba Transmission Line | 05-11-2015 | Valid | Executive Engineer, Gurdaspur Division A.B.D.N |
| 5 | Forest Clearance 400 KV D/C Samba-Amargrah Transmission Line passing through Kathau, Jammu, Resai, Nowshera, Rajouri, Poonch, shopian & Pir-panjal Forest Divisions | 16-09-2015 | Valid | Department of Forest, Environment & Ecology |
| | 400 KV substation Jalandhar to Sambha under Forest division and Districts Gurdaspur, Jalandhar and Pathankot, Punjab. | 28-09-2015 | Valid | Department of Forest, Environment & Ecology |
| 6 | Railway Clearance 400 KV electric overhead transmission crossing line between Telegraph post No. 58/9 and telegraph post No. 59/0 and between Ghagwal and Sambha Railway station on PKT-JAT section. | 25-02-2016 | Valid | Northern Railways |
| | 400 KV electric overhead transmission crossing line between Telegraph post No. 76/8-9 and telegraph post No. 76/9 and between Gurdaspur and Dinanagar Railway station on AST-PKT section. | 25-02-2016 | Valid | Northern Railways |
| | 400 KV electric overhead transmission crossing line between KM No. 60/0 and KM No. 60/1 and between Ghagwal and Sambha Railway station on PKT-JAT section. | 09-06-2016 | Valid | Northern Railways |
| 7 | Aviation/Defence Clearance LOC for 400 KV D/C Jalandhar - Samba Transmission Line | 22-02-2016 | Valid | Airport Authority of India |
| | 400 KV D/C LILO of Uri-Wagoora Transmission Line | 01-08-2018 | Valid | Airport Authority of India |
| | NOC for construction of 400KV D/C Jalandhar to Samba and Samba to AmargrahTransmission line | 28-09-2017 | 7 | Group Captain, Defence |
| | NOC of height clearance for construction of 400KV D/C Jalandhar to Samba Transmission line | 15-02-2016 | 7 | Airport Authority of India |

Source: Investment Manager

Strictly Private and Confidential

Appendix 10 - NRSS: Summary of Approvals & Licenses (3/4)

| Sr. No. | Approvals | Date of Issue | Validity (in years) | Issuing Authority |
|---------|---|---------------|---------------------|---|
| 8 | Road Crossing | | | |
| | NOC for crossing proposal of NH-15 at Km. 26.108 for laying of 400KV D/C Jalandhar-Samba Transmission Line | 20-02-2016 | Valid | Ministry of Road Transport and Highways |
| | NOC for crossing proposal of NH-01 at Km. 394+440 for laying of 400KV D/C Jalandhar-Samba Transmission Line | 20-02-2016 | Valid | Ministry of Road Transport and Highways |
| | NOC for crossing proposal of NH-01 at Km. 395+204 for laying of 400KV D/C Jalandhar-Samba Transmission Line | 20-02-2016 | Valid | Ministry of Road Transport and Highways |
| | Road crossing proposal 400KV D/C Line near Karhama | 06-11-2016 | Valid | Office of the Supreintending Engineer, PWD (R&B) Circle Baramulla/ Kupwara. |
| | NOC for road crossing proposal 400KV D/C line near Karhama. | 14-02-2017 | Valid | Office of Chief Engineer PW (R&B) Department, KMR |
| | Crossing of Transmission Line over Jammu - RS Pura Road | 27-05-2017 | Valid | Office of Chief Engineer PW (R&B) Department, Jammu |
| 9 | Power Telecommunication Coordination Committee ("PTCC") Clearance | | | |
| | 400 KV D/C Jallandhar-Sambha Transmission Line | 02-12-2016 | Valid | PTCC, Government of India |
| | 400 KV D/C LILO- URI-wagoora Line | 23-03-2018 | Valid | PTCC, Government of India |
| | 400 KV D/C Samba Amargrah Transmission Line | 03-11-2016 | Valid | PTCC, Government of India |
| | 400 KV D/C Jallandhar-Sambha Transmission Line | 14-02-2017 | Valid | PTCC, Government of India |
| | LILO of both circuit of Uri-Wagoora 400 KV D/C Line at Amargarh Substation. | 04-10-2018 | Valid | PTCC, Government of India |
| 10 | Energisation Clearances | | | |
| | Approval under regulation 43 of CEA Regulations 2010 for energisation 400/220 kv GIS Sub Station. | 03-09-2018 | 2 | Central Electricity Authority |
| | Approval under regulation 43 of CEA Regulations 2010 for energisation 400KV D/C Jalandhar-Samba Line. | 17-06-2018 | 2 | Central Electricity Authority |
| | Approval under regulation 43 of CEA Regulations 2010 for energisation LILO of both circuits of Uri-Wagoora 400 kv D/C line at 400/220 kv GIS at Amargrah, Srinagar. | 03-09-2018 | 2 | Central Electricity Authority |
| | Approval under regulation 43 of CEA Regulations 2010 for energisation 400KV D/C Samba-Amargarh Line. | 20-08-2018 | 2 | Central Electricity Authority |

Source: Investment Manager

Strictly Private and Confidential

Appendix 10 - NRSS: Summary of Approvals & Licenses (4/4)

| Sr. No. | Approvals | Date of Issue | Validity (in years) | Issuing Authority |
|---------|--|---------------|---------------------|--|
| 11 | Approval under Electricity Act, 2003 | | | |
| | Approval from GOI under section 164 of Electricity Act, 2003 | 17-09-2015 | 25 | Central Electricity Authority |
| | Approval u/s 68 of the Electricity Act, 2003 for laying overhead transmission line. | 19-09-2013 | Valid | Ministry of Power |
| | Approval from CERC under section 17(3) | 01-08-2018 | Valid | Central Electricity Regulatory Commission |
| 12 | Approval for adoption of Tariff | | | |
| | Approval for adoption of Tariff | 12-10-2014 | Valid | Central Electricity Regulatory Commission |
| | Revised approval for adoption of Tariff | 06-12-2017 | Valid | Central Electricity Regulatory Commission |
| 13 | Trial Run Certificate | | | |
| | 400 KV Jalandhar-Samba lines I & II | 28-12-2016 | Valid | Power System Operation Corporation Limited |
| | 400/220 KV, 315 MVA-1 (3X105 MVA) along with associated 400 KV bay 403(main) & 220 KV bay 203 at Amargarh, | 03-07-2018 | Valid | Power System Operation Corporation Limited |
| | 400/220 KV, 315 MVA-2 (3X105 MVA) along with associated 400 KV bay 406(main) & 220 KV bay 209 at Amargarh, | | | |
| | 220 KV bay no 202 at Zainkote-Amargarh at Amargarh, | | | |
| | 220 KV bay no 206 at Delina-Amargarh at Amargarh. | | | |
| | 400 KV, 3-Ph MVAR Bus Reactor-1 along with associated 400 KV bay 415(main)& 414(tie) at Amargarh, | 04-07-2018 | Valid | Power System Operation Corporation Limited |
| | 400 KV, 3-Ph 63 MVAR Bus Reactor-2 at Amargarh. | | | |
| | 400 KV Uri1(NHPC)-Amargarh-1 and associated bays 410(main) & 411(tie) at Amargarh, | 22-05-2018 | Valid | Power System Operation Corporation Limited |
| | 400 KV Amargarh-Wagoora(PG)-1 and associated bays 409(main) & 408(tie) at Amargarh. | | | |
| | 400 KV Amargarh-Samba (PG)-1 along with 50 MVAR Non-switchable line reactors at Amargarh end and associated bays 401(main) & 402(tie) at Amargarh end. | 20-09-2018 | Valid | Power System Operation Corporation Limited |

Source: Investment Manager

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Appendix 11 - OGPTL: Summary of Approvals & Licenses (1/7)

| Sr. No | Approvals | Date of Issue | Validity (in years) | Issuing Authority |
|--------|---|---------------|---------------------|--|
| 1 | Transmission License Transmission License | 30-Jun-16 | 25 | Central Electricity Regulatory Commission |
| 2 | Forest Clearance FRA- Jharsuguda: OGPTL Transmission Line in Lakhanpur Tehsil and Jharsuguda Tehsil | 13-Oct-16 | Valid | District Collector, Jharsuguda (Govt. of Odisha) |
| | FRA- Sundargarh: NOC against forest diversion proposal | 24-Oct-16 | Valid | Ministry of Environment and Forests |
| | FRA Revised- Jharsuguda: OGPTL Transmission Line in Lakhanpur Tehsil and Jharsuguda Tehsil | 02-May-17 | Valid | District Collector, Jharsuguda (Govt. of Odisha) |
| | OGPTL Raipur Transmission Line in Bematra | 20-Jan-17 | Valid | Ministry of Environment and Forests |
| | OGPTL Raipur Transmission Line in Bilaspur | 04-Feb-17 | Valid | Ministry of Environment and Forests |
| | OGPTL Raipur Transmission Line in Janjgir District | 10-Feb-17 | Valid | Ministry of Environment, Forests & Climate Changes |
| | OGPTL Raipur Transmission Line in Kharsia tehsil | 27-Apr-17 | Valid | Ministry of Environment, Forests & Climate Changes |
| | NOC against forest diversion proposal, Tangarpali | - | Valid | Tehsildar, Tangarpali |
| | NOC against forest diversion proposal, Lehripara | 20-Mar-17 | Valid | Tehsildar, Lehripara |
| | NOC against forest diversion proposal, Hemgir | 03-Mar-17 | Valid | Tehsildar, Hemgir |
| 3 | Power & Telecommunication Coordination Committee ("PTCC") Clearance Approval to the route of Power transmission line of 400 KV D/C Sundargarh - Jharsuguda (OPGC) | 16-Jun-17 | Valid | Power Telecommunication Co-ordination Committee |
| | Approval to the route of Power Transmission Line of 765 KV D/C Raipur - Jharsuguda (For Chattisgarh Portion) | 18-Apr-18 | Valid | Power Telecommunication Co-ordination Committee |
| | Approval to the route of Power Transmission Line of 765 KV D/C Raipur - Jharsuguda (For Odisha Portion) | 05-Sep-17 | Valid | Power Telecommunication Co-ordination Committee |
| 4 | Railway Crossing 400 KV Double Circuit over head transmission line of M/s OGPTL/ Jharsuguda crossing over the railway track in between Malidh - Kechobahal Station in Chakradharpur Division (Drg No. OGPTL/400/RLY/28-29-REV-01) | 10-Aug-17 | Valid | Senior Divisional Electrical Engineer (S.E. Railway) |
| | 400 KV Electrical track crossing at KM 522/7-522/10 in between Jharsuguda & IB Railway Stations (Drg No. OGPTL/400/RLY/38-39). | 22-Jun-17 | Valid | Senior Divisional Electrical Engineer, SEC Railway |

Source: Investment Manager

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Appendix 11 - OGPTL: Summary of Approvals & Licenses (2/7)

| Sr. No | Approvals | Date of Issue | Validity (in years) | Issuing Authority |
|--------|--|---------------|---------------------|---|
| | 400 KV D/C IBTPS - OPGC Jharsuguda (Sundergarh) Transmission Line - Spotting of dead end tower & railway crossing approval in line of the tower between 59/0 & 60/0 | 06-Dec-16 | Valid | Odisha Power Generation Corporation Limited |
| | 765 KV Cover Over head power line crossing in between Hathbandh and Bhatapara stations (Drg No. OGPTL/RLY/38-39 REV-2) | 11-Dec-17 | Valid | South East Central Railway |
| | 765 KV Cover Over head power line crossing in between Nipaniya Railway and Lafarge Cement plant (DRG no- OGPTL/RLY/58-59). | 11-Dec-17 | Valid | South East Central Railway |
| | 765 KV Sundargarh - Raipur D/C transmission line of OGPTL over SEC Railway line crossing in between station Kharsia and Jharidhi at AP 96-97 | 01-May-17 | Valid | South East Central Railway |
| | 765 KV Electrical track at AP 102 & AP103 in between Dharamjaygarh & Kharsia railway stations. | 24-Mar-17 | Valid | South East Central Railway |
| 5 | Road Crossing | | | |
| | Permission of Overhead crossing over NH-49 near village Budipur | 20-Jan-17 | Valid | Office of Chief Engineer, National Highways |
| | Permission of Overhead crossing over NH-49 AP-99 AP-99A reg | 05-Aug-16 | Valid | Public Works Department |
| | Permission of Overhead crossing over NH-200 AP-100 AP-101 reg | 05-Aug-16 | Valid | Public Works Department |
| | Permission of Overhead crossing over NH-200 AP-105 AP-106 reg | 05-Aug-16 | Valid | Public Works Department |
| | OGPTL Highway crossing at AP72-AP73 | 13-Jul-16 | Valid | Public Works Department |
| | Power Line crossing with highway at AP80-AP81 | 20-Jul-16 | Valid | Chattisgarh Road Development Authority |
| 6 | Power Line Crossing | | | |
| | Approval for Power line Crossing of 400 KV - Jharsuguda line of OGPTL over IBEUL 400 KV line between tower Loc no:41 and 42 and between Loc no.4&5 at Sundargarh. | 02-Feb-17 | Valid | Ind-Barath Energy (Utkal) Limited |
| | Approval of proposal for underneath crossing of your 400 KV D/C OPGC-Sundargarh transmission line between Loc no.12/2 and 13/0 under 765KV D/C Jharsuguda(Sundergarh)-Darlipalli of PGCIL at Kenapalli village,Thasil-Tangarpalli,Dist-Sundargarh. | 25-Jun-17 | Valid | Power Grid Corporation of India Limited |

Source:Investment Manager

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Appendix 11 – OGPTL: Summary of Approvals & Licenses (3/7)

| Sr. No | Approvals | Date of Issue | Validity (in years) | Issuing Authority |
|--------|---|---------------|---------------------|---|
| | Power line crossing proposal - Over crossing by 400 KV D/C OPGC - Sundargarh T/L of 400 KV D/C Rourkela-Raigarh D/C TL - 1 and 2. | 20-Oct-16 | Valid | Power Grid Corporation of India Limited |
| | Approved profile and detailed survey report of power line crossing over 400 KV OPGC-Jharsuguda D/C of Odisha Generation Phase-II. | 24-Oct-16 | Valid | Odisha Power Transmission Corporation Ltd. |
| | Approval of Overhead crossing of 400 KV D/C OPGC Jharsuguda line in between loc no. 6 and 7 with existing 220 KV s/c Budhipadar-Korba 3 line. | 22-Nov-16 | Valid | Power Grid Corporation of India Limited |
| | EHV Power Line overhead crossing of existing (i) 400 KV DCDS Khedamara -Korba West and Khedamara Marwa PH Circuit (ii) 220 KV DCSS Khedamara - Bemetara line of CSPTCL by under construction 765 KV D/C Sundargarh (Jharsuguda)-Raipur Transmission Line of M/s Odisa Generation Phase II Transmission Ltd. | 16-Dec-16 | Valid | Chhattisgarh Power Transmission Company Limited |
| | Overhead Crossing of the following Powergrid's Transmission Lines: 765 KV D/C Durg-Kotra 1&2 765 KV D/C Durg-Champa 1&2 400KV S/c Korba -Bhilai 1 400KV S/c Korba -Bhilai 1 400KV d/c Sipat -Raipur 3 | 07-Sep-16 | Valid | Power Grid Corporation of India Limited |
| | EHV Power Line overhead crossing of existing (i) 400 KV DCDS Khedamara - Korba West and Khedamara Marwa PH Circuit (ii) 220 KV DCSS Khedamara - Bemetara line of CSPTCL by under construction 765 KV D/C Sundargarh (Jharsuguda)-Raipur Transmission line of M/s | 05-Oct-16 | Valid | Chhattisgarh State Power Transmission Company Limited |
| | EHV Power Line overhead crossing of existing (i) 400 KV Korba-Raita and Raita-Khedamara DCDS line of CSPTCL by under construction 765 KV D/C Sundargarh (Jharsuguda)-Raipur Transmission line of M/s Odisa Generation Phase II Transmission Ltd. | 06-Jan-17 | Valid | Chhattisgarh State Power Transmission Company Limited |
| | Provisional Approval of overhead crossing of 765 KV TL line of PGCIL by under construction 765 KV D/C Sundergarh-Raipur line of M/s OGPTL | 29-Oct-16 | Valid | Power Grid Corporation of India Limited |
| | Approval of overhead crossing of existing 132 KV DCDS Simga-Bhilai line of CSPTCL by under construction 765 KV Raipur-Sundergarh (Jharsuguda) D/C Transmission line of OGPTL | 02-Aug-17 | Valid | Chhattisgarh State Power Transmission Company Limited |
| | Approval for overhead crossing of existing 132 KV Simga Century Cement line of CSPTL by under construction 765 KV D/C Sundargarh - Raipur Transmission line of OGPTL. | 23-Dec-16 | Valid | Chhattisgarh State Power Transmission Company Limited |

Source: Investment Manager

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Appendix 11 - OGPTL: Summary of Approvals & Licenses (4/7)

| Sr. No | Approvals | Date of Issue | Validity (in years) | Issuing Authority |
|--------|---|---------------|---------------------|---|
| | Approval for overhead crossing of existing 132 KV DCDS Simga-Tulsi line of CSPTL by under construction 765 KV D/C Sundargarh - Raipur Transmission line of OGPTL. | 28-Mar-17 | Valid | Chhattisgarh State Power Transmission Company Limited |
| | EHV Power line overhead crossing of existing 400 KV DCDS Marwa-Raita line of CSPTCL by under construction 765 KV D/C Sundargarh - Raipur Transmission line of OGPTL. | 05-Jun-17 | Valid | Chhattisgarh State Power Transmission Company Limited |
| | EHV Power Line overhead crossing of existing 220 KV DCDS Suhela-Bemetara line of CSPTCL by under construction 765 KV D/C Sundargarh(Jharsuguda) - Raipur Transmission line. | 13-Feb-17 | Valid | Chhattisgarh State Power Transmission Company Limited |
| | EHV Power Line overhead crossing of existing 220 KV DCDS Suhela-Bemetara line of CSPTCL by under construction 765 KV D/C Sundargarh(Jharsuguda) - Raipur Transmission line. | 16-Dec-17 | Valid | Chhattisgarh State Power Transmission Company Limited |
| | EHV Power Line overhead crossing of existing 220 KV DCDS Korba-Banari-Suhela line of CSPTCL by under construction 765 KV D/C Sundargarh(Jharsuguda) - Raipur Transmission line. | 28-Mar-17 | Valid | Chhattisgarh State Power Transmission Company Limited |
| | Approval of 765KV Over Head Power line crossing at Km AC 9/10 and AC 9/11 in between Bhatapara Railway station and Ambuja cement plant. | 11-Dec-17 | Valid | South East Central Railway |
| | Approval of overhead crossing of existing 132 KV DCDS Bhatapara-Balodabazar line and 132 KV S/C Chilhati-Bhatapara line of CSPTCL by under construction 765 KV Raipur -Sundargarh of OGPTL. | 28-Mar-17 | Valid | Chhattisgarh State Power Transmission Company Limited |
| | Construction of 765KV D/C Sundargarh-Raipur Transmission Line-Power Line of OGPTL crossing approval reg. | 21-Jul-16 | Valid | Sai Lilagar Power Limited |
| | Approval for overhead crossing of existing 132 KV S/C Aresmeta-Bharatpura line of CSPTCL by under construction of 765 KVD/C Sundargarh-Raipur Transmission line of OGPTL. | 21-Oct-16 | Valid | Chhattisgarh State Power Transmission Company Limited |
| | Approval for overhead crossing by 765 HV D/C Sundargarh-Raipur Transmission Line of 400 KV KSK LILO Line 1 and 2 Transmission Line . | 02-Jul-16 | Valid | KSK Mahanadi Power Company Limited |
| | Approval for overhead crossing of existing 132 KV DCDS Jaijaipur LILO line of CSPTCL by under construction 765 KV D/C Sundargarh-Raipur Transmission line. | 05-Oct-16 | Valid | Chhattisgarh State Power Transmission Company Limited |
| | Conditional approval of crossing proposal for CWRTL's KV S/C Raigarh to Champa Transmission Line by OGPTL's 765 KV D/C Sundargarh to Raipur Transmission Line. | 04-Nov-16 | Valid | Chhattisgarh-WR Transmission Limited |
| | Approval towards overhead crossing of 765 KV D/C Sundargarh - Raipur TL of M/s OGPTL with 400 KV D/C Lara-Champa TL | 11-Jul-17 | Valid | Power Grid Corporation of India Limited |
| | Approval of overhead crossing of 765 Kv D/C Jharsuguda - Raipur Transmission Line in between loc no 141 and 42 with existing 765 Kv Kotra-Champa Line. | 05-Jan-17 | Valid | Power Grid Corporation of India Limited |

Source:Investment Manager

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Appendix 11 - OGPTL: Summary of Approvals & Licenses (5/7)

| Sr. No | Approvals | Date of Issue | Validity (in years) | Issuing Authority |
|--------|--|---------------|---------------------|---|
| | Approval of overhead crossing of existing 132 KV DCDS Champa-Chapley line of CSPTL by under construction 765 KV Raipur-Sundargarh D/C Transmission line of OGPTL | 10-Jul-17 | Valid | Chhattisgarh State Power Transmission Company Limited |
| | Approval of overhead crossing of 765 KV D/C Jharsuguda - Raipur Transmission Line in between loc no 345 and 346 with 220 KV Korba-Budhipadar Line. | 29-Apr-17 | Valid | Power Grid Corporation of India Limited |
| | Approval of overhead crossing of 765 KV D/C Jharsuguda - Raipur Transmission Line in between loc no AP110 and AP111. | 12-Jan-17 | Valid | Power Grid Corporation of India Limited |
| | Approval for crossing of proposed 765 KV line over 400 KV DCDS Tamnar-Raipur line of M/s Jindal Power Ltd. Between Loc No. 63 and 64. | 06-Oct-16 | Valid | Jindal Power |
| | EHV Power Line overhead crossing of existing 132 KV S/C Gerwani - Gharghoda line of CSPTCL by under construction 765 KV D/C Sundargarh-Raipur Transmission Line. | 24-Nov-16 | Valid | Chhattisgarh State Power Transmission Company Limited |
| | Approval of overhead crossing of existing 220 KV DCDS Tamnar-Raigarh line of CSPTCL by under construction 765 KV Raipur-Sundargarh D/C Transmission line | 24-Apr-17 | Valid | Chhattisgarh State Power Transmission Company Limited |
| | Approval for crossing of proposed 765 KV line over 220 KV U/C line of M/S JSPL DCP to Punjipatra line Loc-AP-55 and 55/1 village Parkiphari, Tamnar. | 19-Jan-17 | Valid | Jindal Power |
| | Approval of Overhead Line Crossing of JSPL 220 KV d/c DCP to Punjipatra JSPL Transmission bu OGPTL 765 KV D/C U/C Transmission Line Sundargarh. | 12-Jan-17 | Valid | Jindal Power |
| | Provisional Approval of 765 KV Sundargarh - Raipur D/C transmission Line of OGPTL OVER s.e.c Railway line crossing at chainage 24/200 and 24/250 and in between Lara and Talaipalli coal mine at AP 118-AP 119 of OGPTL. | 24-Mar-17 | Valid | S.E.C. Railway |
| | Proposal for Power Line under crossing of 765 KV D/C Jharsuguda-Dharamjaygarh Transmission line of POWERGRID BY 765 KV D/C Raipur-Jharsuguda Transmission line of M/s OGPTL. | 04-Oct-17 | Valid | Power Grid Corporation of India Limited |
| | Approval for the proposal for crossing of 765KV D/C Sundargarh-Raipur Transmission line of OGPTL over the 400KV D/C Sundargarh-Ind-Barath,Sahajbahal TPS Tr.lines between Loc 3 and Loc 4 at Mahulpali Village,Tahasil-Tangarpali in Dist-Sundargarh at AP-141 and 142 of OGPTL. | 25-Aug-16 | Valid | Ind-Barath Energy (Utkal) Limited |
| | Approval for power line crossing of 765 KV Sundargarh-Raipur D/C Transmission Line of Vedanta Ltd.crossing between tower no 1 and 2 in village Mahulpalli of Tehasil:Tangarpalli in District: Sundargarh at AP 141 to AP 142 of OGPTL. | 22-Aug-16 | Valid | Vedanta |

Source: Investment Manager

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Appendix 11 - OGPTL: Summary of Approvals & Licenses (6/7)

| Sr. No | Approvals | Date of Issue | Validity (in years) | Issuing Authority |
|--------|---|---------------|---------------------|--|
| 7 | <u>Aviation Clearance</u> | | | |
| | NOC for Height Clearance JHAR/EAST/P/121216/186256/2 | 20-Dec-16 | 7 | Airport Authority of India |
| | NOC for Height Clearance JHAR/EAST/P/121216/186256/3 | 20-Dec-16 | 7 | Airport Authority of India |
| | NOC for Height Clearance JHAR/EAST/P/121216/186256/5 | 20-Dec-16 | 7 | Airport Authority of India |
| | NOC for Height Clearance JHAR/EAST/P/121216/186256/4 | 19-Dec-16 | 7 | Airport Authority of India |
| | NOC for Height Clearance JHAR/EAST/P/121216/186256/6 | 19-Dec-16 | 7 | Airport Authority of India |
| | NOC for Height Clearance JHAR/EAST/P/121216/186256/7 | 19-Dec-16 | 7 | Airport Authority of India |
| | NOC for Height Clearance JHAR/EAST/P/121016/185844 | 14-Dec-16 | 7 | Airport Authority of India |
| | NOC for Height Clearance JHAR/EAST/P/121016/185844/2 | 14-Dec-16 | 7 | Airport Authority of India |
| | NOC for Height Clearance JHAR/EAST/P/121016/185844/3 | 14-Dec-16 | 7 | Airport Authority of India |
| | NOC for Height Clearance JHAR/EAST/P/121316/186287/2 | 19-Dec-16 | 7 | Airport Authority of India |
| | NOC for Height Clearance JHAR/EAST/P/121316/186287/3 | 19-Dec-16 | 7 | Airport Authority of India |
| | NOC for Height Clearance JHAR/EAST/P/121316/186287/4 | 19-Dec-16 | 7 | Airport Authority of India |
| | NOC for Height Clearance JHAR/EAST/P/121316/186287/5 | 20-Dec-16 | 7 | Airport Authority of India |
| | NOC for Height Clearance JHAR/EAST/P/121316/186287/6 | 20-Dec-16 | 7 | Airport Authority of India |
| | NOC for Height Clearance JHAR/EAST/P/121316/186287/7 | 20-Dec-16 | 7 | Airport Authority of India |
| | NOC for Height Clearance JHAR/EAST/P/121016/185844/5 | 19-Dec-16 | 7 | Airport Authority of India |
| 8 | <u>Defence Clearance</u> | | | |
| | NOC from aviation angle for construction of Transmission line from Raipur to Sundergarh | 10-Mar-17 | Valid | Ministry of Defence |
| 9 | <u>Transmission Licence Order</u> | | | |
| | Transmission Licence Order | 30-Jun-16 | Valid | Central Electricity Regulatory Commission |
| 10 | <u>Approval for adoption of Tariff</u> | | | |
| | Approval for adoption of Tariff (Approval u/s 63 of Electricity Act, 2003) | 31-May-16 | Valid | Central Electricity Regulatory Commission |
| 11 | <u>Trial Operation Approval</u> | | | |
| | Trial Operation Approval - 400 KV OPGC - Jharsuguda Line | 04-Jan-18 | Valid | Power System Operation Corporation Limited |
| | Trial Operation Approval - 765 KV Raipur - Jharsuguda Line | | In Process | Power System Operation Corporation Limited |

Source: Investment Manager

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Appendix 11 - OGPTL: Summary of Approvals & Licenses (7/7)

| Sr. No | Approvals | Date of Issue | Validity (in years) | Issuing Authority |
|--------|--|---------------|---------------------|---|
| 12 | <u>Tree Cutting Permission</u> | | | |
| | Diversion of 30.134 ha of forest land for construction of 400 KV D/C OPGC Ltd, Jharsuguda - Sundargarh transmission line in Jharsuguda and Sundargarh district in Odisha. | 27-Jun-17 | Valid | Office of the Divisional Forest Officer, Jharsuguda Forest Division |
| | Diversion of 30.134 ha of forest land for construction of 400 KV D/C transmission line from OPGC Banharpali IB Thermal Power plant in Jharsuguda District to 765 KV/400 KV PGCIL switchyard at Kenapali in Sundargarh District | 06-Jul-17 | Valid | Office of the Divisional Forest Officer, Jharsuguda Forest Division |
| | Diversion of 71.761 ha of forest land for construction of 765 KV double circuit transmission line from Jharsuguda (Sundargarh) - Raipur Pooling station in Raigarh, Durg, Bilaspur Jangir Champa and Bemetara districts in the State of Chattisgarh. | 30-Jan-18 | Valid | Office of the Divisional Forest Officer, Chattisgarh |
| | Diversion of 95.656 ha of forest land Sundargarh forest division for construction of 765 KV D/C Transmission line from 765 KV/400 KV PGCIL switchyard at Kenapali in Sundargarh District, Odisha. | 20-Apr-18 | Valid | Office of the Divisional Forest Officer, Chattisgarh |
| 13 | <u>Transmission Service Agreement</u> | | | |
| | Transmission service agreement with Power Grid Corporation of India Limited | 27-Apr-18 | Valid | Central Electricity Regulatory Commission (CERC) |
| | Transmission Service Agreement with Customers | 20-Nov-15 | 35 | Central Electricity Regulatory Commission (CERC) |
| 14 | <u>Energisation Clearance</u> | | | |
| | 400 kV D/C OPGC - Jharsuguda Transmission Line (length = 51.35 Km) | 23-Aug-17 | | Central Electricity Authority, Ministry of Power |
| 15 | <u>Approval under Electricity Act, 2003</u> | | | |
| | Approval from GOI under section 164 of Electricity Act, 2003 | 06-Mar-17 | 25 | Central Electricity Authority |
| | Approval u/s 68 of the Electricity Act, 2003 for laying overhead transmission line. | 03-Jun-15 | Valid | Ministry of Power |
| | Approval u/s 61 of Electricity Act, 2003 | NA | NA | Central Electricity Regulatory Commission |

Source: Investment Manager

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Appendix 12 - ENICL: Summary of Approvals & Licenses (1/5)

| Sr. No. | Approvals | Date of Issue | Validity (in years) | Issuing Authority |
|---------|--|---------------|---------------------|--|
| 1 | Company Related Registrations | | | |
| | Transmission License | 20/10/2010 | 25 | Central Electricity Regulatory Commission |
| | Certificate for Commencement of Business | 23/05/2007 | Valid | Registrar of Companies |
| 2 | Power Line Clearance (Crossing Proposal) | | | |
| | NOC for 400 kV D/C (Quad) Bongaigaon - Siliguri Transmission Line crossing over 132 KV S/C Birpara - Pundibara & Alipurduar - Coochbehar Tr. Lines of WBSETCL. | 14/05/12 | Valid | West Bengal State Electricity Transmission Company Limited |
| | Power Line Crossings of 400 KV Quad Bongaigaon - Binaguri Transmission Line over existing Powergrid 400 KV Bongaigaon - Binaguri Transmission Line | 16/08/2012 | Valid | Power Grid Corporation of India Limited |
| | NOC by BSEB on Overhead crossing of BSEB lines by 400 KV D/C Biharsharif - Purnea Transmission Line | 21/08/2012 | Valid | Bihar State Electricity Board - Patna |
| | Approval for Power Line Crossing of 400 KV D/C (Quad) Purnea - Biharsharif transmission line over 400 KV D/C (Quad) Purnea - Muzaffarpur Transmission Line of Powerlinks | 29/05/2012 | Valid | Powerlinks Transmission Limited |
| | Approval of overhead crossing of Powergrid lines by under construction 400 KV D/C Biharsharif - Purnea Line (Revised) | 24/05/2012 | Valid | Power Grid Corporation of India Limited |
| | Power Line Crossings of 400 KV Quad Bongaigaon - Binaguri Transmission Line | 25/11/2012 | Valid | Power Grid Corporation of India Limited |
| | Power Line Crossings of 400 KV Quad purnea - Biharsharif transmission line with 400 KV - Kahalgaon-Patna. | 16-08-2012 | Valid | Power Grid Corporation of India Limited |
| | Crossing of Powergrid lines by under construction 400kv D/C Biharsharif - Purnea Line. | 15-10-2012 | Valid | Power Grid Corporation of India Limited |
| | Power Line Crossings of 400 KV Quad purnea - biharsharif transmission line with 400 KV - Kahalgaon-Patna. | 23-03-2012 | Valid | Power Grid Corporation of India Limited |
| | Crossing of Powergrid lines by under construction 400 KV D/C Biharsharif - Purnea Line. | 15-10-2012 | Valid | Power Grid Corporation of India Limited |
| | Approval of overhead crossing for construction of 400 Kv D/C Biharsharif - purnea Line. | 29-05-2012 | Valid | Powerlinks Transmission Limited |
| | Approval of overhead crossing of powergrid and lines by under construction of 400 KV D/C Biharsharif - Purnea Line. | 05-04-2012 | Valid | Power Grid Corporation of India Limited |
| | Power Line Crossings of 400 KV Quad Bongaigaon - Siliguri Transmission Line | 27-08-3013 | Valid | Assam electricity frid corporation ltd. |
| | Construction of Purnea -Biharsharif 400 KV dc line by m/s. ENICL | 21-02-2012 | Valid | Central Electricity Authority |
| | Power line crossing of 400 KV D/C(Quad) Bongaigaon -New siliguri of M/s ENICL with existing 220 KV and 400 kv TIs of Powergrid | 15-11-2012 | Valid | Power Grid Corporation of India Limited |

Source: Investment Manager

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Appendix 12 - ENICL: Summary of Approvals & Licenses (2/5)

| Sr. No. | Approvals | Date of Issue | Validity (in years) | Issuing Authority |
|---------|---|---------------|---------------------|--|
| 3 | Transmission Service Agreement | | | |
| | Transmission Service Agreement between ENICL & Long Term Transmission Customers | 08-06-2009 | 25 | Central Electricity Regulatory Commission |
| | Transmission Service Agreement between ENICL & CTU | 28/01/2013 | Valid | Central Electricity Regulatory Commission |
| 4 | River Crossing | | | |
| | Crossing river Ganga between SAMHO and Mahenderpur in Patna - Munger stretch by 400 KV D/C (Quad) transmission line from Purnea - Bihar Sharif | 23/09/2011 | Valid | Inlands Waterways Authority of India |
| 5 | Forest Clearance | | | |
| | 8.4226 ha of forest land for 400 KV D/C transmission line by ENICL from S/S of Power Grid, Salakali to Siliguri in Satbhendi Reserve Forest under Haltugaon Division. | 11-03-2014 | Valid | Ministry of Environment & Forest (Government of Assam) |
| | 1.564 ha of forest land under Cooch Behar Forest for 400 KV/DC Bongaigaon - Siliguri transmission by M/s ENICL. | 02-06-2014 | Valid | Ministry of Environment & Forest (Government of West Bengal) |
| | Simplified procedure for grant of permission for felling of trees standing on forest land to be divided for execution of linear projects | 08-08-2014 | Valid | Ministry of Environment & Forest and Climate Change |
| 6 | Railway Clearance | | | |
| | Railway Track Crossing by Overhead 400 KV D/C (Quad) transmission line between Km 94/6-7 between Falakala - Gumanihat Stations | 20/12/2012 | 10 | North-East Frontier Railway |
| | Railway Track Crossing by Overhead 400 KV D/C (Quad) transmission line between Km 7/9 - 8/0 between Maynaguri Road - Bhotpati Stations | 20/12/2012 | 10 | North-East Frontier Railway |
| | Railway Track Crossing by Overhead 400 KV D/C (Quad) transmission line between Km 141/1-2 between New Alipurduar - Baneshwar Stations | 20/12/2012 | 10 | North-East Frontier Railway |
| | Railway Track Crossing by Overhead 400 KV D/C (Quad) transmission line between Km 166/7-8 between Kamakhayaguri-Jorai Stations | 09-01-2013 | 10 | North-East Frontier Railway |
| | Railway Track Crossing by Overhead 400 KV D/C (Quad) transmission line between Km 7/6-7 between New Alipurduar - Baneshwar Stations | 20/12/2012 | 10 | North-East Frontier Railway |
| | Railway Track Crossing by Overhead 400 KV D/C (Quad) transmission line between Km 34/9-35/0 between Jalpaiguri Road - New Domohani Stations | 20/12/2012 | 10 | North-East Frontier Railway |
| | OH track crossing at Km 24/2-3 between Belakoha railway station and Raninagar railway station for 400 KV D/C transmission line | 25/07/2013 | Valid | North-East Frontier Railway |
| | Permission for stringing 400 KV - DC electrical overhead line crossing across the Rly. Track in between i) Pawapuri & Nalwanda Rly. Stn. At T.P. No. 35/10 - 35/11 & ii) Dumri 'H' & Dhurant 'H' Rly. Stn. At EM No. 429/32 - 429/34 on ML. | 14/05/12 | Valid | East Central Railway |
| | 400 KV overhead Rail Track between Kasing Manasi and Badlaghat Railway Station | 19/02/2013 | Valid | East Central Railway |
| | 400 KV overhead Rail Track between Olapur and Khagaria Railway Station | 12-09-2012 | Valid | East Central Railway |

Source: Investment Manager

Strictly Private and Confidential

Appendix 12 - ENICL: Summary of Approvals & Licenses (3/5)

| Sr. No. | Approvals | Date of Issue | Validity (in years) | Issuing Authority |
|---------|---|---------------|---------------------|---|
| 7 | Aviation Clearance | | | |
| | Aviation clearance for Bongaigaon -Siliguri & Purnea - Biharsharif - 400 KV D/C line of M/S ENCIL | 01-10-2012 | Valid | Airport Authority of India |
| | NOC for Construction of 400 KV D/C (quad) Transmission line from Bongaigaon to Siliguri | 13-11-2013 | Valid | Airport Authority of India |
| 8 | Road Crossing | | | |
| | NOC for NH-31C crossing near Joimaa, Gossaigaon for 400 KV DC Quad Siliguri - Bongaigaon Transmission Line. | 28/11/2013 | Valid | National Highway Authority of India |
| | Permission for crossing NH-31 (Falakata - Pundibari Realignment) near Cooch Behar T.E.(at Km. 945.910) for 400 KV DC Quad Siliguri - Bongaigaon Transmission Line. | 30/01/2014 | Valid | National Highway Division - X (Govt. of West Bengal) |
| | NOC for T/L near Dariyapur (AP39/0 and 40/0) for 400KV D/C (Quad) from Purnea - Biharsharif on NH-80 in Bihar | 07-01-2014 | Valid | National Highway Authority of India |
| | NOC for T/L near Shabpur Kamal (AP59/0 and 60/0) for 400KV D/C (Quad) from Purnea - Biharsharif on NH-31 in Bihar | 09-10-2013 | Valid | National Highway Authority of India |
| | NOC for OH Crossing on NH-107 near Pipra Kaithi Mor (AP80/0 and AP81/0) for 400KV D/C (Quad) Purnea Bihar Sharif T/L | 12-12-2013 | Valid | National Highway Division |
| | NOC for NH. 106 near Sapardh (94/0 and 95/0) for 400 KV D/C (Quad) transmission line from Purnea Bihar Sharif . | 26-12-2013 | Valid | National Highway Division |
| | NOC for transmission line near Harda (AP126/0 and 127/0) for 400 KV D/C (Quad) from Purnea Bihar Sharif on NH-31 in the state of Bihar. | 07-01-2014 | Valid | National Highways Authority of India |
| | NOC for crossing overhead for 400 KV DC Quad Siliguri - Bongaigaon Transmission Line. | 20-01-2014 | Valid | State Highway Circle IV - (Government of West Bengal) |
| | NOC for crossing overhead electrical line at Cooch Behar Baneswar - Alipurduar & 764th km of Sonapore to Pundibari | 06-01-2014 | Valid | Coochbear Highway Division (Government of West Bengal) |
| | NOC in respect to overhead crossing of 400kv DC quad transmission line (over NH 31D in between km.123 and km.124 (SH-12A) near Paharpur in the district of Jalpaiguri EOT Reg. | 11-04-2014 | Valid | National Highway Division - X (Govt. of West Bengal) |
| | NOC for crossing 400kv dc quad Siliguri-Bongaigaon Transmission line over Maynaguri - Chengrabandha Road (SH-12A) near 4.5km . | 18-12-2013 | Valid | Jalpaiguri Highway Division (Government of West Bengal) |
| | Submission of NH-31C Salsalabari to Barobisha crossing near Telipara for 400 KV DC Quad Siliguri - Bongaigaon Transmission Line. | 04-06-2014 | Valid | National Highways Authority of India |
| | Permission for construction of overhead power line across Kokrajhar - Karigaon Road | 04-06-2014 | Valid | Government of Assam |
| | NOC Regarding overhead crossing on MDR near Bachauta crossing (7214 & 7215) for 400kv DC Quad Siliguri - Bongaigaon Transmission Line. | 14-12-2013 | Valid | National Highways Authority of India |
| | NOC for SH77 near Ratha crossing (AP113 & 113/1) for 400 KV DC Quad Siliguri - Biharsharif Transmission Line. | 31-10-3013 | Valid | Bharat State Road Development Corporation Ltd (Government of Bihar) |

Source: Investment Manager

Strictly Private and Confidential

Appendix 12 - ENICL: Summary of Approvals & Licenses (4/5)

| Sr. No. | Approvals | Date of Issue | Validity (in years) | Issuing Authority |
|---------|---|---------------|---------------------|---------------------------------------|
| 9 | Power Telecommunication Coordination Committee ("PTCC") Clearance | | | |
| | 400 KV D/C (Quad) Bongaigaon-Siliguri Transmission Line | 12-06-2012 | Valid | PTCC, Government of India |
| | 400 KV D/C (Quad) Purnea-Biharshariff Transmission Line | 15/05/2013 | Valid | PTCC, Government of India |
| | 400 KV D/C (Quad) Bongaigaon-Siliguri Transmission Line | 05-12-2012 | Valid | PTCC, Government of India |
| | PTCC passed for 400 KV D/C (Quad) Bongaigaon-Siliguri Transmission Line | 17-10-2011 | Valid | PTCC, Government of India |
| | PTCC Approval for 400 KV D/C (Quad) Bongaigaon-Siliguri Transmission Line | 04-12-2012 | Valid | Office of Divisional Engineer Telecom |
| | 400 KV D/C (Quad) Bongaigaon-Siliguri Transmission Line | 24-11-2012 | Valid | Central Electricity Authority |
| | PTCC Clearance proposal in respect for 400 KV D/C (Quad) Purnea - Biharsharif Transmission Line | 27-02-2012 | Valid | Central Electricity Authority |
| | PTCC Approval for 400 KV D/C (Quad) purnea - Biharsharif Transmission Line | 03-12-2012 | Valid | Central Electricity Authority |
| | Certificate - 400 KV D/C (Quad) Purnea-Biharshariff Transmission Line | 15/05/2013 | Valid | PTCC, Government of India |
| | PTCC Route approval for 400 KV D/C Quad Bongaigaon - Siliguri | 29-11-2011 | Valid | Central Electricity Authority |
| | PTCC Route approval for 400 KV D/C Quad Purnea - Biharsharif Trans. Line | 29-11-2011 | Valid | Central Electricity Authority |
| | Approval for Power Line Crossing of 400 KV D/C (QUAD) Bongaigoan - New Siliguri | 05-12-2012 | Valid | Power Grid of India Limited |
| | PTCC Route approval for 400kv D/C Quad Purnea - Biharsharif Trans. Line | 13-05-2013 | Valid | Central Electricity Authority |
| 10 | Telecom Clearance | | | |
| | Marking of Telecom Alignment for proposal of PTCC clearance proposed 400 KV D/C (Quad) Purnea - Biharsariff Transmission Line ENCL. | 25-08-2012 | Valid | Bharat Sanchar Nigam Limited |
| | Marking of telecom alignment for proposal of PTCC clearance of proposed 400 KV DC (QUAD) Purnea to Bihar Sharif Transmission Line. | 07-06-2012 | Valid | Bharat Sanchar Nigam Limited |
| | Marking of Telecom Alignment for proposal of PTCC clearance proposed 400 KV D/C (Quad) Purnea - Biharsariff Transmission Line ENCL. | 05-11-2011 | Valid | Bharat Sanchar Nigam Limited |
| 11 | Energisation Clearances | | | |
| | 400 KV D/C Bongaigaon-Siliguri Transmission Line | 11-05-2014 | Valid | Central Electricity Authority |
| | 400 KV D/C Quad purnea- Biharsharif Transmission Line | 22/08/2013 | Valid | Central Electricity Authority |

Source: Investment Manager

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Appendix 12 - ENICL: Summary of Approvals & Licenses (5/5)

| Sr. No. | Approvals | Date of Issue | Validity (in years) | Issuing Authority |
|---------|---|---------------|---------------------|--|
| 12 | <u>Approval under Electricity Act, 2003</u> | | | |
| | Approval from GOI under section 164 of Electricity Act, 2003 | 10-05-2011 | 25 | Central Electricity Authority |
| | Approval u/s 68 of the Electricity Act, 2003 for laying overhead transmission line. | 25/03/2009 | Valid | Ministry of Power |
| | Approval u/s 61,63 & 79 of Electricity Act, 2003 | 13/09/2017 | Valid | Central Electricity Regulatory Commission |
| | Approval u/s 17 (3) and (4) of Electricity Act, 2003 | 14-03-2016 | Valid | Central Electricity Regulatory Commission |
| 13 | <u>Defence Clearance</u> | | | |
| | NOC for 400 KV D/C (Quad) TXN Line from purnea to Bihar Shariff by M/s. ENICL. | 13/06/2013 | Valid | Ministry of Defence |
| 14 | <u>Approval for adoption of Tariff</u> | | | |
| | Approval for adoption of Tariff | 28/10/2010 | 25 | Central Electricity Regulatory Commission |
| 15 | <u>Trial Run Certificate</u> | | | |
| | 400 KV Binaguri-Bongoigaon | 12-12-2014 | Valid | Power System Operation Corporation Limited |
| | 400 KV Purnea-Biharsarif | 10-01-2013 | Valid | Power System Operation Corporation Limited |

Source: Investment Manager

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Appendix 13 - BDTCL: Summary of Ongoing Litigations (1/9)

| Matter | Against | Pending Before | Details of the Case | Amount Involved (INR Million) | Amount Deposited (INR Million) |
|----------------|---------|----------------------------------|---|-------------------------------|--------------------------------|
| Shikha Neekhra | BDTCL | District Judge (DJ), Raisen | <p>Background of the case: Shikha Neekhra filed petition against the decision of collector for granting compensation against the loss of destruction of mango tree and tube well on land and alleging that the insufficient compensation of INR 0.05 Million had been granted and demanded compensation of INR 0.92 Million towards loss caused to her along with interest at 9% on such amount from the date of damage. The case is still pending and the court has decided the points on which adjudication will be done.</p> <p>Current status: Reply submitted by BDTCL & the issue is framed & an affidavit is submitted by applicant & 2 Witnesses/Applicants appeared & both have been cross examined by Counsel & 1 witness is left for cross examination. Case is currently pending.</p> | 0.92 | Not provided |
| Manish Neekhra | BDTCL | District Magistrate, Narsinghpur | <p>Background of the case: Manish Neekhra filed petition against the decision of collector for granting compensation against the loss of destruction of crops and damage to the boundary wall of pond and alleging that the insufficient compensation of INR 0.5 Million had been granted and demanded compensation of INR 2.63 Million towards loss caused along with interest at 9% on such amount from the date of damage. The case is still pending and the court has decided the points on which adjudication will be done.</p> <p>Current status: Reply submitted by BDTCL & the issues are framed & an affidavit is submitted by applicant & 2 Witnesses/Applicants appeared & both has been cross examined by our Counsel and 1 witness is left for cross examination. Case is currently pending.</p> | 2.63 | Not provided |

Source: Investment Manager

Strictly Private and Confidential

Appendix 13 - BDTCL: Summary of Ongoing Litigations (2/9)

| Matter | Against | Pending Before | Details of the Case | Amount Involved (INR Million) | Amount Deposited (INR Million) |
|------------------------------|---------|-------------------------------|---|-------------------------------|--------------------------------|
| Shailendra Champaksinh Gohil | BDTCL | High Court Gujarat, Ahmedabad | of Background of the case: Shailendra Champaksinh Gohil ("Petitioner") filed a special civil application against BDTCL & others ("Respondents") before the High Court of Gujarat, Ahmedabad challenging the notification issued under Section 164 of the Electricity Act issued by the Director, Ministry of Power, Government of India (the "Director") dated 24 January 2013 (the "Notification") claiming that the Notification was without jurisdiction and beyond the scope of the Director for the laying of overhead transmission lines of BDTCL. Current status: BDTCL submitted the reply. The matter is currently pending. | Not provided | Not provided |
| Pravinsinh Jaswantsinh Gohil | BDTCL | High Court Gujarat, Ahmedabad | of Background of the case: Pravinsinh Jaswantsinh Gohil ("Petitioner") filed a special civil application against BDTCL & others ("Respondents") before the High Court of Gujarat, Ahmedabad challenging the notification issued under Section 164 of the Electricity Act issued by the Director, Ministry of Power, Government of India (the "Director") dated 24 January 2013 (the "Notification") claiming that the Notification was without jurisdiction and beyond the scope of the Director for the laying of overhead transmission lines of BDTCL. Current status: BDTCL submitted the reply. The matter is currently pending. | Not provided | Not provided |
| Janaksinh Jaswantsinh Gohil | BDTCL | High Court Gujarat, Ahmedabad | of Background of the case: Janaksinh Jaswantsinh Gohil ("Petitioner") filed a special civil application against BDTCL & others ("Respondents") before the High Court of Gujarat, Ahmedabad challenging the notification issued under Section 164 of the Electricity Act issued by the Director, Ministry of Power, Government of India (the "Director") dated 24 January 2013 (the "Notification") claiming that the Notification was without jurisdiction and beyond the scope of the Director for the laying of overhead transmission lines of BDTCL. Current status: BDTCL submitted the reply. The matter is currently pending. | Not provided | Not provided |

Source: Investment Manager

Strictly Private and Confidential

Appendix 13 - BDTCL: Summary of Ongoing Litigations (3/9)

| Matter | Against | Pending Before | Details of the Case | Amount Involved (INR Million) | Amount Deposited (INR Million) |
|------------------------------|---------------|-------------------------------|--|-------------------------------|--------------------------------|
| Pravinsinh Jaswantsinh Gohil | BDTCL | High Court Gujarat, Ahmedabad | of Background of the case: Pravinsinh Jaswantsinh Gohil has separately filed a special civil applications against the Union of India, Ministry of Power, BDTCL and Office of the District Collector, Bharuch before the High Court of Gujarat, Ahmedabad (the "High Court") alleging that the name of their village 'Moriana' was not mentioned in the notification dated 24 January 2013 (the "Notification"). BDTCL appealed against the interim order before the High Court. The appeal was allowed and High Court directed BDTCL to pay compensation of INR 0.14 Million to the petitioner. Current status: The matter is currently pending. | 0.14 | Not provided |
| Janaksinh Jaswantsinh Gohil | BDTCL | High Court Gujarat, Ahmedabad | of Background of the case: Janaksinh Jaswantsinh Gohil has separately filed a special civil applications against the Union of India, Ministry of Power, BDTCL and Office of the District Collector, Bharuch before the High Court of Gujarat, Ahmedabad (the "High Court") alleging that the name of their village 'Moriana' was not mentioned in the notification dated 24 January 2013 (the "Notification"). BDTCL appealed against the interim order before the High Court. The appeal was allowed and High Court directed BDTCL to pay compensation of INR 0.14 Million to the petitioner. Current status: The matter is currently pending. | 0.14 | Not provided |
| Bhikhan Sasundre & 5 others | Govinda BDTCL | Bombay High Court, Aurangabad | Background of the case: Bhikhan Govinda Sasundre and others ("Petitioners") filed a writ petition before the Bombay High Court, Aurangabad bench (the "High Court") against the State of Maharashtra, BDTCL and the District Collector, Aurangabad claiming compensation for the alleged damage caused to their field by laying high tension power transmission line. Further, the Petitioners sought directions against the District Collector and BDTCL for non-compliance with the order dated 3 September 2013. The Bombay High Court directed BDTCL to deposit INR 0.64 Million within four weeks from 18 February 2016, which was subsequently deposited Current status: The matter is currently pending. | Not provided | 0.64 |
| Pradip Chandra Mudara | Ramesh BDTCL | District Court, Dhule | Background of the case: Pradip Ramesh Chandra Mudara and others have filed a civil suit before the District Court, Dhule who has allowed the applicability of GR regarding the land compensation. Current Status: The matter is currently pending. | Not Provided | Not Provided |

Source: Investment Manager

Strictly Private and Confidential

Appendix 13 - BDTCL: Summary of Ongoing Litigations (4/9)

| Matter | Against | Pending Before | Details of the Case | Amount Involved (INR Million) | Amount Deposited (INR Million) |
|---------------------------|------------------|--|--|-------------------------------|--------------------------------|
| Kusumben Mali and others | Arjun BDTCL | Sub divisional Magistrate (SDM), Dhule | Background of the case: Kusum Arjun Mali and others (through their power of attorney) have filed a civil application against BDTCL before the Sub - Divisional Magistrate, Dhule disputing the compensation paid for their land. Current status: The matter is currently pending. | 8.40 | 0.08 |
| Various (32 in number) | Complaints BDTCL | District Collector (DC), Aurangabad | Background of the case: 32 complaints have been filed against BDTCL before the District Collector, Aurangabad ("District Collector") demanding compensation for allegedly violating the right of way by constructing high tension power transmission lines over their agricultural land without obtaining the requisite permissions. Preliminary objections on jurisdiction have been filed before the District Collector, and are pending adjudication. Current status: The matter is currently pending. | Not provided | Not provided |
| Approx. 60 land owners | BDTCL | DC & DJ Aurangabad | Background of the case: Right of Way Compensation (ROW) Payment of land is demanded as per Maharashtra Government circular, which are pending for adjudication. On the similar lines SDM, Aurangabad has also sent some queries to BDTCL. Current status: Preliminary objections are filed on the ground of Jurisdiction and factual grounds. Matter is pending for final arguments. | Not provided | Not provided |
| Sharp Corporation Limited | BDTCL | High Court of Madhya Pradesh, Indore | Background of the case: Sharp Corporation Limited (the "Petitioner") filed a writ petition dated 24 March 2014 (the "Petition") before the High Court of Madhya Pradesh, Indore Bench (the "High Court") against BDTCL and others (the "Respondents") to restrain the Respondents from starting and/or continuing the construction over the Petitioner's land. Current status: BDTCL filed a reply to the Petition. A rejoinder has been filed by the Petitioner on 12 May 2014. The matter is currently pending. | Not provided | Not provided |

Source: Investment Manager

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Appendix 13 - BDTCL: Summary of Ongoing Litigations (5/9)

| Matter | Against | Pending Before | Details of the Case | Amount Involved (INR Million) | Amount Deposited (INR Million) |
|-------------|---------|----------------|---|-------------------------------|--------------------------------|
| Land owners | BDTCL | SDM Kannad | office, These are complaints by the land owners. The said complaints have been filed by the farmers with a prayer that the MH government GR with regard to the assessment of the land compensation to be considered. We have already filed our preliminary objection on the jurisdiction issue as the collector does not have any jurisdiction to adjudicate any compensation dispute. The applicability of the said GR is also challenged before the Aurangabad HC and is ending disposal. | Not provided | Not provided |
| Land owners | BDTCL | SDM Shillod | office, These are complaints by the land owners. The said complaints have been filed by the farmers with a prayer that the MH government GR with regard to the assessment of the land compensation to be considered. We have already filed our preliminary objection on the jurisdiction issue as the collector does not have any jurisdiction to adjudicate any compensation dispute. The applicability of the said GR is also challenged before the Aurangabad HC and is ending disposal. | Not provided | Not provided |
| Land owners | BDTCL | SDM Pulambri | office, These are complaints by the land owners. The said complaints have been filed by the farmers with a prayer that the MH government GR with regard to the assessment of the land compensation to be considered. We have already filed our preliminary objection on the jurisdiction issue as the collector does not have any jurisdiction to adjudicate any compensation dispute. The applicability of the said GR is also challenged before the Aurangabad HC and is ending disposal. | Not provided | Not provided |

Source: Investment Manager

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Appendix 13 - BDTCL: Summary of Ongoing Litigations (6/9)

| Matter | Against | Pending Before | Details of the Case | Amount Involved (INR Million) | Amount Deposited (INR Million) |
|--------|------------------------------|--|---|-------------------------------|--------------------------------|
| BDTCL | Bhagawan Devman Bhilla | District Court, Dhule | Background of the case: Bhagawan Devman Bhilla filed a civil suit against the State of Maharashtra and BDTCL before the Joint Civil Judge (Senior Division), Dhule (the "Judge") for declaration, compensation and interim injunction in relation to a plot of land. BDTCL has filed a counter-claim and application for interim injunction. The Judge passed an order on 23 February 2016 (the "Order"), allowing the application for interim injunction of Bhagawan Devman Bhilla and partially allowing the application for interim injunction of BDTCL. BDTCL was restrained from evicting Bhagawan Devman Bhilla and Bhagawan Devman Bhilla was restrained from causing obstruction to the State of Maharashtra. Aggrieved by this Order, BDTCL filed an appeal in the court of the District Court, Dhule pleading that the order of the Judge should be stayed since it is bad in law and fact. Current status: The matter is currently pending. | Not provided | Not provided |
| BDTCL | BDTCL vs Bhagwan Devamn Bhil | District Court, Dhule | Background of the case: BDTCL filed an appeal in the court of the District Court, Dhule against the Order 174 of 2017. Current Status: The matter is currently pending. | Not provided | Not provided |
| BDTCL | BDTCL vs Bhagwan Devamn Bhil | District Court, Dhule | Background of the case: BDTCL filed an case in the court of the District Court, Dhule against the Order vide 46 of 2016. Current Status: The matter is currently pending. | Not provided | Not provided |
| BDTCL | Dhyaneshwar Managate | Bombay High Court, Aurangabad | Background of the case: BDTCL filed petition against the payment of compensation required to be paid in accordance with the order passed by the District Court, Aurangabad. the High Court instructed BDTCL to deposit INR 0.64 Million within four weeks from 18 February 2016. The said amount was deposited. Current status: The matter is currently pending. | Not provided | 0.64 |
| BDTCL | State of Maharashtra | of High Court of Aurangabad | Background of the case: Challenging the order of the DC who has allowed the applicability of the GR regarding the land compensation. Current status: The matter is currently pending. | Not provided | Not provided |
| BDTCL | Gorkhbhai Laljibhai Tadv | Sr Civil Judge, Tal: Dediapada, Dist: Narmada. | Background of the case: Gorakhbhai Tadv has filed a suit along with an affidavit for compensation due to damages caused by installation of tower in the land of the plaintiff and also for construction of electric line over the land of the plaintiff. Plaintiff has claimed for INR 0.8 Million as compensation however BDTCL had paid INR 0.17 Million and hence the suit is filed for the balance INR 0.63 Million. The court had issued a notice on 8 February 2019 to summon BDTCL on 15 March 2019. Current status: The matter is currently pending. | 0.80 | 0.17 |

Source: Investment Manager

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Appendix 13 - BDTCL: Summary of Ongoing Litigations (7/9)

| Matter | Against | Pending Before | Details of the Case | Amount Involved (INR Million) | Amount Deposited (INR Million) |
|-------------------|----------------------------|----------------|---|-------------------------------|--------------------------------|
| Regulatory Matter | PGCIL | APTEL | <p>Background of the case: PGCIL filed a tariff petition (No. 227/TT/2014) before the CERC for determination of tariff due to it for the period where BDTCL's assets were not operational (the "Interim Period"). Through an order dated 20 September 2017 ("First CERC Order"), CERC directed BDTCL to pay the transmission charges to PGCIL for the Interim Period. BDTCL subsequently filed a review petition (46/RP/2017) before CERC against the First CERC Order, which was dismissed by the CERC through an order dated 23 July 2018 ("Second CERC Order"). BDTCL has filed an appeal (No 272 of 2018) before APTEL against the First CERC Order and Second CERC Order. The matter has been adjourned to 13 April 2020.</p> <p>Current Status: This matter is currently pending.</p> | 46.00 | Not provided |
| Regulatory Matter | PGCIL appeal against BDTCL | APTEL | <p>Background of the Case: CERC Order allowed certain FM and change in law events to BDTCL as detailed above. Accordingly, PGCIL was to bear certain transmission charges. Aggrieved by this, PGCIL filed Review petition (No. 29/RP/2018) against order in 216/MP/2016 which was dismissed. PGCIL now filed appeal in APTEL. The PGCIL Appeal is against CERC Order in Petition No. 216/MP/2016. Appeal against waiver of transmission charges levied on PGCIL. (Appeal - I.A No. 1527 & 1157 of 2019 in DFR No. 2160 of 2019). The matter has been adjourned to 20 May 2020.</p> <p>Current Status: This matter is currently pending.</p> | 130.00 | Not provided |

Source: Investment Manager

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Appendix 13 - BDTCL: Summary of Ongoing Litigations (8/9)

| Matter | Against | Pending Before | Details of the Case | Amount Involved (INR Million) | Amount Deposited (INR Million) |
|-------------------|---|----------------|---|-------------------------------|--------------------------------|
| Regulatory Matter | Appeal against CERC Order re initial relief petition filed by BDTCL | APTEL | <p>Background of the case:</p> <p>a) BDTCL has filed an compensatory and declaratory relief under the Transmission Services Agreement in relation to six transmission lines and two sub stations (collectively the "Project") since the delay in commissioning the project was due to change in law and force majeure event.</p> <p>b) Additionally, BDTCL prayed for extension of scheduled commercial operation date and grant an increase of INR 212.3 Million per annum in levelized transmission charges payable with effect from commercial operation date of each element of the project.</p> <p>c) CERC ("Central Electricity Regulatory Commission") by its order dated 25 June 2018, partially allowed the petition and held that delay constituted force majeure events under BDTCL TSA. However, the CERC held that on the basis of documents furnished by BDTCL, the CERC could not conclusively establish that change in law of events under BDTCL TSA has occurred and accordingly, the CERC has not determined whether BDTCL is entitled to the increased levelized transmission charges. The CERC granted liberty to BDTCL to provide further documents to establish its claim in respect of increased levelized transmission charges.</p> <p>Based on CERC Order dated 25 June 2018 in Petition No. 216/MP/2016 allowing change in law and FM events, BDTCL filed consequential claim (permitted vide CERC Order of 25 June 2018 in Petition No. 216/MP/2016) with necessary details required for further consideration of BDTCL's change in law claims. BDTCL prayed to compensate BDTCL for the adverse economic impact of the aforesaid Change in Law event and restore BDTCL to the same economic position as if such Change in Law event had not occurred.</p> <p>CERC Order vide dated 24 April 2019 in Petition no. 297/MP/2018 - accepted the change in law events but denied BDTCL of change in law relief.</p> <p>Accordingly, BDTCL filed an appeal in APTEL to set aside CERC order + paying - payment of IDC and carrying costs, and grant of an increase of 2.9872% in the non-escalable transmission charges as compensation for change in law events payable from actual COD of each element along with appropriate carrying costs.</p> <p>The matter has been adjourned to 20 April 2020. Current Status: The matter is currently pending.</p> | 800.00 | Not provided |

Source: Investment Manager

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Appendix 13 - BDTCL: Summary of Ongoing Litigations (9/9)

| Matter | Against | Pending Before | Details of the Case | Amount Involved (INR Million) | Amount Deposited (INR Million) |
|---|---------|------------------------------|---|-------------------------------|--------------------------------|
| Direct Tax Matters | BDTCL | Assessing Officer | <p>Background of the case: BDTCL had received assessment order for AY 2016-17 dated 25 December 2018 where the assessing officer has made disallowance under section 14A of the Income Tax Act 1961 and disallowed depreciation claimed on Capital Work in progress. BDTCL has filed an appeal with CIT (A). Also, a stay and rectification of demand has been filed for in correct addition of depreciation under MAT provision.</p> <p>The amount outstanding as per the screenshot provided from Income Tax website, amount of INR 25.98 Million and INR 1.19 Million.</p> <p>Current Status: The matters are currently pending. BDTCL has made a deposit of INR 0.56 Million which is 20% of the revised demand amount.</p> | 27.90 | 0.56 |
| Indirect Tax Matters - BDTCL Entry Tax Act 1976 | | High Court of Madhya Pradesh | <p>Background of the case: The matter is related to demand for payment of entry tax in Fiscals 2016, 2015, 2014 and 2013, which was allegedly incurred by BDTCL during the course of its business. The aggregate amount involved in the matters is INR 165.8 Million, of which INR 58.4 Million has been paid.</p> <p>Current Status: The matters are currently pending.</p> | 165.80 | 58.40 |
| Indirect Tax Matters - BDTCL Entry Tax Act 1976 | | Commissioner (Appeals) | <p>Background of the case: The matter is related to demand for payment of entry tax in Fiscals 2017. Assessment order has been issued dated 21 November 2019 and appeal has been filed dated 30 December 2019 before the Commissioner (Appeals) on the basis that no Entry tax is leviable on entry of goods brought on returnable basis or those goods which were sent for repair purposes and has re-entered the State of Madhya Pradesh post repair activities.</p> <p>Current Status: The matters are currently pending.</p> | 1.32 | 0.33 |
| Indirect Tax Matters - BDTCL Customs Act 1962 | | Commissioner of Customs | <p>Background of the case: BDTCL cleared 6 bill of entries and claimed the benefit of concessional rate of 5% under the Project Import Regulations 1986 before registering the contract with the Customs House, thus violating the provisions of Regulation 4 of the Project Import Regulations. BDTCL had received a Show Cause dated 22 October 2019 requiring it to show cause as to why differential duty and interest should not be demanded on the goods imported and cleared for home consumption at concessional duty rate of 5% under the Project Import Regulations 1986 insofar as such goods have been cleared before registering the contracts with the Custom Houses.</p> <p>In this regard, a personal hearing notice was received by BDTCL directing it to appear before the Commissioner on 21 December 2018. BDTCL has sought an extension to file the reply to the Show Cause Notice. While BDTCL was following up with the customs Department for collation of documents required for filing reply to the SCN, an adjudication order dated 18 July 2019 was issued without giving BDTCL opportunity to be heard confirming the allegations raised by the SCN.</p> <p>Against the said order, BDTCL has filed an Appeal before the Commissioner (Appeals) on 22 October 2019. BDTCL also has to file an RTI with the Customs Dept. to obtain certain critical documents. The signed copy of the RTI is awaited by ELP for onward filing.</p> <p>Current Status: The matters are currently pending.</p> | 10.96 | - |

Source: Investment Manager

Strictly Private and Confidential

Appendix 14 - JTCL: Summary of Ongoing Litigations (1/3)

| Matter | Against | Pending Before | Details of the Case | Amount Involved (INR Million) | Amount Deposited (INR Million) # |
|------------------------|------------------------------------|---|--|----------------------------------|-------------------------------------|
| Jagmohan Patel | Union of India, JTCL and Others | District Magistrate, Sagar, Madhya Pradesh, under the Telegraph Act, 1885 | <p>Background of the case: Jagmohan Patel (the "Applicant") filed an application against the Union of India, JTCL and others, before the District Magistrate, Sagar, Madhya Pradesh, under the Telegraph Act, 1885, alleging that he suffered damage due to the construction of high voltage transmission lines by JTCL. He claimed compensation of INR 9.28 Million. The District Judge, District Court, Sagar, also issued a show cause notice dated 25 August 2016, requiring the Applicant to appear before it at the designated time. JTCL has filed its reply. The Applicant has filed another petition before the District Magistrate, Sagar, Madhya Pradesh against the Union of India and others for payment of compensation amount of INR 0.69 Million for loss caused to the Applicant due to construction of high voltage transmission line by JTCL. Reply has been filed by JTCL's Lawyer & further proceedings are going on.</p> <p>Current Status: Matter is currently pending.</p> | 9.97 | 9.97 |
| Sanjay Jain and Others | State of Madhya Pradesh and Others | High Court of Madhya Pradesh, Jabalpur Bench | <p>Background of the case: Sanjay Jain and others (the "Petitioners") filed a writ petition before the High Court of Madhya Pradesh, Jabalpur Bench (the "High Court") against the State of Madhya Pradesh and others (the "Respondents") alleging that the land is being utilized for construction of transmission line towers without acquiring the land in accordance with the law. The High Court, by its order dated 31 December 2012 ordered that the status quo with respect to the property in question should be maintained till the land is not acquired by the Respondents for the construction of towers and ordered that compensation be paid to the Petitioners. The High Court, by an order dated 8 July 2014 (the "Order") disposed off the said matter along with the direction that along with the certified copy of the Order, the Petitioner may prefer a representation raising his grievances which is to be adjudicated by a competent authority within a month. Till the decision by the said authority, the interim order shall remain in operation. JTCL got the stay vacated. In compliance to High Court order, Sanjay Jain filed its claim before District Collector (DC) Damoh. In the matter, DC Damoh vide order dated 28 August 2014 disposed the said matter. The Petitioner had now filed the present Writ Petition against the said order of the DC.</p> <p>Current Status: The matter is currently pending.</p> | 11.83 | Not Provided |

Source: Investment Manager

Strictly Private and Confidential

Appendix 14 - JTCL: Summary of Ongoing Litigations (2/3)

| Matter | Against | Pending Before | Details of the Case | Amount Involved (INR Million) | Amount Deposited (INR Million) # |
|--------------------------|----------------|--|--|----------------------------------|-------------------------------------|
| Bhujbal Patel and Others | Union of India | District Magistrate & DM, Sagar, Madhya Pradesh, under the Telegraph Act, 1885 | <p>Background of the case: Bhujbal Patel and others (the "Petitioners") filed a civil application against the Union of India before the District Magistrate, Sagar, Madhya Pradesh (the "District Magistrate"), under the Telegraph Act, 1885, alleging that they suffered damage due to the construction of the high voltage transmission line by JTCL. The Petitioners claimed compensation of INR 14.35 Million. They filed a writ petition before the High Court of Madhya Pradesh, Jabalpur Bench (the "High Court"), alleging that JTCL was using their land, without consent and thereby depriving them of their right. The High Court issued an order dated 23 June 2014 in favour of JTCL (the "Order") and directed the Petitioners to seek recourse under Section 16 of the Telegraph Act, 1885. Thereafter, the Petitioners approached the Sub - Divisional Magistrate, Sagar. The High Court stated the Petitioners suppressed material facts and dismissed the Petition. Aggrieved, the Petitioners filed a civil application against the Union of India before the District Magistrate, under the Telegraph Act, 1885, alleging that they suffered damage due to the construction of the high voltage transmission line by JTCL and claimed compensation of INR 14.35 Million. JTCL has filed its reply. The Petitioner has filed another petition before the District Magistrate against the Union of India and others for payment of compensation amount of INR 6.75 Million for loss caused to the Applicant due to construction of high voltage transmission line by JTCL. Reply has been filled by JTCL's Lawyer & further proceedings are going on.</p> <p>Current Status: The matter is currently pending.</p> | 21.1 | - |
| Lalchand Agarwal | Union of India | Supreme Court of India | <p>Background of the case: Lalchand Agrawal filed a writ petition against the Union of India before the High Court of Madhya Pradesh, (the "High Court") challenging the erection of a tower on his land by JTCL, alleging that his village was not mentioned in the notification dated 12 July 2013 under which JTCL was authorized to erect towers, and further alleging that no notice was provided and no compensation was paid. The High Court rejected the claim of Lalchand Agrawal via judgment dated 13 April 2015, in favour of JTCL. Aggrieved, Lalchand Agrawal has filed a civil appeal before the Supreme Court of India. JTCL has filed its reply.</p> <p>Current Status: The matter is currently pending.</p> | Not Provided* | Not Provided* |

Source: Investment Manager

Strictly Private and Confidential

Appendix 14 - JTCL: Summary of Ongoing Litigations (3/3)

| Matter | Against | Pending Before | Details of the Case | Amount Involved (INR Million) | Amount Deposited (INR Million)# |
|----------------------|---------|--|--|-------------------------------|---------------------------------|
| DM Mandia | JTCL | High Court of Madhya Pradesh, Jabalpur Bench | Background of the case: The District Collector, Mandala has suo moto started inquiry in the case filed by Imrat Singh and others against JTCL and has passed an order dated 03 April 2018 directing JTCL to pay a compensation amount of INR 5.95 Million to 95 land owners without considering the reply and documents submitted by JTCL. JTCL has filed an appeal before the High Court of Madhya Pradesh at Jabalpur. Partial stay order has been granted by HC Jabalpur. Current Status: The matter is currently pending. | 5.95 | - |
| Indirect Tax Matters | JTCL | High Court, Bilaspur, Chhattisgarh | Background of the case: Two indirect tax matters involving JTCL are pending before the High Court of Chhattisgarh in relation to demand for payment of entry tax, which was allegedly incurred by JTCL during the course of its business. The aggregate amount involved in the matters is INR 51.55 Million. Having heard learned counsel for the parties, the court is prima facie satisfied that the order dated 27 June 2018 rejecting to refer the questions of law raised in the reference application filed before the Tribunal suffers from irrationality and illegality. The impugned order dated 27 June 2018 passed by the Commercial Tax Tribunal, Raipur is set aside. The Tax Case is allowed. The Tribunal is directed to state the case and refer the same for consideration to the High Court. Current Status: The matter is currently pending. | 51.55 | 51.55 |
| Indirect Tax Matters | JTCL | High Court, Jabalpur, Madhya Pradesh | Background of the case: Four indirect tax matters involving JTCL are pending before the High Court of Madhya Pradesh in relation to demand for payment of entry tax in Fiscals 2016, 2015, 2014 and 2013, which was allegedly incurred by JTCL during the course of its business. The aggregate amount involved in the matters is INR 138.7 Million. Current Status: The matters are currently pending. | 138.75 | 49.14 |
| Indirect Tax Matters | JTCL | Sales Tax Tribunal | Background of the case: Indirect tax matters involving JTCL are in relation to demand for payment of entry tax for FY 2014-15, which was allegedly incurred by JTCL during the course of its business. The aggregate amount involved in the matters is INR 40.50 Million. JTCL has preferred an appeal against the order before the Commissioner (Appeals) on 22 October 2018. The Appeal has been admitted by the Hon'ble Commissioner (Appeals) and it has been requested that the matter be kept in abeyance till the time finality is obtained in the matters for previous Assessment Years. However, the Additional Commissioner has not accepted further request for adjournment and has passed his order dated 21 November 2019 (received by JTCL on 05 December 2019) upholding the duty demand on the basis of the Tribunal order for the past period. Simultaneously a garnishee notice has also been issued by the Jurisdictional Deputy Commissioner at Bilaspur to PGCIL directing them to make payment of the balance tax amount of INR 34.42 Million. JTCL has immediately filed a letter dated 06 January 2019 to the Deputy Commissioner with a copy to the Commissioner stating that any such recovery before expiry of 30 days from the date of communication of order is completely out of place and illegal. JTCL has thereafter filed an Appeal before the Tribunal to challenge the order of the Additional Commissioner and also made pre-deposit in this regard. Pursuant to appeal filing, the PGCIL recovery notice has been withdrawn. The matter will be heard in the Tribunal in due course. Current Status: The matter is currently pending. | 40.5 | 12.96 |

Source: Investment Manager

* We were unable to quantify the amount of liability involved from the set of documents provided.

** We were provided with the amount however the relevant supporting documents has not been provided to us hence we were unable to corroborate the same.

Investment Manager informed that the above amount paid under protest to the government authorities are grouped under Current Assets.

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Appendix 15 - MTL: Summary of Ongoing Litigations (1/2)

| Matter | Pending Before | Details of the case | Amount Involved (INR Million) | Amount Deposited (INR Million) |
|---------------------------------|----------------|--|-------------------------------|--------------------------------|
| Right of Way Compensation (ROW) | High Court | <p>Background of the case: Angu Jagga Reddy & Others ("Petitioners") vs MTL & Others ("Respondents"). Petitioners have filed a writ petition before High Court of Telangana and Andhra Pradesh. The Petitioners alleged that the laying of a transmission line parallel to the existing transmission line is illegal and arbitrary. A settlement agreement dated 21 November 2017 has been entered into in this regard. The aggregate amount involved in this matter is INR 3 Million.</p> <p>Current Status: The matter is currently pending at High Court.</p> | 3 | 3 |
| Right of Way Compensation (ROW) | Collector | <p>Background of the case: Purushotham & Others ("Petitioners") vs MTL & Others ("Respondents"). Petitioners have filed a writ petition before High Court of Telangana and Andhra Pradesh alleging that the construction of high tension transmission lines by Respondents on their land is illegal and arbitrary and praying that the Respondents change the alignment of the poles of the transmission lines. The High Court, by its order dated 15 February 2017, directed the Petitioners to approach the District Magistrate to adjudicate upon the matter. Subsequently, the Petitioners have filed a complaint before the District Magistrate, Sangareddy.</p> <p>Current Status: The matter is currently pending before the Collector.</p> | Not provided | Not provided |
| Right of Way Compensation (ROW) | Collector | <p>Background of the case: Samala Raju & Others ("Petitioners") vs MTL & Others ("Respondents"). Petitioners have filed a writ petition before the High Court of Telangana and Andhra Pradesh against the respondents for not paying compensation for erecting high tension transmission lines in the land of the petitioners as it is illegal. The Petitioner also praying to consider the representation with respect to fixing of compensation towards damages being caused to their land due to the erection of transmission lines. The Revenue Divisional Officer, Kamareddy issued direction to MTL to pay compensation amount of approximately INR 0.47 Million per case to the Petitioners. MTL has submitted a letter dated 05 July 2017 along with proof of compensation paid before the Revenue Divisional Officer, Kamareddy.</p> <p>Current Status: The matter is currently pending before the Collector.</p> | Not provided | Not provided |

Source: Investment Manager

Strictly Private and Confidential

Appendix 15 - MTL: Summary of Ongoing Litigations (2/2)

| Matter | Pending Before | Details of the case | Amount Involved (INR Million) | Amount Deposited (INR Million) |
|---------------------------------|------------------------------|---|-------------------------------|--------------------------------|
| Right of Way Compensation (ROW) | Collector | <p>Background of the case: G. Lingareddy and others ("Petitioners") filed a writ petition before the High Court of Telangana and Andhra Pradesh ("High Court") against the District Collector, Nizamabad, MTL and others ("Respondents"). The Petitioners alleged that the power transmission line was laid over their land without any prior notice and without initiating acquisition proceedings due to which they suffered heavy crop damage and losses. The High Court, by an order dated 08 March 2017, directed the District Collector, Nizamabad to dispose off the matter in accordance with law. MTL has submitted a letter dated 27 September 2017 along with proof of compensation paid before the Revenue Divisional Officer, Kamareddy.</p> <p>Current Status: The matter is currently pending before the Collector.</p> | Not provided | Not provided |
| Right of Way Compensation (ROW) | Collector | <p>Background of the case: Gaddam Vinod Kumar and others ("Petitioners") filed a writ petition before the High Court of Telangana and Andhra Pradesh ("High Court") against the District Collector, Nizamabad, MTL and others (Respondents). The Petitioners prayed before the High Court to declare the action of the Respondents in not fixing the compensation towards the damages being caused by erecting transmission towers and drawing of high voltage transmission lines in and across the Petitioners lands, as illegal and arbitrary. The High Court by its order dated 27 April 2017 disposed off the matter directing the Respondent to dispose off the representations made by the Petitioners in accordance with law. MTL has submitted a letter along with proof of compensation paid before the Revenue Divisional Officer.</p> <p>Current Status: The matter is currently pending before the Collector.</p> | Not provided | Not provided |
| Regulatory Matter | Petition Relief filed by MTL | <p>Background of the case: MTL has filed a petition dated 07 June 2018 before the Central Electricity Regulatory Commission ("CERC") for claiming compensation amounting to INR 156.58 Million due to changes in law on account of the promulgation of various amendments/ notifications to existing laws including land and corridor compensation payment guidelines and the levy of GST. Further, MTL has sought an adjustment in the tariff to compensate and to offset the impact on the capital cost, revenue and expenses of the project on account of the change in law. Vide Order dated 11 March 2019, CERC accepted GST introduction as a Change in Law event and granted appropriate relief, but rejected that the amendments/ notifications relating to land and corridor compensation payment guidelines constituted a Change in Law event.</p> <p>Current Status: CERC rejected the MTL's claim. Appeal is to be filed by MTL against CERC order where land compensation claim has been rejected.</p> | 156.58 | - |

Source: Investment Manager

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Appendix 16 - RTCL: Summary of Ongoing Litigations (1/1)

| Matter | Against | Pending Before | Details of the case | Amount Involved (INR Million) | Amount Deposited (INR Million) |
|--|---------|---------------------------------|---|-------------------------------|--------------------------------|
| Entry Tax | RTCL | MP - High court -Jabalpur MP | <p>Period from - FY 14-15 & FY15-16</p> <p>The Commercial Tax Department, Government of Madhya Pradesh sent a notice of demand of Entry Tax on RTCL for payment of entry tax of INR 9.43 Million and penalty of INR 3.72 Million. As per the Entry Tax Act, 1976 dealer is liable to pay Entry tax during the course of business. However, RTCL is in the opinion that since the business is in construction phase entry tax is not payable. Further, RTCL filed a writ petition (3759/2017) in the Madhya Pradesh High Court in which conditional stay was granted by the court on 7 March 2017. As per the order, RTCL needs to deposit 50% of the amount.</p> <p>Current Status</p> <p>Entry tax demand of INR 13.30 Million for RAPP Transmission Company Limited ('RTCL') pertains to demands under the Entry tax act read with Madhya Pradesh Vat Act, 2002 for payment of entry tax upon completion of assessment by tax authorities for the year 2014-15 & 2015-16. RTCL has appealed against the demand before High Court, Jabalpur (Madhya Pradesh). The management, including its tax advisors, believe that its position will likely be upheld in the appellate process. No expense has been accrued in the consolidated financial statements for the tax demands raised. The management believes that the ultimate outcome of this proceeding will not have a material adverse effect on the financial position and results of the operations of RTCL. RTCL has deposited INR 4.72 Million with the tax authorities against the said demands to comply the order of Hon'ble High court of the Madhya Pradesh. The Hon'ble High Court has accepted the plea of RTCL and has given stay on entire demand after deposit of specified amount till the disposal of case. The writ petition has been tagged along with a similar matter of M/s NTPC (LTD.) in VATA 09/2010 and is pending for hearing before the Hon'ble High Court.</p> | 13.30 | 4.72 |
| Nuclear Power Corporation of India Limited | RTCL | Supreme Court | <p>Background of the case: RTCL had filed a petition before CERC against Power Grid Corporation of India Ltd & Others on the basis of RTCL's Transmission Service Agreement, the Revenue sharing Agreement and the order dated 15 July 2015 issued by the Ministry of Power, Government of India, "Policy for Incentivizing Early Commissioning of Transmission Projects" seeking payment of monthly Transmission charges w.e.f. 26 December 2015 onwards which is the actual date of commercial operations for RTCL.</p> <p>CERC passed an order dated 21 September 2016 allowing the petition partly in favour of RTCL w.e.f 1 March 2016, holding that they are entitled to transmission charges till the completion of 'RAPP end bay' for termination of RAPP-Shujalpur 400kv transmission line as developed by Nuclear Power Corporation of India Limited ("NPCIL") is ready. NPCIL filed an interim application dated 4 November 2016 praying that the impugned order be stayed, since it is in violation of the principles of natural justice.</p> <p>Further, the liability of payment of said transmission charges was imposed on the NPCIL on the ground that there was delay on the part of the NPCIL in commissioning. Hence, the present appeal is filed by NPCIL ("Appellant") under the provision of Sec 111 of Electricity Act, 2003 challenging the order passed by CERC. The appeal filed by the Nuclear Power Corporation Ltd. challenging the order dated 20 September 2017 passed by the CERC was dismissed as devoid of merits. The impugned CERC order dated 21 September 2016 passed by the Central Commission is upheld by APTEL order dated 18 January 2019. Thereafter, NPCIL filed appeal against APTEL Order in Supreme Court for payment of transmission charges to RTCL.</p> <p>Current Status: RTCL has filed its reply to the appeal. Matter is pending in Supreme Court.</p> | 28 | - |

Source: Investment Manager

Strictly Private and Confidential

Appendix 17 - PKTCL: Summary of Ongoing Litigations (1/1)

| Matter | Against | Pending Before | Details of the case | Amount Involved (INR Million) | Amount Deposited (INR Million) |
|-------------------|--------------------------------|-------------------|---|-------------------------------|--------------------------------|
| Regulatory Matter | Petition Relief filed by PGCIL | APTEL | <p>Background of the case: PKTCL filed a petition dated 7 July 2016 before the Central Electricity Regulatory Commission ("CERC") seeking compensatory and declaratory reliefs under the PKTCL TSA on account of force majeure and change in law including the delay in application for forest diversion proposal, shifting of termination point of Purulia substation, delay in grant of forest clearance, law and order issues, which adversely affected and subsequently, delayed the construction of two transmission lines (the "Project"). CERC by its order dated 3 April 2018 granted certain reliefs to PKTCL by extending the schedule commercial operation date of the Project, allowing the payment of transmission charges for one of the construction lines to be paid by Power Grid Corporation of India Limited ("PGCIL") and further allowing the relief on account of change in law. PGCIL, one of the respondents in petition filed by PKTCL before CERC, filed a review dated 18 May 2018 before CERC challenging the CERC's order dated 3 April 2018. PGCIL has challenged its liability to pay the transmission charges for one element of the project on account of non-commissioning of bays by PGCIL and against the expenditure to be incurred by PGCIL for the interim arrangement done by PKTCL for termination of other element. The review petition has been admitted by CERC on 5 July 2018. Review Petition was also dismissed. Appeal has been filed by PGCIL in APTEL in August 2019.</p> <p>Current Status: The matter is currently pending.</p> | 50 | Not Provided |
| Direct Tax | PKTCL | Assessing Officer | <p>Background of the case: For Financial year 2016-2017, addition under section 56(2)(viib) of the Income Tax Act 1961 in respect of premium received on issuance of shares was made by the income tax department. The issue is factual as well as legal in nature and relevant information has already been placed on record with the AO. No demand is outstanding against the said addition since it merely results in reduction of carry forward of losses/ unabsorbed depreciation.</p> <p>Current Status: The matter is currently pending.</p> | NA | NA |

Source: Investment Managers

Strictly Private and Confidential

Appendix 18 - PTCL: Summary of Ongoing Litigations (1/1)

| Matter | Against | Pending Before | Details of the case | Amount Involved (INR Million) | Amount Deposited (INR Million) |
|--|---------|----------------|--|-------------------------------|--------------------------------|
| Punjab State Power Corporation Limited | CERC | APTEL | <p>Background of the case: Punjab State Power Corporation Limited ("PSPCL") had filed an appeal challenging the Order dated 4 January 2017 passed by Central Electricity Regulatory Commission ("CERC") whereby PSPCL was held liable to bear the transmission charges of the transmission assets commissioned by PTCL from Scheduled Commercial Operation Date ("SCOD") till commissioning of the downstream system. The total amount payable by PSPCL as per the Impugned Order is INR 113.6 Million and out of which amount of INR 85.22 Million is still pending. As per one of the decisions, if the downstream system of the elements in present case is not commissioned by the schedule date of commercial operation, the owner of the downstream system shall be liable to pay the transmission charges of the transmission system till the downstream system is commissioned. Accordingly, PTCL issued a "notice for regulation of power supply" dated 6 July 2017 to PSPCL for regulation of power supply unless dues are cleared by PSPCL by 13 July 2017. PSPCL filed an appeal before the Appellate Tribunal for Electricity ("Tribunal") challenging the CERC Order. The Tribunal dismissed the appeal through its order dated 27 March 2018 (the "APTEL Order"). PSPCL has subsequently filed an appeal before the Supreme Court of India against the APTEL. It is a contingent asset for PTCL.</p> <p>Current Status: The appeal has been filed at Supreme Court and the matter is currently pending.</p> | 85.22 | - |

Source: Investment Manager

Strictly Private and Confidential

Appendix 19 - NRSS: Summary of Ongoing Litigations (1/5)

| Matter | Pending Before | Details of the case | Amount Involved (INR Million) | Amount Deposited (INR Million) |
|--|--|--|-------------------------------|--------------------------------|
| Appeal against the suit and order restraining erection of towers | Court of the Ld. Sub Judge, Rajouri | <p>Background of the case: Shabir Ahmed had filed a suit for restraining the Secretary PDD (J&K) & others (Defendants) from installing the Electric towers. Interim order was passed. The defendants have filed the preliminary objections against which the plaintiff has replied.</p> <p>Current Status: The matter was disposed off from the Court of Sub Judge, Rajouri on 24 October 2017. Appeal has been filed in the court of Ld. District Judge by the petitioner but no stay order passed in favour of appellant. Court has appointed PDD as commissioner to furnish report pertaining to height of conductor. Appeal has been dismissed. Commissioner report is filed for arguments. Matter argued now reserved for orders.</p> | 0.5 | 0.5 |
| Suit for compensation | Honourable Court of District Judge at Budgam | <p>Background of the case: Ghulam Mohammad Lane (Plaintiff) filed the plaint on the ground that NRSS without adopting due course of law, without plaintiff's consent and without acquiring the land under the Land Acquisition Act, is trying to construct the tower on his land which he owns jointly with his brothers and sisters equally. Plaintiff is claiming that compensation is being released only in name of one of his brothers and not in his name. However, his name also appears in the revenue record. Written submissions were filed on 6 June 2017.</p> <p>INR 0.64 Million has already been deposited as per the decided rate under the PNC sheet. There is no further implication expected by NRSS.</p> <p>Current Status: Appearance caused on 6 June 2017. No stay order passed by the court. Fresh summons are issued to defendants. The matter is still pending.</p> | 0.64 | 0.64 |
| Suit for restraining order and compensation | High Court of J&K at Srinagar | <p>Background of the case: Ghulam Mohammad Lane (Petitioner) along with several others filed a writ petition in the High Court of Srinagar claiming that the entire process of land acquisition for installation of towers and laying of transmission lines by the respondents is illegal and that the land of the petitioners has lost its commercial value due to construction of the transmission lines. The petitioners have prayed the Court to direct respondents to pay fair compensation to the petitioners, resettle and rehabilitate the petitioners and bring the petitioners and their family members under insurance cover.</p> <p>Current Status: Reply to be filled. The matter is still pending.</p> | 1.2 | |
| Suit for compensation | SJ Budgam | <p>Background of the case: Mohd Ahsan Dar - Plaintiff is claiming that crop/tree compensation be paid to him instead of few of the defendants. Written Statement filed. Summons for rest of the defendants. No stay order from court. Tree compensation, if pending, at actual might be ordered to be given. Tree compensation can cost upto INR 0.3 Million approx.</p> <p>Current Status: The matter is pending.</p> | 0.3 | |

Source: Investment Manager

Strictly Private and Confidential

Appendix 19 - NRSS: Summary of Ongoing Litigations (2/5)

| Matter | Pending Before | Details of the case | Amount Involved (INR Million) | Amount Deposited (INR Million) |
|-----------------------|---|---|-------------------------------|--------------------------------|
| Suit for compensation | ADJ, Srinagar | <p>Background of the case: Abdul Razzak Bhat - Owner has filed suit for recovery. Owner is claiming that his land was acquired but full land compensation has not been made to him. Further crop compensation has also not been paid properly. WS filed on the ground that land compensation has been deposited with the govt authority and further the same is to be released by that concerned authority and plaintiff has already received 80% of land compensation and crop compensation. INR 0.1 Million for provisioning purpose only if order by court otherwise we have already paid the requisite compensation to the owner.</p> <p>Current Status: Statement of parties awaited. Matter is pending.</p> | 0.1 | |
| Suit for compensation | Spl Mb Magistrate, Shopian | <p>Background of the case: Raja Banoo - Owner is claiming that his land is coming in between the corridor at village Watred and no compensation has been given to him. Further, ground clearance of transmission line is not enough. Written Statement filed. Arguments in stay application. Commissioner appointed for inspection of ground clearance on spot. Commissioner report submitted and now for orders in stay application.</p> <p>Current Status: Stay application has been disposed off on 15 May 2019 after the report of the PDD pertaining to the height of the conductor over the spot. Matter is pending.</p> | 0.3 | |
| Suit for compensation | Addl spl Mobile Magistrate, Thannamandi | <p>Background of the case: Mohd Taj - Owner is claiming that his land falls under corridor and trees over his land were earmarked and he was promised that compensation against the same will be given to him but no compensation has been given. Damage was done to his land otherwise also and no compensation has been given to him. WS filed. No stay order as on date. Tree compensation, if pending, at actual might be ordered to be given. Tree compensation can cost upto INR 0.3 Million approx.</p> <p>Current Status: Matter pending. Arguments on stay application. Filed application under order VII rule 11(d) for dismissal of palint, pending for objections from other side.</p> | 0.3 | |
| Suit for compensation | City Judge, Jammu | <p>Background of the case: Nirmal Kumari - Owner is claiming that she has not been given proper land compensation amount for her land for acquisition. WS filed on the ground that plaintiff has already received crop/tree compensation and rest of the PNC amount has been deposited with the concerned authority.</p> <p>Current Status: Pending for arguments in stay application and objections in contempt application.</p> | | |

Source: Investment Manager

Strictly Private and Confidential

Appendix 19 - NRSS: Summary of Ongoing Litigations (3/5)

| Matter | Pending Before | Details of the case | Amount Involved (INR Million) | Amount Deposited (INR Million) |
|--|---|--|-------------------------------|--------------------------------|
| Damage due to Acquisition of agricultural land. | High Court of Jammu & Kashmir | <p>Background of the case: Abdul Majid (Petitioner) is the owner of the land has filed the suit for forcibly and unlawful acquisition of his agricultural land. He demands to find out alternative non-agricultural and non cultivated land for the construction of tower. Petitioner is claiming that his land is being acquired without adopting due process of law under acquisition act.</p> <p>Current Status: Out of court settlement has reached with the owner and work has started over the location. PNC done and sale deed executed. Reply to this effect has been filed and matter shall be disposed off accordingly.</p> | 0.55 | 0.55 |
| Suit for compensation | Sub-Judge, Sophian | <p>Background of the case: Bashir Ahmad Lone & Others (Owner) is claiming that his land is coming in between the corridor at villageward and no compensation has been given to him. Further, ground clearance of transmission line is not enough.</p> <p>Current Status: Written Statements filed. Pending for report of commissioner - PDD. No stay order as on date. The matter is currently pending</p> | 1 | |
| Damage due to Acquisition of forest land and suit for compensation | Jammu & Kashmir Human Rights Commission, Srinagar | <p>Background of the case: The complainant has alleged that 40,000 forest tress and other fruit and non fruit bearing trees have been cut in last two years. People have been put to several health hazards. People living near to line have not been compensated adequately and have been put to risk of several health issues. He has also given one list of people who have not been compensated properly. In his prayer, he is asking for status report from different departments, especially, forest dept and why FAC is giving directions for cutting of trees every year. People nearer to line must be compensated adequately and rehabilitated at some other places.</p> <p>Current Status: The matter is currently pending and reply filed.</p> | 2.5 | |
| Shifting of tower location | High court of J&K | <p>Background of the case: Pradeep Kumar (Petitioner) the owner of land and permanent resident of J&K, has filed suit for damages and loss due to re-shifting of tower construction plan. According to the new plan, the petitioner's land now comes under the acquisition plan. Petitioner claimed that the opposite party has not adopted the procedure laid down under JK Land Acquisition Act and without providing any kind of compensation. Interim direction for laying down wires as per law only.</p> <p>Current Status: NRSS is planning to list the matter again and get the same dismissed in default as on last date of hearing, the petitioner or his advocate was not present before the court. Otherwise, NRSS will file reply in the same, if on due date, petitioner or advocate cause his appearance.</p> | | |

Source: Investment Manager

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Appendix 19 - NRSS: Summary of Ongoing Litigations (4/5)

| Matter | Pending Before | Details of the case | Amount Involved (INR Million) | Amount Deposited (INR Million) |
|--|--|--|-------------------------------|--------------------------------|
| Prohibition injunction of Power line construction | Sub Judge Pattan | <p>Background of the case: Abdul Ahad Khan (Petitioner) the owner of the land and permanent resident of J&K, has filed the suit for damage for losses and damages of his said plot of land. Petitioner claimed that the opposite party has not adopted the procedure laid down under JK Land Acquisition Act and without providing any kind of compensation. The court dismissed the suit on the basis that the defendant is not a local of the state and hence cannot acquire the land.</p> <p>Current Status: Court has passed interim direction that no compensation be released in the name of defendants as of now. Written statement filed. PNC was conducted and amount was deposited. Pending for framing of issues.</p> | | |
| Non-payment of dues | District Judge, Jammu | <p>Background of the case: Girdhari Lal ("Plaintiff") has filed suit to release the payment for work done against Tower No. 224, 223 and Tower no.199 along with payment of interest @ 12% from the date it was delayed.</p> <p>Current Status: Written submission filed. Summons issued to rest of the defendants.</p> | 1.15 | - |
| Erection of Towers | High Court of Jammu and Kashmir at Jammu | <p>Background of the case: Ashwani Kumar has filed the writ petition for quashing the installation of electric towers on land at Khasra No. 328, situated at Gazipur, Tehsil R.S. Pura, Jammu and for fixing the towers no. 34 and 35 in accordance with the original alignment.</p> <p>Current Status: Transmission line has not been laid as per original route alignment. Court has passed interim direction that no tower to be erected over the land of the petitioner without following the provisions of Land Acquisition Act. Reply to be filed. Accordingly the matter will be disposed off.</p> | | |
| Demarcation of land and compensation to rightful owner | High Court of Jammu and Kashmir at Jammu | <p>Background of the case: Des Raj & others has biled the petition as the authorities for which the land has been acquired have erected the tower on some other land instead of the notified area. Hence, the petition has been filed for the demarcation of the land and pay the compensation to the rightful owner and for prohibiting respondents from paying compensation for towers to any third party.</p> <p>Current Status: Court has passed order that the course of law should be followed by the respondents.</p> | | |

Source: Investment Manager

Appendix 19 - NRSS: Summary of Ongoing Litigations (5/5)

| Matter | Pending Before | Details of the case | Amount Involved (INR Million) | Amount Deposited (INR Million) |
|-----------------------|---|--|-------------------------------|--------------------------------|
| Suit for compensation | Additional Special Mobile Magistrate, Thannamandi | <p>Background of the case: Nazarat Khan ("Plaintiff") has filed a suit for mandatory injunction commanding NRSS to restore the original position of the residential house in actual physical possession of the plaintiff, constructed on the land owned by the plaintiff which was disturbed by the installation of the transmission lines. Alternately, NRSS can adjust the claim of the plaintiff in respect of the residential house and pay for the compensation and damages to the plaintiff for the loss caused to the plaintiff by the act of the defendant.</p> <p>Current Status: Reply to be filled. The matter is still pending</p> | | |
| Suit for compensation | High Court Jammu | <p>Background of the case: Munshi Khan ("Plaintiff") has filed a writ petition claiming that he is the owner of the house where NRSS is constructing the transmission lines. The trees those existed on the spot were cut and removed and a negotiaion was arrived between the petitioner and NRSS for payment of INR 0.2 Million as compensation. However, the same was not disbursed to the petitioner.</p> <p>Current Status: The matter is still pending.</p> | 0.2 | |

Source: Investment Manager

Strictly Private and Confidential

Appendix 20 - OGPTL: Summary of Ongoing Litigations (1/2)

| Matter | Pending Before | Details of the case | Amount Involved (INR Million) | Amount Deposited (INR Million) |
|------------------------------------|--|---|-------------------------------|--------------------------------|
| Corridor Issue | Malkharoda Civil Court | <p>Background of the case: Jeetan Singh has a corridor issue between loc.92/14 and loc.92/15. The petitioner has asked for divergence of line. The petitioner has sought an injunction restraining from laying the transmission wire and tower.</p> <p>Current Status: OGPTL has filed written statement and offered to pay compensation to the Petitioner. The matter is currently pending.</p> | | |
| Restraining erection of tower | High Court of Chattishgarh at Bilaspur | <p>Background of the case: Raju Singh (Petitioner) the owner of the land has filed the writ petition to restrain the respondent to not install/ place electric tower over the fly ace brick factory of the petitioner. Petitioner states that respondent without acquisition of land, without issuance of notice, have placed tower over the land where bricks industry is being run by the industry. The Petitioner has sought a direction from the High Court for the installation of the electricity tower be stopped.</p> <p>Current Status: The reply is filed. However the hearing date is yet to be scheduled. The matter is pending.</p> | 7.17 | |
| Installation of Transmission lines | High Court of Orissa at Cuttack | <p>Background of the case: Narayan Prasad Das and 2 others (Petitioners) have filed an application under Articles 226 and 227 of Constitution of India, 1950 challenging the installation of Electric Transmission of 400 KV over the ancestral land of the petitioners without issuing any prior notice to them.</p> <p>It was directed that opposite party shall maintain status quo with respect to the suit land till next date. The Opposite Party also filed petition for lifting of the status quo order otherwise they will incur huge loss. Further, petitioner is only entitled to receive compensation against damages in accordance with Sec. 10 of Indian Telegraph Act, 1885.</p> <p>Current Status: Status quo passed vide WPC no. 14866 of 2017 vacated. Awaiting for final hearing, date of hearing yet to confirmed as High Court was on strike. The matter is currently pending.</p> | | |

Source : Investment manager

Strictly Private and Confidential

Appendix 20 - OGPTL: Summary of Ongoing Litigations (2/2)

| Matter | Pending Before | Details of the case | Amount Involved (INR Million) | Amount Deposited (INR Million) |
|--|----------------|--|-------------------------------|--------------------------------|
| Payment of transmission charges | APTEL | <p>Background of the case: Odisha Power Generation Corporation ("OPGC") filed an appeal against the CERC order for waiver of liability of payment of transmission charges due to delay in commissioning of its assets.</p> <p>Current Status: The delay in appeal is condoned and the matter is admitted. Rejoinder is to be filed by OPGC.</p> | | |
| Change in Law | CERC | <p>Background of the case: Odisha Generation Phase-II Transmission Limited ("OGPTL") has filed claim for change in law.</p> <p>Current Status: OGPTL is pursuing for recovery of tariff and the matter is pending.</p> | 60* | |
| Petitions filed by OPGC and SLDC for permission to open bus bar. | CERC | <p>Background of the case: CERC directed SLDC to implead OGPTL as a party to the petition. We have been served with a copy. CERC also directed OGPTL to file replies to the petitions.</p> <p>Current Status: Replies filed. Meeting held in ERPC on 20 Nov 2019. OGPTL represented. Minutes of meeting ("MoM") shared with CERC. CEA to convene a meeting. The matter is currently pending.</p> | | |
| Appeal against CERC order 128/MP/2019 | APTEL | <p>Background of the case: Stay application listed on 16 Jan 2020.</p> <p>Current Status: INR 140 Million paid by OPGC to OGPTL. Stay application to be heard. Interlocutory Application ("IA") filed by OGPTL for release of future payments under Point of Connection ("PoC") pool. PGCIL sought time to file reply to IA. The matter is pending.</p> | 240* | 140* |
| LD Waiver, Tariff Increase | CERC | <p>Background of the case: Petition No. 182/MP/2020. Petition filed for Force Majeure & Change in Law filed in January 2020.</p> <p>Current Status: To be listed for first time. On Admission Stage.</p> | | |

Source: Investment manager

* As per the estimates provided by the Investment Manager.

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Appendix 21 - ENICL: Summary of Ongoing Litigations (1/5)

| Matter | Pending Before | Particulars | Amount Involved (INR Million) | Amount Deposited (INR Million) |
|--------------------------------------|--|--|-------------------------------|--------------------------------|
| Partition | Civil Judge, Senior Division, Sada Cooch, Behar (High Court) | Background of the case: Sujith Debnath (Plaintiff) has filed the suit for right, title, partition and for separate possession valued at INR 1.2 Million and for plaintiffs shares valued at INR 0.6 Million. ENICL is named as the party. Current Status: The Matter is currently pending. | 1.8 | |
| Damage for loss of land and business | Court of the Ld. District Judge | Background of the case: Sri Anil Chandra Debnath (Petitioner) is the owner of the land and has filed the suit for damage w.r.t. loss of land and business of petitioner. ENICL acquired the land for the installation, execution, erection of the said work and assured petitioner to pay compensation of INR 13.5 Million (INR 10 Million for damages for loss of land + INR 1 Million interest @10% p.a. + INR 2.5 Million for loss of business of the petitioner, for loss of land. However, the amount is unpaid. Current Status: Pending before Court of the Ld. District Judge. | 13.5 | |
| Damage for loss of land and business | Court of the Ld. District Judge | Background of the case: Sri Dwijendra Nath Dam (Petitioner) is the owner of the land and has filed the suit for damage w.r.t. loss of land and business of petitioner. ENICL acquired the land for the installation, execution, erection of the said work and assured petitioner to pay compensation of INR 17.9 Million (INR 14 Million for damages for loss of land + INR 1.4 Million interest @10% p.a. + INR 2.5 Million for loss of business of the petitioner). However, the amount is unpaid. Current Status: Pending before Court of the Ld. District Judge. | 17.9 | |
| Damage for loss of land and business | Court of the Ld. District Judge | Background of the case: Sri Jyotirmoy Debnath (Petitioner) is the owner of the land and has filed the suit for damage w.r.t. loss of land and business petitioner. ENICL acquired the land for the installation, execution, erection of the said work and assured petitioner to pay compensation of INR 13.5 Million (INR 10 Million for damages for loss of land + INR 1 Million interest @10% p.a. + INR 2.5 Million for loss of business of the petitioner). However, the amount is unpaid. Current Status: Pending before Court of the Ld. District Judge. | 13.5 | |

Source: Investment Manager

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Appendix 21 - ENICL: Summary of Ongoing Litigations (2/5)

| Matter | Pending Before | Particulars | Amount Involved (INR Million) | Amount Deposited (INR Million) |
|--------------------------------------|---------------------------------|---|-------------------------------|--------------------------------|
| Damage for loss of land and business | Court of the Ld. District Judge | <p>Background of the case: Sri Narayan Adhikary (Petitioner) is the owner of the land and has filed the suit for damage w.r.t. loss of land and business of petitioner. ENICL acquired the land for the installation, execution, erection of the said work and assured petitioner to pay compensation of INR 21.7 Million (INR 15 Million for damages for loss of land + INR 3 Million interest @10% p.a. + INR 3.75 Million for loss of business of the petitioner). However, the amount is unpaid.</p> <p>Current Status: Pending before Court of the Ld. District Judge.</p> | 21.7 | |
| Damage for loss of land and business | Court of the Ld. District Judge | <p>Background of the case: Sri Naresh Chandra Adhikary (Petitioner) is the owner of the land has filed the suit for damage w.r.t. loss of land and business of petitioner. ENICL acquired the land for the installation, execution, erection of the said work and assured petitioner to pay compensation of INR 15 Million (INR 10 Million for damages for loss of land + INR 1 Million interest @10% p.a. + INR 4 Million for loss and damage of trees). However, the amount is unpaid.</p> <p>Current Status: Pending before Court of the Ld. District Judge.</p> | 15.0 | |
| Damage for loss of land and business | Court of the Ld. District Judge | <p>Background of the case: Sri Parimal Barman (Petitioner) is the owner of the land and has filed the suit for damage w.r.t. loss of land and business of petitioner. ENICL acquired the land for the installation, execution, erection of the said work and assured petitioner to pay compensation of INR 14.5 Million (INR 10 Million for damages for loss of land + INR 2 Million interest @10% p.a. + INR 2.5 Million for loss of business of the petitioner). However, the amount is unpaid.</p> <p>Current Status: Pending before Court of the Ld. District Judge.</p> | 14.5 | |

Source: Investment Manager

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Appendix 21 - ENICL: Summary of Ongoing Litigations (3/5)

| Matter | Pending Before | Particulars | Amount Involved (INR Million) | Amount Deposited (INR Million) |
|--------------|------------------------------------|--|-------------------------------|--------------------------------|
| Compensation | Civil Judge Kokrajhar (High Court) | <p>Background of the case: Santosh Tarafdar the petitioner has filed a money suit in the court against opposite parties (ENICL amongst one of the party) for total loss and damage of tress and crops of INR 1 Million. An ex parte order was passed against ENICL on 16 May 2015. ENICL filed an application against the First Order, which was dismissed by the Judge through an order dated 13 Nov 2015. ENICL filed an appeal before the Gauhati High Court against the Order. The High Court has quashed the Order and directed the lower court to decide the matter afresh. The original matter was disposed off. Now the said land owner has to intitiate the matter afresh, which he has not intitiated.</p> <p>Current Status: Proceedings stayed by High Court. High court has allowed our petition and quashed the last order by the lower court. Based on the same lower court matter will be disposed off.</p> | 1.0 | |
| Compensation | District Judge, Madhupura. | <p>Background of the case: The petitioners (Shiv kumar Sharma & others has filed petition claiming that the compensation paid to them is inadequate and claiming INR 13.2 Million for change in approved route of transmission line and also for cutting of tress, damage to crops and loss of business from ENICL and others.</p> <p>High Court Order: District Magistrate is the competent authority to determine claims for compensation. Any dispute regarding to the quantum of compensation is amendable to the jurisdiction of the district judge concerned.</p> <p>The appellatant admits reciept of part compensation and if the appellatant files an application regarding quantum of the compensation, the same must be considered expeditiously. The Court decline any interference with the order under appeal and dispose the same.</p> <p>Current Status: ENICL are challenging the same on the ground of limitation. Pending before Court of the Ld. District Judge.</p> | 13.2 | |

Source: Investment Manager

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Appendix 21 - ENICL: Summary of Ongoing Litigations (4/5)

| Matter | Pending Before | Particulars | Amount Involved (INR Million) | Amount Deposited (INR Million) |
|---------------------------------------|---|---|---|--------------------------------|
| Injunction on payment of Compensation | Civil Judge (Jr Div) Alipurduar | <p>Background of the case: Smt. Sukramani Munda & Smt. Sita Munda (Plaintiff) has filed the petition against ENICL & others (Defendant) when the defendant illegally dispossessed the plaintiff from the suit land and also when the aggressive defendants refused to leave and vacate the suit land. Injunction on payment of any compensation amount to the defendant. Work is already completed and compensation paid. The prayer is that no further compensation to be paid. Fact is that nothing is to be paid now from ENICL. Both the parties are requested to maintain status-quo in respect of disbursement of any further amount towards construction of overhead tower in the suit property till 9 Sep 2019. The plaintiff is directed to comply with provisions of order 39, rule 3 (a) (b) positively while the defendant has to show cause within 7 days of receipt of notice as to why injunction as requested shall not be allowed.</p> <p>Current Status: The matter is currently pending.</p> | Not Applicable. | |
| Arbitration | Arbitral Tribunal presided by retired CJI K.G. Balakrishnan | <p>Background of the case: The Claimant ("Simplex") has initiated the present arbitration proceedings under the Umbrella Agreement dated 25 Nov 2010 as well as under the three 'Split Contracts' namely Supply Contract, Civil Works Contract and Erection Contract – all dated 23 Aug 2010 executed between the parties inter alia for recovery of all amounts legally due to it in relation to the (i) Short Payment(s) (ii) Additional/ excess work done by the Claimant as directed and approved by the Respondent ("ENICL") for completion of the project (iii) Overall Cost overrun (iv) Claim arising out of non-submission of C Form & WCT (v) Refund of security deposit made in lieu of the Performance Bank Guarantee ('PBG') on completion of defect liability period (vi) Refund of amount(s) deposited in lieu of the Advance Bank Guarantee ('ABG') on recovery of advance amount from running account bills amongst others.</p> <p>Simplex has filed its Claim of INR 2,150 Million and ENICL has filed its Statement of Defence ("SOD") and Counter Claim ("SOC") of INR 2,040 Million to file claims, counter claims and rejoinders. Simplex to file its statement of defence to ENICL counter claim and rejoinder to its claim if any.</p> <p>Current Status: SOC and SOD filed. Rejoinder by Simplex to counter claim filed by simplex. The matter is currently pending.</p> | <p>Claim filed by Simplex - INR 2,150 Million</p> <p>Counter claim filed by ENICL - INR 2,040 Million</p> | |
| Dishonour of cheques | Magistrate Court, Mumbai | <p>Background of the Case: Legal notice u/s 138 of The Negotiable Instruments Act was served by ENICL to Akshay Urja Private Limited on 14 Jan 2020 for dishonour of two cheques (reason being "Payment stopped by drawer") amounting to INR 10 Million. The notice was returned unclaimed by the postal department. Complaint for the recovery of the amount has been filed by ENICL.</p> <p>Current Status: ENICL has filed a complaint for the same.</p> | 10.0 | |

Source: Investment Manager

Appendix 21 - ENICL: Summary of Ongoing Litigations (5/5)

| Matter | Against | Particulars | Amount Involved (INR Million) | Amount Deposited (INR Million) |
|--------------------|---------|---|-------------------------------|--------------------------------|
| Direct Tax Matters | ENICL | <p>Background of the case: ENICL has received order u/s 143(3) of Income Tax Act, 1961 ("ITA 1961") dated 26 Nov 2019 for AY 2017-18. The matter pertains to addition on account of disallowance of expenses u/s 14A of ITA 1961. ENICL has revised return of income declaring loss of INR 675.85 Million. However, the assessee has paid tax u/s 115JB of ITA 1961 on book profit of INR 42.38 Million. During the year, ENICL has earned INR 22.08 Million as dividend from its investments in mutual funds and has computed the amount of disallowance of INR 0.18 Million u/s 14A of ITA 1961 in the return of income.</p> <p>Department's Contention: The submission of ENICL considered but not found acceptable. The annual average of the monthly average of the opening and closing balance of the value of investment comes to INR 442.14 Million. The disallowance under rule 8D(2)(ii) of Income Tax Rules, 1962 is computed @ 1% of INR 442.14 Million which comes to INR 4.42 Million. ENICL has itself disallowed expense of INR 0.18 Million u/s 14A of ITA 1961. Accordingly, disallowance of INR 4.24 Million is made u/s 14A of ITA 1961 and added to the income of ENICL.</p> <p>Current Status: ENICL has under reported its income. Therefore penalty proceedings u/s 270A of ITA 1961 are initiated separately on this issue. Appeal has been filed against the assessment order</p> | | NIL |
| Direct Tax Matters | ENICL | <p>Background of the case: As per the Screenshot of outstanding tax demand as per CPC dated 16 Jan 2020, Tax demand of INR 0.19 Million exist for the AY 2017-18. Tax demand has been raised due to erroneous levy of interest u/s 234B of ITA 1961.</p> <p>Current Status: Rectification application has been filed with the AO, the same is under process.</p> | | 0.2 |
| Direct Tax Matters | ENICL | <p>Background of the Case: As per the screenshot of TDS default summary dated 16 January 2020, there is tax demand of INR 0.48 Million.</p> <p>Current Status: ENICL has applied for rectification and the same is under process.</p> | | 0.5 |

Source: Investment Manager