



**STERLITE INVESTMENT MANAGERS LIMITED
(Formerly Sterlite Infraventures Limited)**

Regd. Office: SIPCOT Industrial Complex, Madurai Bye Pass
Road, Tuticorin- 628002, Tamil Nadu

CIN: U28113TN2010PLC083718

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Date: October 7, 2017

B S E Limited

Phiroze Jeejeebhoy Towers
Dalal Street,
Mumbai — 400 001

Scrip Code- 540565

National Stock Exchange of India Ltd

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

Symbol- INDIGRID

Dear Sir/ Madam,

Sub - Acquisition of Power Transmission Assets by India Grid Trust and matters related thereto

This is further to our letter and press release dated July 25, 2017, intimating consideration of acquisition of power transmission assets from Sterlite Power Grid Ventures Limited (“SPGVL” or “the Sponsor”).

This is to inform you that Board of Directors of Sterlite Investment Managers Limited (“SIML”) acting in the capacity of Investment Manager of India Grid Trust (“IndiGrid”) has considered and approved the following matters:

1. Acquisition of Power Transmission Assets from Sponsor

Pursuant to Invitation to Offer received from Sponsor, the acquisition of following assets were approved, at an Enterprise Value upto INR 1,489 Crores after conducting legal, financial and technical due diligence by reputed consultant followed by independent valuation report issued by Haribhakti & Co. LLP, a member of Baker Tilly International.

- a. RAPP Transmission Company Ltd. (“RTCL”)
- b. Purulia & Kharagpur Transmission Company Ltd. (“PKTCL”)
- c. Maheshwaram Transmission Ltd. (“MTL”)

RTCL, PKTCL and MTL are among the eight ROFO assets, i.e. assets being held by Sponsor and its group entities, on which IndiGrid has a Right of First Offer (ROFO) to acquire. IndiGrid will make an offer to the Sponsor for RTCL, PKTCL and MTL to acquire these assets, at the aforesaid valuations and would enter into a Share Purchase Agreement and a Shareholders’ Agreement with the existing shareholders (“Definitive Agreements”). The proposed acquisitions would be subject to obtaining customary approvals including but not limited to approval of unitholders of IndiGrid and all other relevant corporate and regulatory approvals.

2. Borrowing and security creation

Authority is conferred upon IndiGrid Group (comprising the IndiGrid, holding companies and the Project SPVs owned by the IndiGrid) to borrow from time to time, any sum or sums of money not exceeding 49% of the aggregate value of the IndiGrid Group Assets including in connection

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with the proposed acquisitions and to create charge and/or other security on the IndiGrid's Assets in connection with such borrowings, subject to the approval of the Unitholders.

You are requested to take note of the same.

Yours sincerely,

For and on behalf of the Sterlite Investment Managers Limited

(Formerly known as Sterlite Infraventures Limited)

Representing India Grid Trust as its Investment Manager

Swapnil Patil

Company Secretary & Compliance Officer

Copy to:

Axis Trustee Services Limited

Axis House, 2nd Floor, Bombay Dyeing

Mills Compound, Pandurang Budhkar

Marg, Worli, Mumbai, Maharashtra- 400025

Press Release

IndiGrid approves acquisition of three power transmission assets

Mumbai, Saturday, 7 October 2017:

Key Highlights:

- **IndiGrid's AUM will increase by 40% post these acquisitions**
- **Annualized distribution will increase by 4% from INR 11.00 to 11.44 per unit**
- **The implied yield will increase from 11.6%* to 12.1%***

**based on INR 94.93/ unit closing price of 6 October 2017*

IndiGrid, India's first Infrastructure Investment Trust in the power sector, has approved the acquisition of three power transmission assets from its sponsor Sterlite Power Transmission Ltd at a value of INR 14.9 billion. These acquisitions result in a 40% increase in AUM, from INR 38 billion to INR 53 billion.

The three assets consists of 5 transmission lines aggregating 1,425 ckms thus increasing its total portfolio to 13 transmission lines and 2 substations across 8 states.

These inter-state assets were awarded on perpetual basis on a Build, Own, Operate and Maintain model through competitive bidding. They have a long residual contractual life of about 34 years and are operating under the Point of Connection mechanism in India thereby significantly de-risking the revenues.

Commenting on the acquisition, Mr. Pratik Agarwal, Chief Executive Officer, IndiGrid, said: "These three acquisitions reaffirm our strong commitment to growing the IndiGrid platform through accretive transactions of operational power transmission assets, which have long-term cash flows and low counterparty risks. We will continue to pursue all such growth opportunities, including third party assets."

The proposed acquisition will be funded entirely through debt in order to utilize the available headroom. These assets have the same characteristics as the existing assets of IndiGrid which is AAA rated. This acquisition will increase IndiGrid's debt to assets ratio from 26% to nearly 49%.

The transaction is subject to customary regulatory and unitholders approvals and is expected to be completed in Q1 CY18.

Acquisition Details:

- a. **RAPP Transmission Company Limited:** One 400 KV double circuit interstate transmission line of 403 circuit kms in the states of Rajasthan and Madhya Pradesh. The line was commissioned in February 2016.
- b. **Purulia & Kharagpur Transmission Company Limited:** Two 400 kV interstate transmission lines of 545 circuit kms in the states of West Bengal and Jharkhand. One line was commissioned in June 2016 and the other line in January 2017.
- c. **Maheshwaram Transmission Limited:** Two 400 kV interstate transmission lines of 477 circuit kms in the state of Telangana. One line was commissioned in September 2017 and other line is expected to commission in October 2017.

About IndiGrid:

IndiGrid is the first Infrastructure Investment Trust ("InvIT") established to own inter-state power transmission assets in India. IndiGrid owns 10 independent revenue generating elements, including 8 transmission lines of 1,936 ckms and 2 substations of 6,000 MVA capacity. InvITs are investment vehicles to own predominantly operating infrastructure assets in India and are akin to Real Estate Investment Trusts ("ReIT"), Yieldcos and master limited partnerships ("MLP"). For more details, please visit www.indigrid.co.in.

For details contact:

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