



Investor Presentation
Q2 FY18

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Investor Presentation Q2 FY18

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Introduction



IndiGrid - India's First Power Sector InvIT

- Owns inter-state high voltage power transmission assets
- Fully operational and revenue generating portfolio
- Focused on stable & sustainable distribution
- Strong growth pipeline with ROFO on Sponsor assets

~ INR 37.4 BN*
Asset under Management



Two Project SPVs

1,936 circuit KM
6,000 MVA



8 Lines and 2 substations

AAA Rated
Perpetual Ownership



33 years of residual contract life#

Notes:

*Based on EV in the independent valuation report as of 30 Sep 2017

#Remaining TSA contractual life of 33 years. However, the projects are built on BOOM model and have perpetual ownership for the owner



IndiGrid Vision

To become the most admired yield vehicle in Asia which is built upon solid fundamentals of transparency, governance & providing superior risk-adjusted returns to unitholders

**INR 300 BN
AUM by 2022**

**Deliver
predictable
DPU and
growth**

**Best-in-class
corporate
governance**

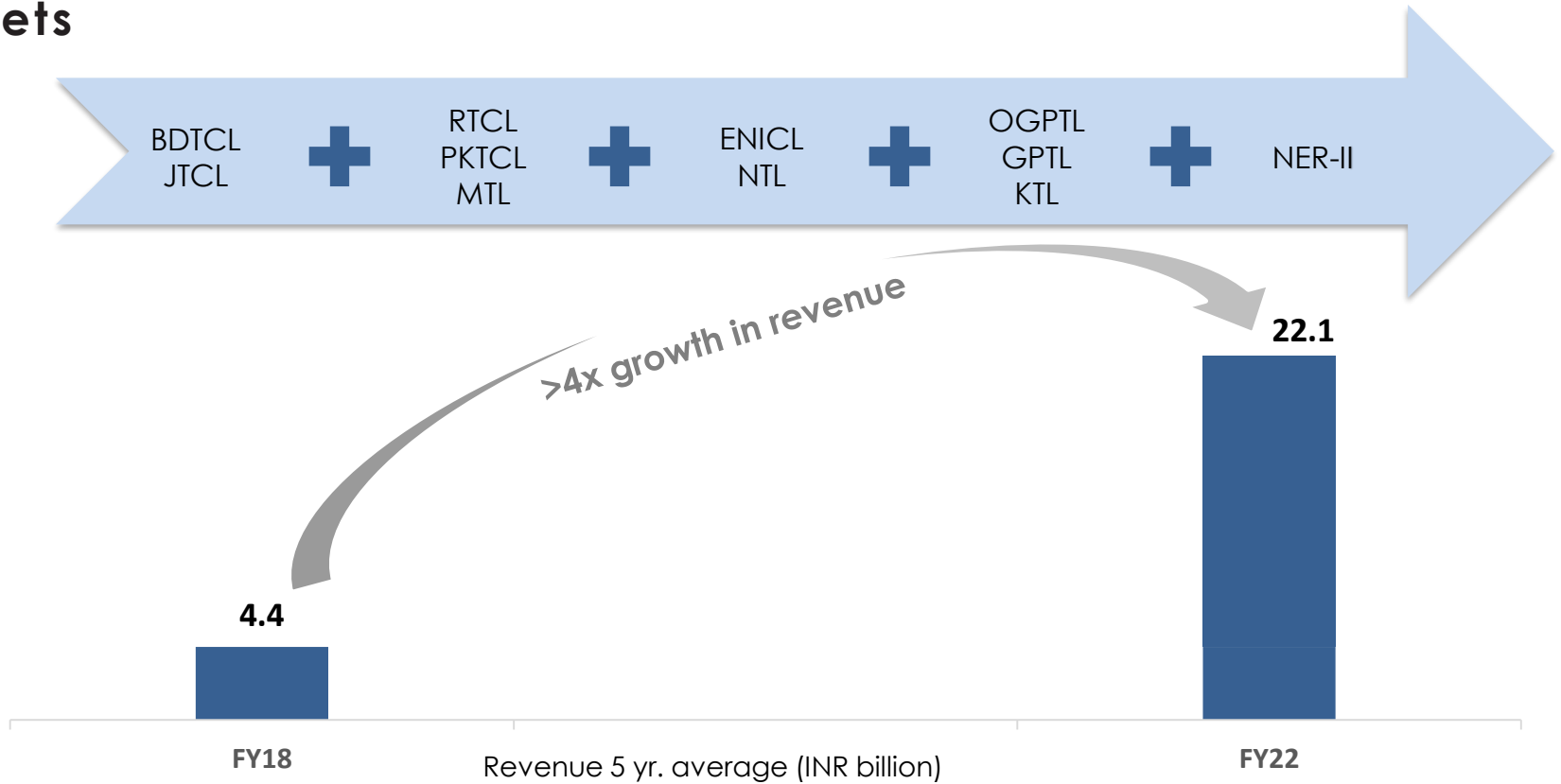
IndiGrid Strategy

Focused Business Model	Value Accretive Growth	Optimal Capital Structure	Maximize Distribution
<p>Focus on owning power transmission assets with</p> <ul style="list-style-type: none">• long term contracts• low operating risks• stable cash flows	<ul style="list-style-type: none">• 3-5% DPU growth YoY• Acquire assets from Sponsor under ROFO• Acquire third party assets	<ul style="list-style-type: none">• Cap of 49% consolidated leverage of total asset value• Appropriate risk policies in place	<ul style="list-style-type: none">• Minimum 90% net cash to be distributed• Quarterly distribution to the unitholders

Growth Strategy



Visibility of 4x revenue growth in next 5 years from sponsor assets



Further growth potential from near term bids...

Current Inter-State and Intra-state TBCB tenders

Name of Tender	Stage of Tender	Location	Estimated Cost (INR billion)
WR-NR Interconnection	RFP	UP, MP	9.1
GTPL Goa	Bids Results Awaited	Goa, Karnataka, Chhattisgarh	11.0
Ultra Mega Solar Park in Fatehgarh	RFQ	Rajasthan	5.4
Connectivity and LTA to HPPCL	RFQ	Himachal Pradesh	3.2
Strengthening in Jharkhand (Package 1)	RFQ	Jharkhand	9.8
Strengthening in Jharkhand (Package 2)	RFQ	Jharkhand	10.8
Strengthening in Jharkhand (Package 3)	RFQ	Jharkhand	9.5
Strengthening in Jharkhand (Package 4)	RFQ	Jharkhand	10.3
Strengthening in Jharkhand (Package 5)	RFQ	Jharkhand	11.4
Connectivity System for LVTPPL + S.S.	RFQ	Maharashtra, MP	7.4
ISTS Feed to Navi Mumbai	Pipeline	Maharashtra	5.4
New Substation near Vapi area	Pipeline	Gujarat	3.6
Additional 400 kV outlets from Banaskantha	Pipeline	Gujarat	0.6
Total			97.5

Supported by structural growth in the sector

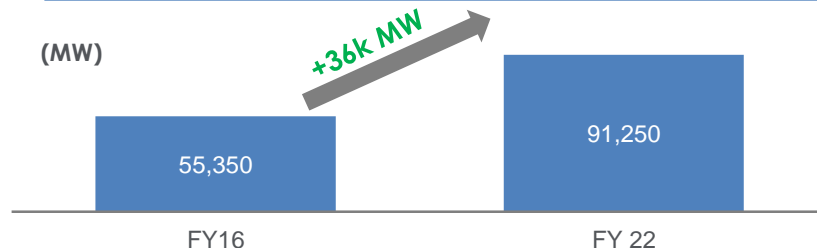
Key Drivers for growth:

- Significant past under investment in transmission as compared to generation
- Widening gap between load centers & generation centers across regions
- Improving financial health of DISCOMs through UDAY and other such scheme
- Staggering growth in renewable energy: 175 GW capacity by 2022
- Strong govt. focus through initiatives such as "Power for All"

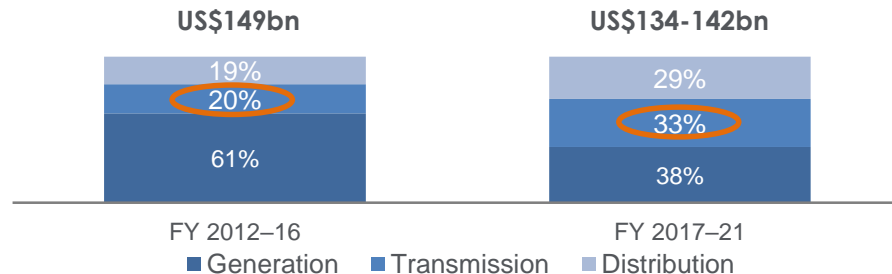
Increased Private Participation:

- All bids to be routed through TBCB process
- In the 13th year plan (2017-21), share of private player investments in the new bids of transmission lines is expected to be over 50%.

Inter regional transmission capacity to increase significantly



Share of transmission sector to grow 1.7x of total power sector investment



~US\$ 46 billion investment in power transmission sector over next five years

**Q2 FY18
performance**



Q2 FY18 highlights

- Strong financial & operational performance for Q2 FY18
- Q2 DPU of INR 2.75 per unit
- H1 DPU of INR 3.67 per unit
- On track to deliver FY18 DPU guidance of INR 9.2 per unit*
- Recently announced acquisitions to result in 40% AUM growth & 4% annual DPU growth
- Well-positioned to capitalise on the strong growth fundamentals of the Indian power transmission sector

Note: *Annualized DPU of INR 11 per unit

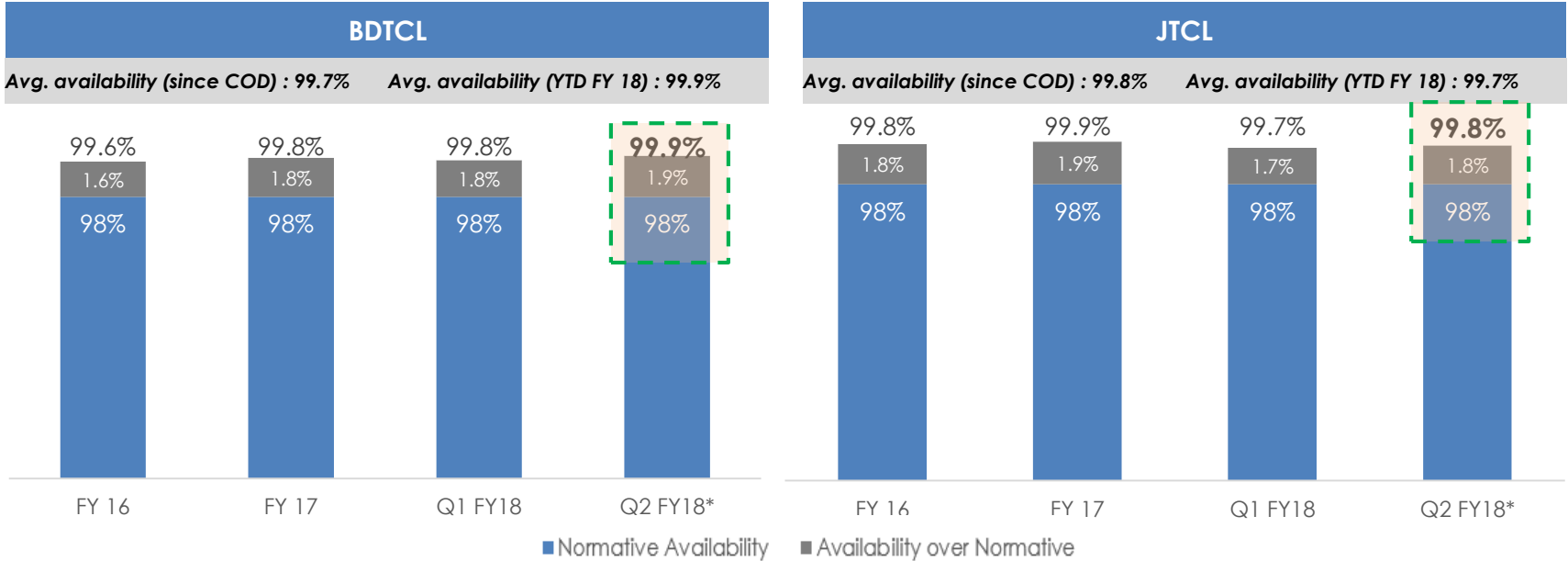
Financial performance

Consolidated Financials - IndiGrid (INR Mn)	Q1 FY18 <i>One month of operations</i>	Q2 FY18 <i>Full Quarter of operations</i>	H1 FY18 <i>Four months of operations</i>
Revenue	406	1,323	1,729
EBITDA	369	1,223	1,592
NDCF	258	1,014	1,272

Net debt to AUM:
~23%

Financial performance in line with IndiGrid's strategy of stable cash flows while maintaining optimal capital structure

Operational performance

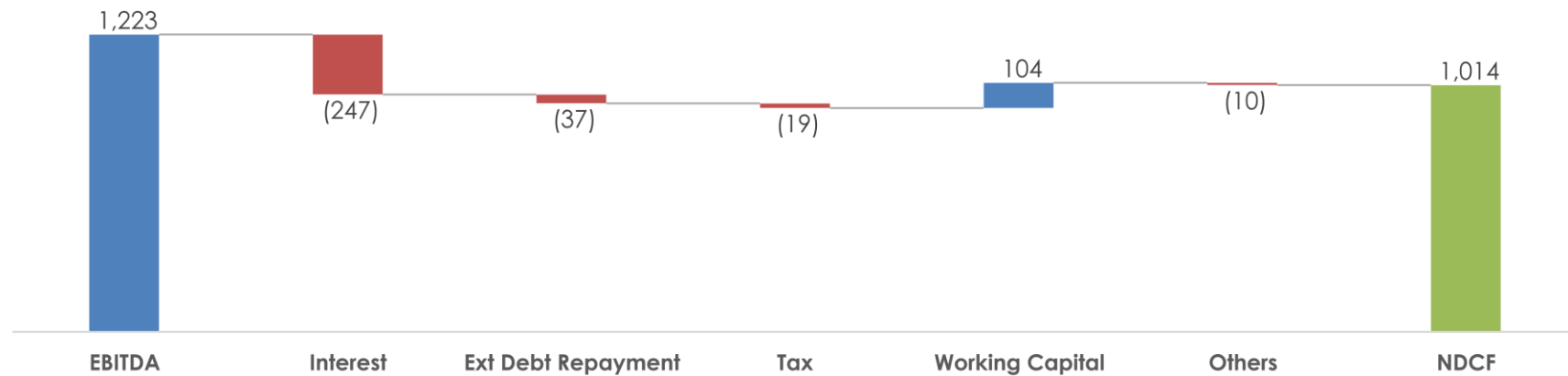


Continue to deliver robust operational efficiency

* Estimates for month of September'17

Q2 FY18 NDCF

Net Distributable Cash Flow (at IndiGrid in INR million)



M & A



Acquisition of sponsor assets

Proposed acquisition to result in a diversified transmission portfolio

- Acquisition of 3 ROFO assets in FY 18, subject to customary regulatory and unitholders' approval



Today

AUM: INR 37.4 billion

1,936 circuit kms

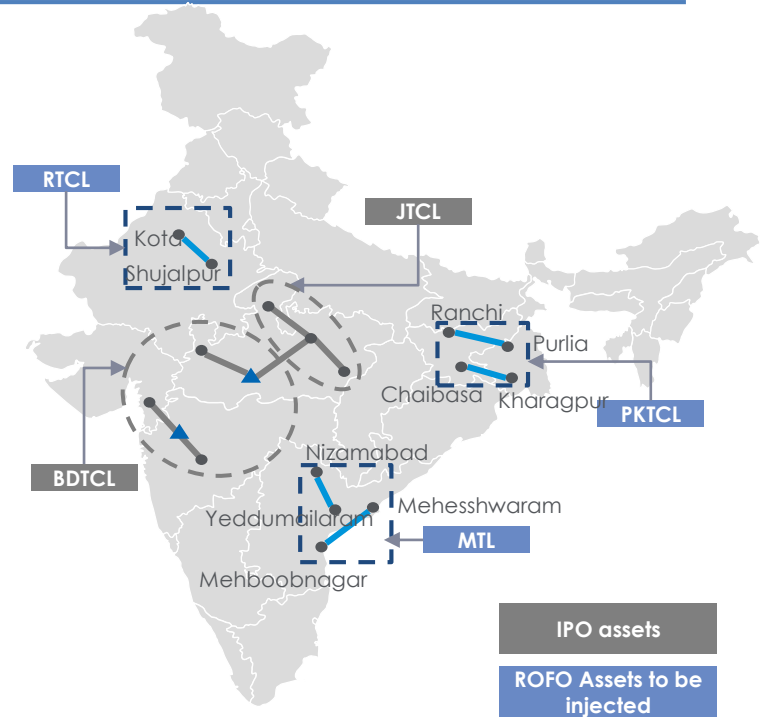
Presence in 4 states across India

Post acquisition

AUM: ~INR 52 billion
(+40%)

3,361 circuit kms
(+75%)

Presence in 8 states across India (+ 4 states)



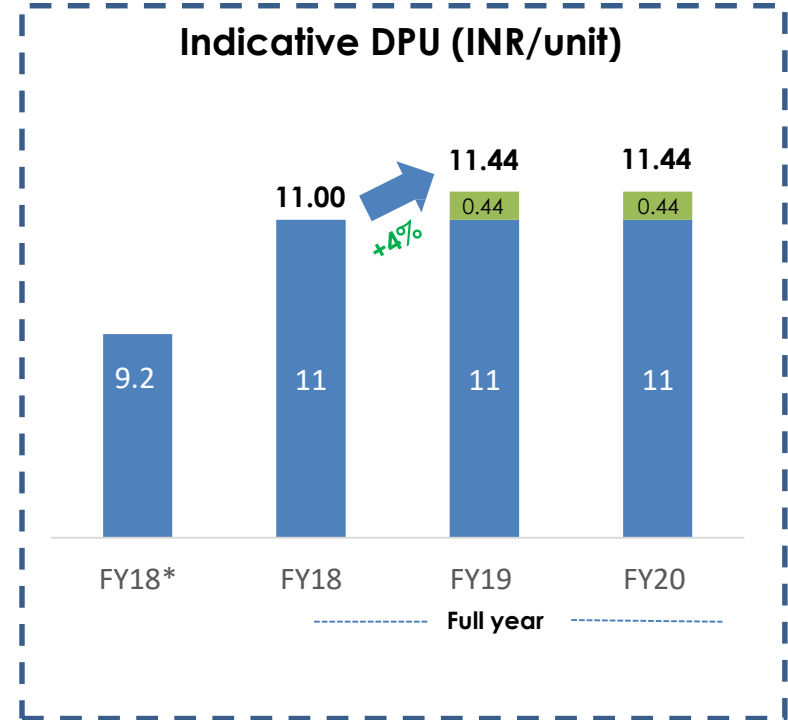
Acquisition in line with IndiGrid Strategy

Focused Business Model	Value Accretive Growth	Optimal Capital Structure	Maximize Distribution
<p>~34 years of residual tenure</p> <p>Interstate transmission assets under PoC mechanism</p> <p>Avg. availability since COD: 99.83%*</p>	<p>Annualized DPU to increase by 4% in line with the guidance of 3-5% annualized DPU growth</p>	<p>Investment to be financed through debt by utilizing the available headroom up to 49% cap</p>	<p>Distribution from the assets to be consistent with existing distribution policy</p>

* Average availability for RTCL and PKTCL since COD

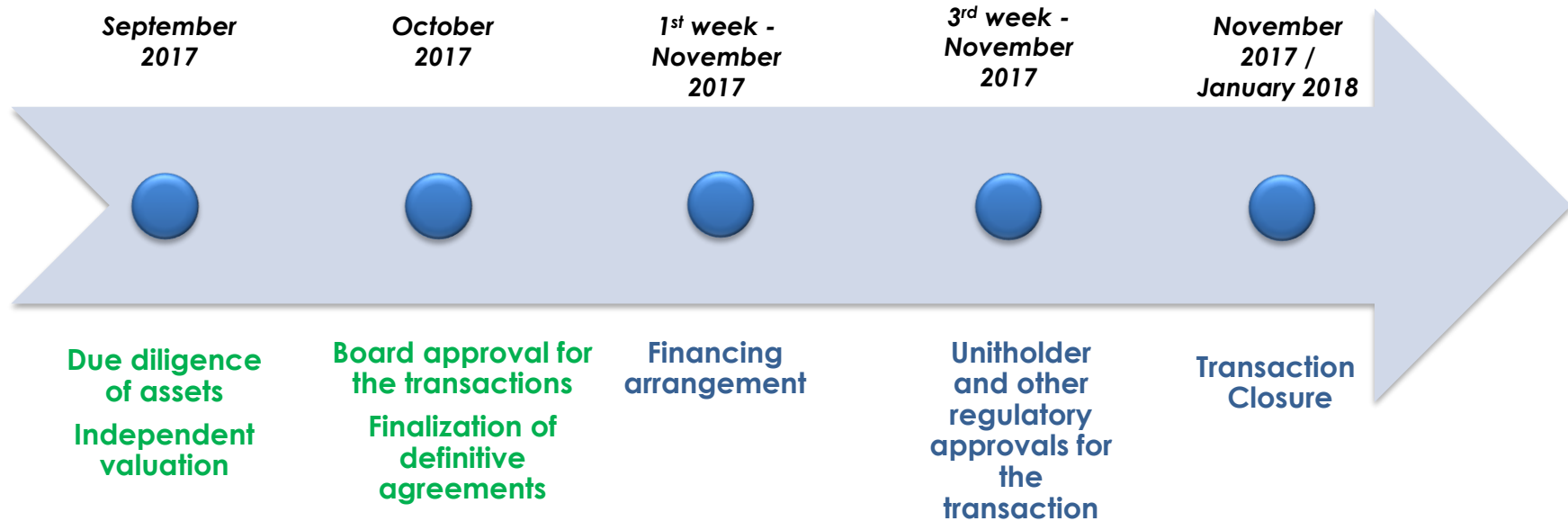
Value accretive acquisition

- First acquisition by IndiGrid of ROFO assets worth INR 14.9 billion
- Assets to be acquired at a discount of 5% to enterprise valuation calculated by an Independent Valuer, Haribhakti & Co. LLP., a member firm of Baker Tilly International
- Acquisition to be funded entirely by raising debt at IndiGrid or SPV level; debt tenure to be 10-15 years
- Acquisition leads to IndiGrid annualised DPU increase from INR 11/unit to INR 11.44/unit that is in line with the guidance (3-5% DPU increase p.a.)



* For 10 months (excluding ROFO)










Expected timeline



■ Completed ■ Future actions

Strong pipeline of existing Sponsor Assets

Proposed Acquisition

	Purulia & Kharagpur Transmission Company Ltd (PKTCL)	RAPP Transmission Company Ltd (RTCL)	Maheshwaram Transmission Ltd (MTL)	East North Interconnection Ltd (ENICL)	NRSS XXIX Transmission Ltd (NTL)	Odisha Generation Phase Transmission Ltd (OGPTL)	Gurgaon-Palwal Transmission Ltd (GPTL)	Khargone Transmission Ltd (KTL)	NER-II Transmission Limited
									
Overview	2 x 400 kV D/C lines	1x400/220 kV D/C line	2 x 400 kV D/C lines	2 x 400 kV D/C lines	3x400 kV D/C lines, 1x400/220 kV D/C GIS sub-station	1x765 kV D/C line, 1x400 kV D/C line	5x400kV D/C lines and 3x400/220 kV substations	2x765 kV D/C lines, 1x400 kV D/C line and 1x765/400 kV substation	2x400 kV D/C lines, 2x132 kV D/C lines and 2x400/132 kV substations
Scheduled COD	Commissioned	Commissioned	June 2018*	Commissioned	Oct 2018	Aug 2019	Sep 2019	Jul 2019	Nov 2020
Length	546 ckms	403 ckms	477 ckms	909 ckms	887 ckms	715 ckms	271 ckms	624 ckms	900 ckms
Revenues (5 yr. avg.)	INR 750 Mn	INR 460 Mn	INR 580 Mn	INR 1,420 Mn	INR 5,030 Mn	INR 1,590 Mn	INR 1,440 Mn	INR 1,860 Mn	INR 4,520 Mn

* Actual COD Q3 FY18

Glossary

AUM	Assets Under Management
Availability	Percentage amount of time for which the asset is available for power flow
BDTCL	Bhopal Dhule Transmission Company Limited
DISCOM	State Distribution Companies
DPU	Cash paid to the Unitholders in the form of interest/ capital repayment / dividend
ENICL	East North Interconnection Limited
GPTL	Gurgaon – Palwal Transmission Limited
IPA	BDTCL and JTCL which were acquired by IndiGrid at the time of IPO
ISTS	Inter State Transmission System
KTL	Khargone Transmission Limited
JTCL	Jabalpur Transmission Company Limited
MTL	Maheshwaram Transmission Limited
MVA	Mega Volt Ampere
NDCF	Net cash flow that the trust has at it's disposal for distribution to IndiGrid in a particular year in accordance with the formula defined in the Offer Document
NER II	NER II Transmission Limited
NTL	NRSS XXIX Transmission Limited
OGPTL	Odisha Generation Phase Transmission Limited
O&M	Operations and Maintenance cost
ROFO	Right Of First Offer
PKTCL	Purulia Kharagpur Transmission Company Limited
RTCL	RAPP Transmission Company Limited
Tariff	Composed of Non-Escalable, Escalable and Incentive component. The incentive component is based on the availability of the asset = $2 * (\text{Annual Availability} - 98%) * (\text{Escalable} + \text{Non-escalable})$; incentive is maximum 3.5% of (Escalable+Non-escalable tariff)
TBCB	Tariff Based Competitive Bidding

Q&A