



Investor presentation
August 2018

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Index

1. Vision and Value Proposition
2. Asset overview
3. Financial performance
4. Governance
5. Growth Strategy
6. Appendix



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

*USD 4.5 bn based on 2 Aug 2018 INR/USD of 0.0149

Compelling value proposition targeting 12% IRR



Best in class risk adjusted returns

- ✓ Highly stable business model – availability based tariff with minimal counterparty risk
- ✓ Very long term annuity like cash flows
- ✓ AAA rated
- ✓ 12% portfolio IRR from Sponsor assets

Strong growth pipeline

- ✓ Robust industry outlook – \$46 billion of investment envisaged in 13th 5-year plan
- ✓ Strong Sponsor – 30% share in TBCB auctions
- ✓ 7 Sponsor assets available for acquisition
- ✓ Pursuing various third party acquisitions

Robust corporate governance framework

- ✓ Regulated by SEBI
- ✓ Independent trustee
- ✓ Independent, diversified and experienced Board
- ✓ Experienced management team

Asset overview



IndiGrid- India's only Power Transmission yield platform

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

~INR 52 Bn* AUM

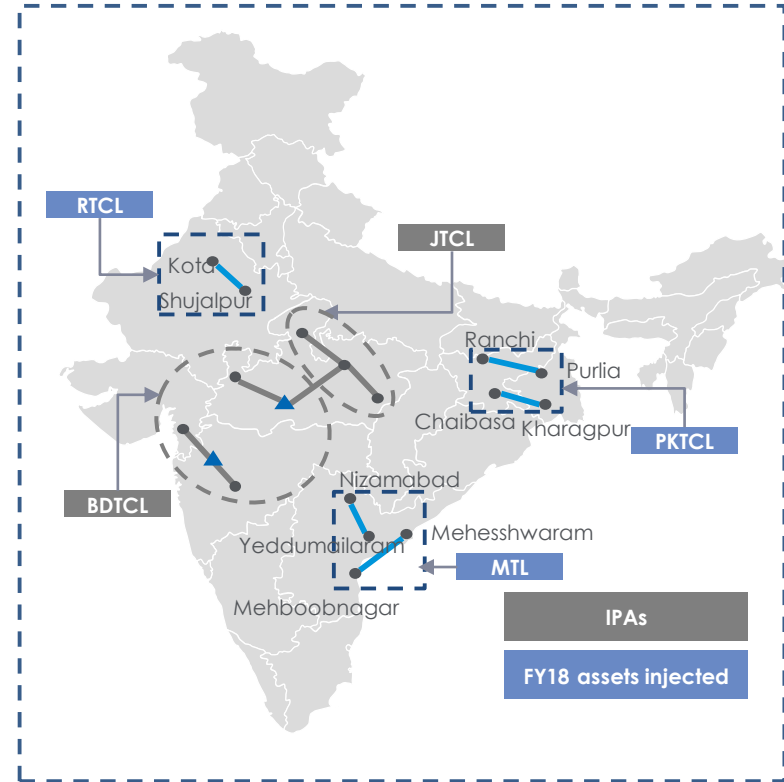
3,361 circuit KM
6,000 MVA

AAA Rated
Perpetual
Ownership

5 Project SPVs

13 Lines and 2
substations

~33 years of
residual
contract#

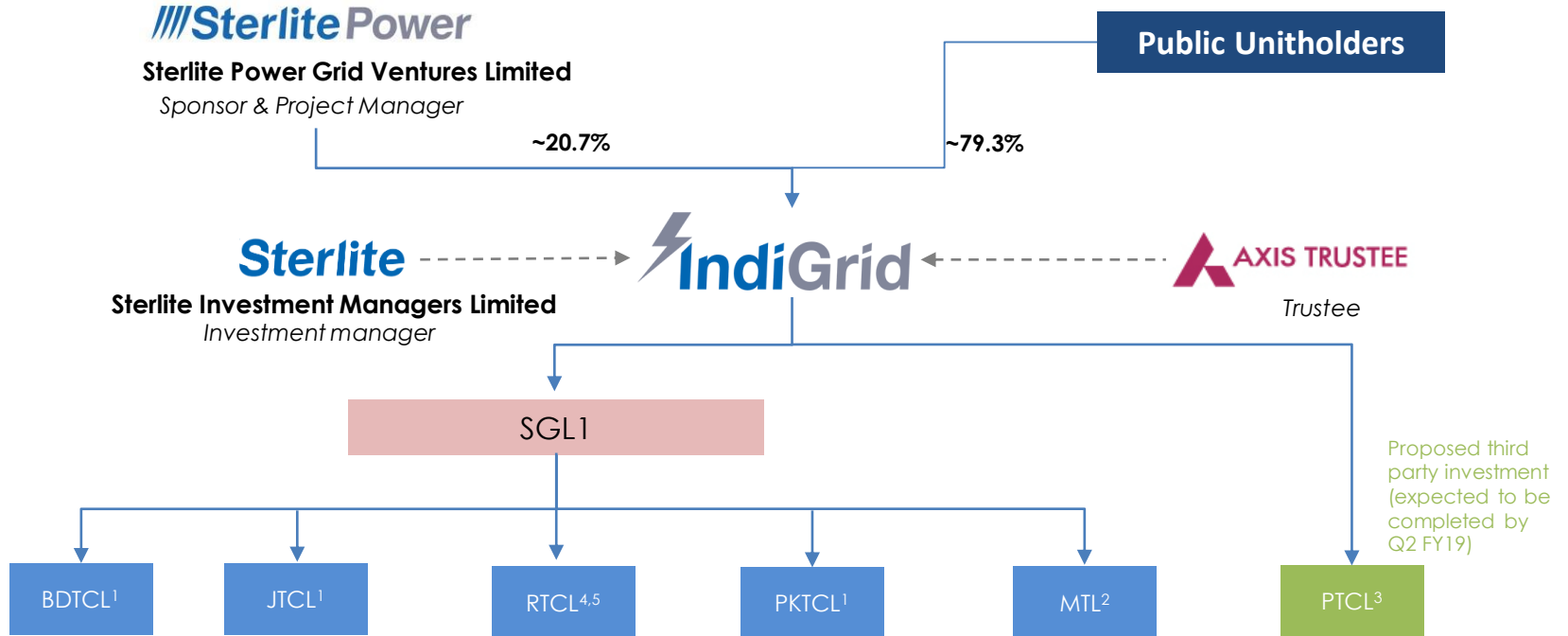


* Based on independent valuation report as of 31st March 2018

1. USD 0.80 Bn based on 31 March 2018 INR/USD of 0.0154

Remaining TSA contractual life of 33 years. However, the projects are on BOOM model with perpetual ownership of IndiGrid

IndiGrid- Key Stakeholders



Note 1: 100% owned. 2: 49% owned. 3: Proposed 46% investment. 4: 74% owned. 5: 100% by Mar-21.

Financial performance



Q1 FY19 results highlights

- Strong financial and operational performance
- INR 1,458 million EBITDA, up by 10 % QoQ on the back of acquisitions
- CERC tariff order received for BDTCL, non-escalable tariff revenue increased by 0.69%
- DPU of INR 3.00, payable entirely as interest to unitholders,
- Reaffirms FY19 DPU guidance of INR 12.00
- NAV of INR 101.87/unit as per independent valuation report as of 31 March, 2018
- On track to complete previously announced first third party acquisition
- Well-positioned to capitalise on the strong growth fundamentals of the Indian power transmission sector

Continued strong financial performance

Consolidated Financials

INR million	Revenue	EBITDA	NDCF	DPU (INR)
Q2 FY18	1,323	1,223	1014	2.75
Q3 FY18	1,267	1,173	1013	2.89
Q4 FY18	1,480	1,321	852	3.00
Q1 FY19	1,600	1,458	590	3.00
Total	5,670 ¹	5,174 ²	3,470 ³	11.64

Note:

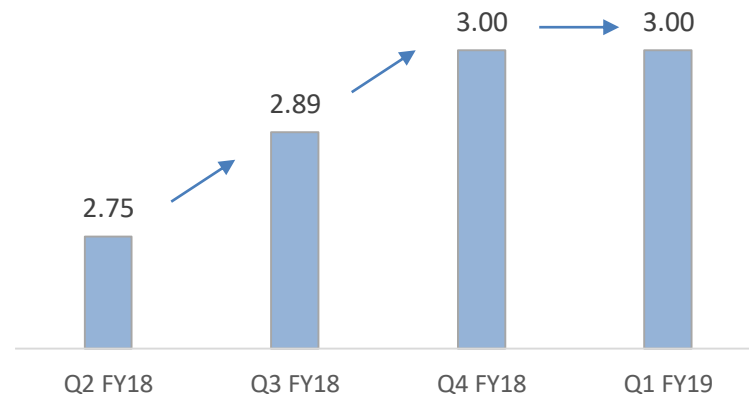
Based on 2 Aug 2018 INR/USD of 0.0149,

1: USD 84.48 million

2: USD 77.09 million

3: USD 51.70 million

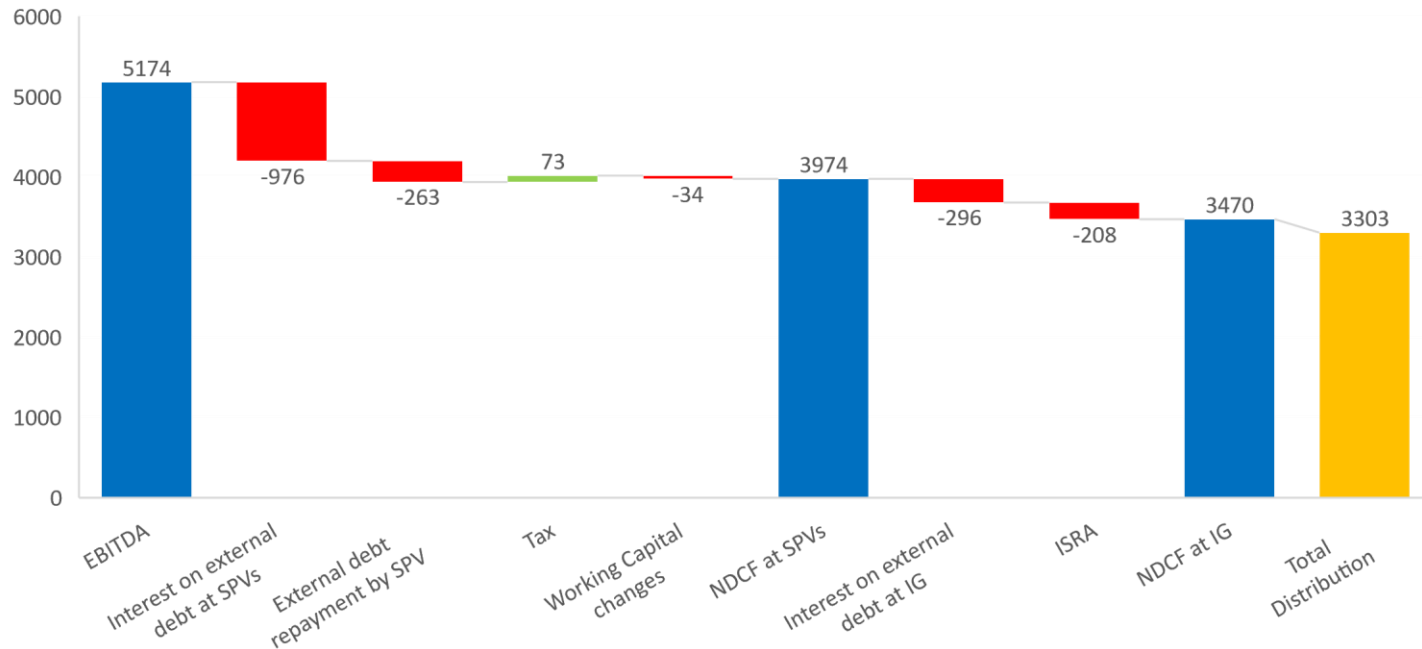
Quarterly DPU (INR)



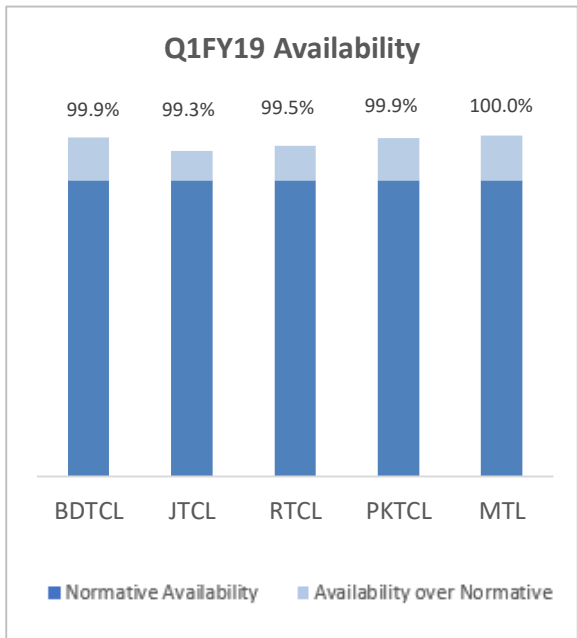
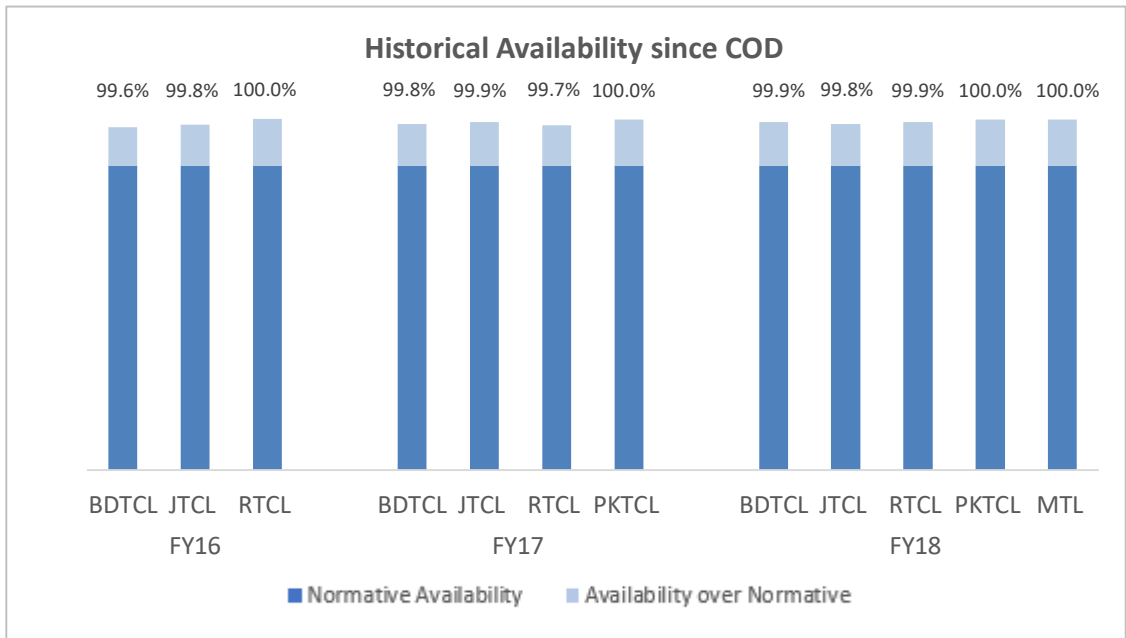
NDCF and Distribution

EBITDA to Distribution (in INR millions)

Last four quarters



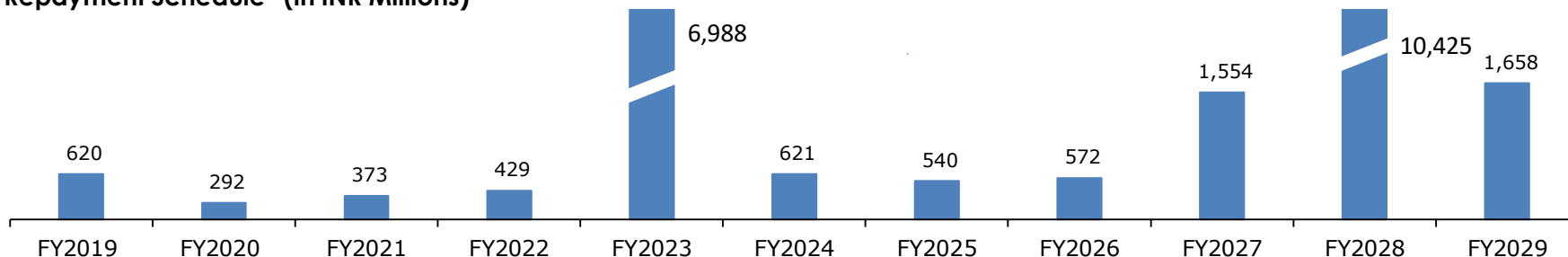
Operational Performance



Note: Q1 FY2019 figures are based on applied availability

Debt Profile

Repayment Schedule* (in INR Millions)



- AAA rated by CRISIL, ICRA and India Ratings
- Net Debt/AUM of ~**44%**
- Diversified sources of funding, with 100% fixed rates
- Average cost of the portfolio ~**8.3%**
- Average maturity of ~**8 years**
- Continuously evaluating cheaper and long-dated sources of diversified funding to further increase the average maturity

*Based on refinancing of loan in JTCL

Debt breakdown as of 30 June, 2018	INR Millions
ECB (BDTCL)	2,540
NCD (BDTCL)	7,230
Bank Loan (IG)	9,940
Bank Loan (JTCL)	4,230
Total debt	23,940
Cash & Liquid Investments	1,430
Net debt	22,510[#]

[#]USD 328.65 million based on 30 June 2018 INR/USD of 0.0146

Governance



Experienced Board of Directors



Tarun Kataria

Additional Independent Director

- Independent Non-Executive Director of Mapletree Logistics Trust Management
- Almost 30 years of experience in banking and capital markets in New York, Hong Kong, Singapore, Mumbai
- MBA in Finance from the Wharton School of the University of Pennsylvania



Kuldip K. Kaura

Additional Non-Executive Director

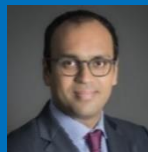
- Rich experience in cement, natural resources and power
- Previously CEO & MD of ACC, CEO of Vedanta, COO of Vedanta Resource, Managing Director of ABB India Limited
- Served as a member of the National Council of Confederation of Indian Industries



Shashikant H. Bhojani

Additional Independent Director

- Former Independent Director on the board of directors of L&T Infrastructure Finance Company Limited
- Former Partner at Cyril Amarchand Mangaldas since 2001
- 28 years of experience with ICICI Limited, starting as Law Officer and reaching Board of Directors



Pratik Agarwal

Non-Executive Director

- MD & CEO of Sterlite Power
- 10+ years of experience in building core infrastructure businesses in ports, power transmission and broadband
- Bachelor's degree from the Wharton Business School and MBA from the London Business School



Rahul Asthana, IAS

Additional Independent Director

- Non Executive Director on the board of directors of Mahindra Vehicles Manufacturing Ltd, Vadhivare Specialty Chemicals, Aegis Logistics, and NBS International
- Ex Chairman of Mumbai Trust and Maharashtra State Electricity Board
- Bachelor's degree from IIT Kanpur and MBA from ICPE University of Ljubljana, Slovenia



Harsh Shah

CEO & Executive Director

- 10+ years of experience in PE Financing, Mergers and Acquisitions, Infrastructure financing, regulatory and macro economic policy focused on Infrastructure
- Bachelor's degree from the Nirma Institute of Technology and MBA from the National University of Singapore

**Board Committees:
Strong Independent
Representation**

Audit Committee

- 2/3rd Independent Directors
- Chairperson – Independent Director

**Investment
Committee**

- 100% Independent Directors
- Approve investment decisions, further issue of units etc.

**Nomination and
Remuneration
Committee**

- 2/3rd Independent Directors
- Chairperson – Independent Director








**Stakeholders'
Relationship
Committee**

- 1/3rd Independent Directors
- Chairperson – Independent Director

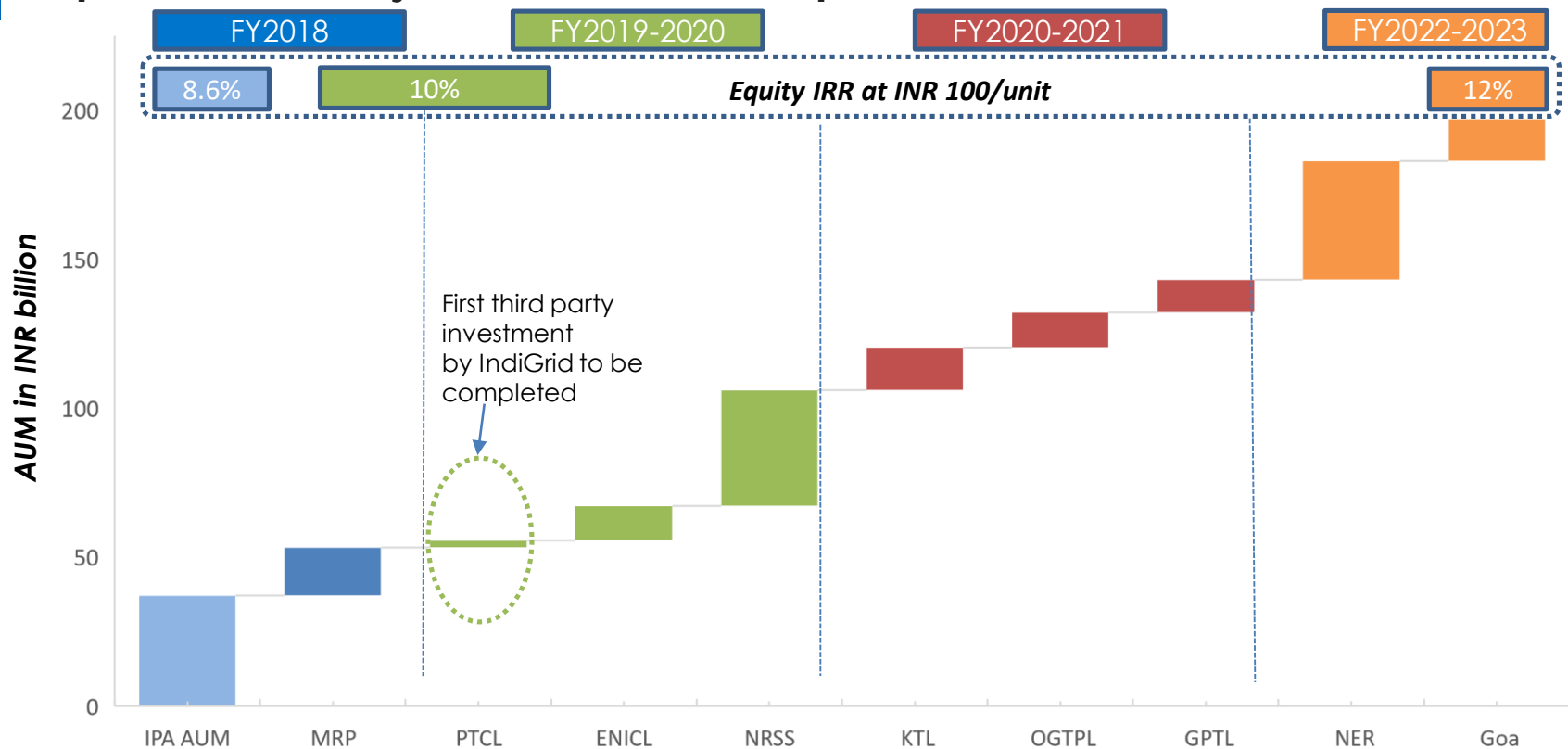
Growth Strategy



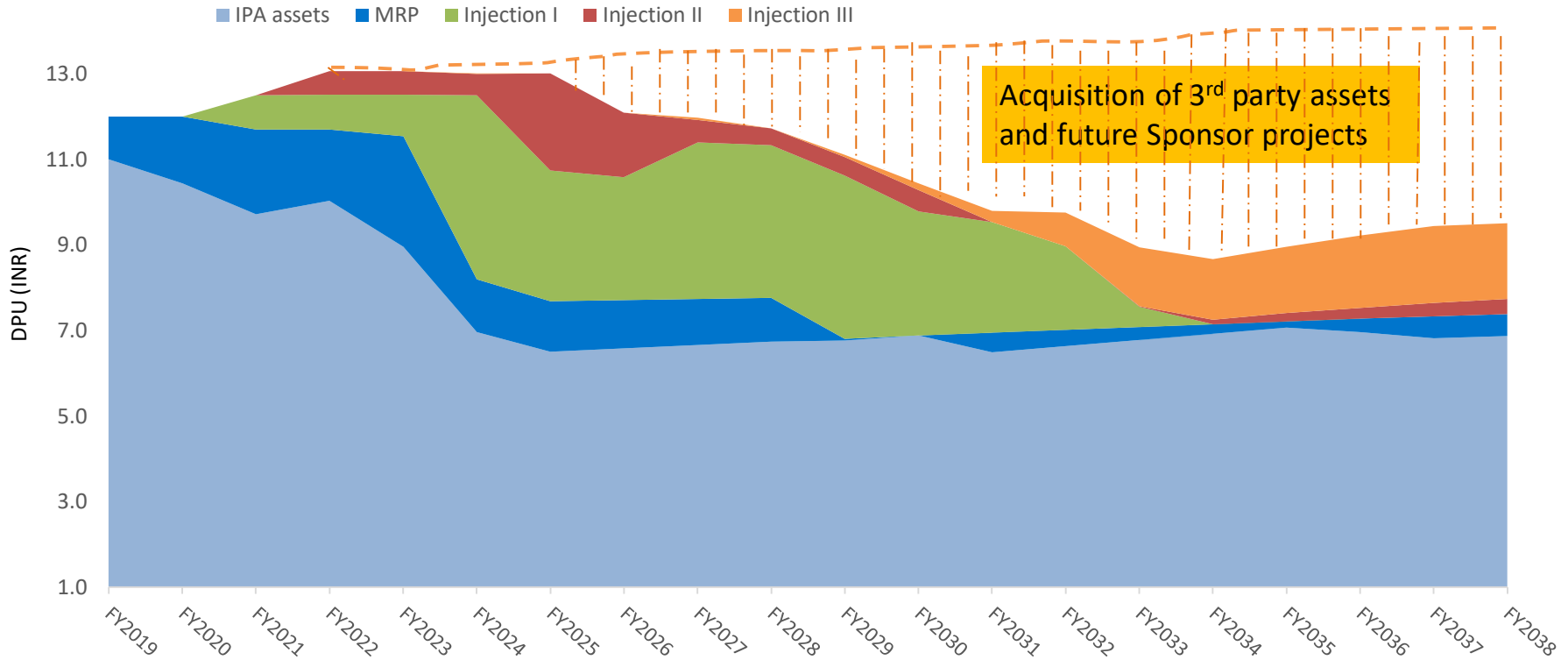
Strong pipeline of existing assets

	East North Interconnection Ltd (ENICL)		NRSS XXIX Transmission Ltd (NTL)		+			Odisha Generation Phase Transmission Ltd (OGTL)			Gurgaon-Palwal Transmission Ltd (GPTL)	Khargone Transmission Ltd (KTL)		+			NER-II Transmission Limited		Goa Tamnar Transmission Project Ltd.	
Overview																				
	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	2x400 kV D/C quad lines, 1x765 kV D/C line, 2x500 MVA, 400/220 kV substation													
Scheduled COD	Commissioned	Oct 2018	Aug 2019	Sep 2019	Jul 2019	Nov 2020	Nov 2021													
Length	909 ckms	887 ckms	715 ckms	271 ckms	624 ckms	900 ckms	479 ckms													
Revenues (5 yr. avg.)	INR 1,420 Mn USD 21.16 Mn*	INR 5,030 Mn USD 74.95 Mn*	INR 1,590 Mn USD 23.69 Mn*	INR 1,440 Mn USD 21.45 Mn*	INR 1,860 Mn USD 27.71 Mn*	INR 4,520 Mn USD 67.35 Mn*	INR 1,633 Mn USD 24.33 Mn*													

Sponsor asset injection alone underpins 12% IRR and AUM of INR 200bn*



Indicative DPU considering Sponsor assets and PTCL



Appendix

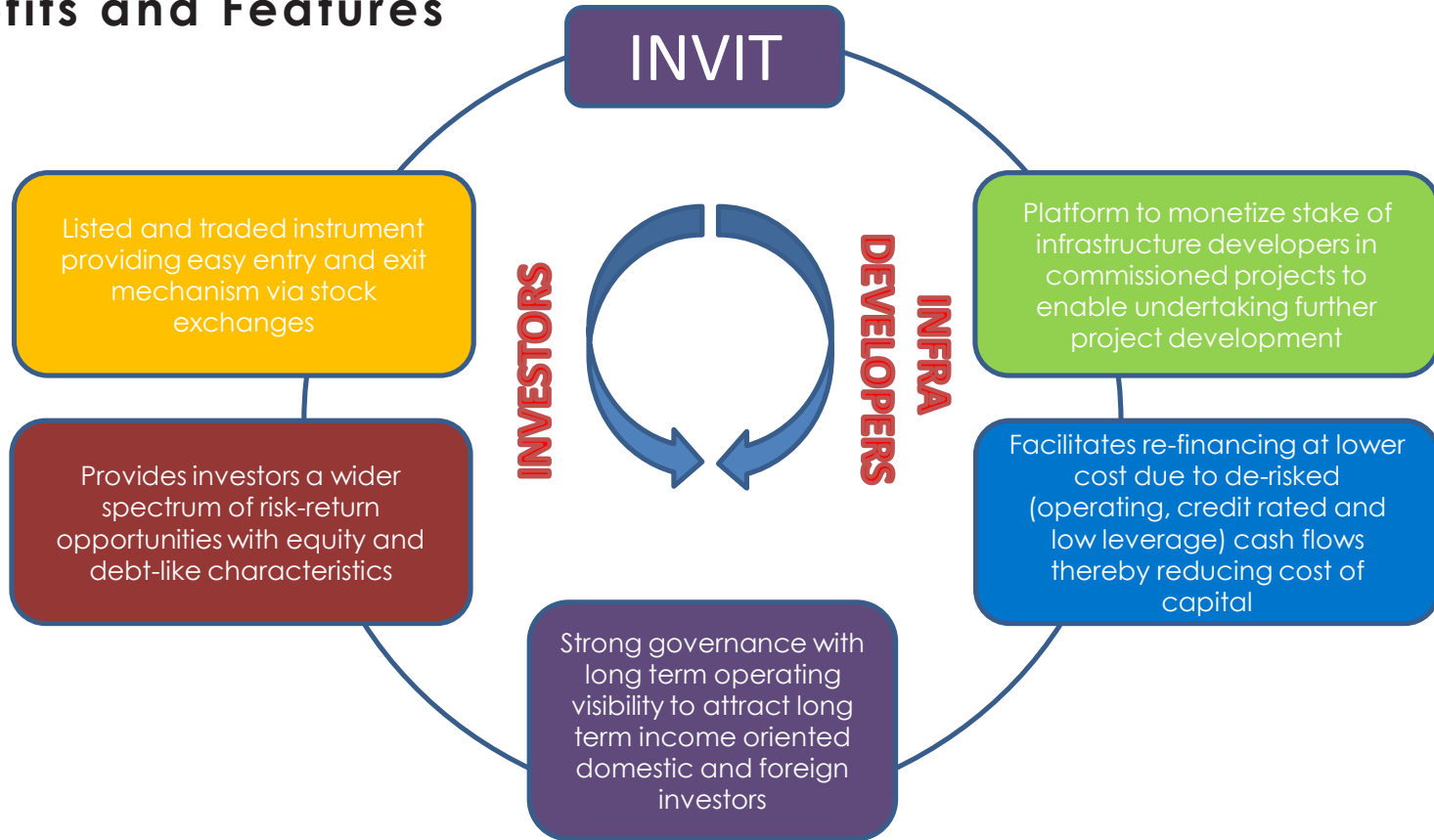


Consolidated Balance Sheet as of 30 June, 2018

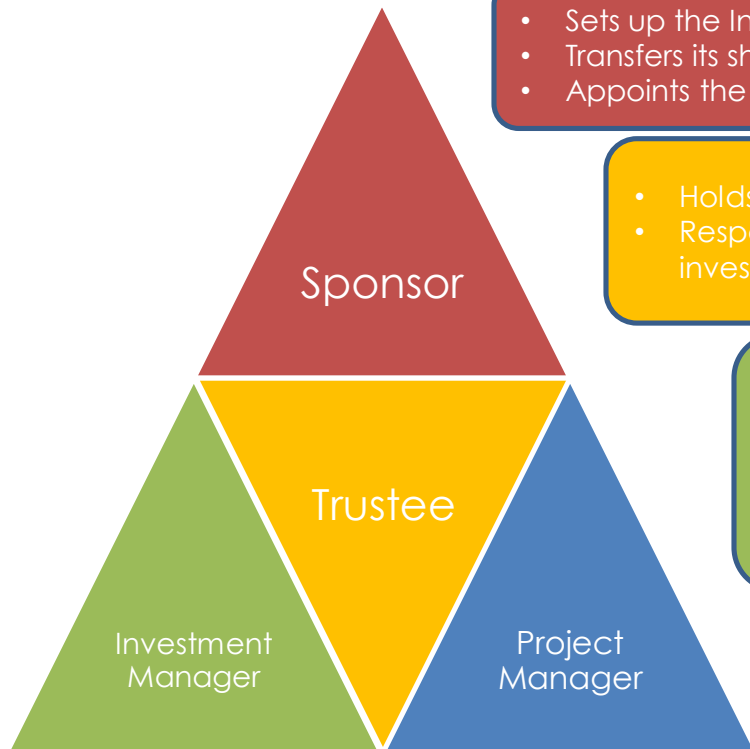
Consolidated Balance Sheet of India Grid Trust as of 30 June, 2018					
Assets			Liabilities		
Current Assets	INR millions	USD millions*	Current Liabilities	INR millions	USD millions*
Investments	70	1.0	Borrowings	4,230	61.8
Trade Receivables	1,210	17.7	Trade Payables	79	1.2
Total Bank Balances	1,349	19.7	Other current liabilities	858	12.5
Other financial assets	572	8.4	Total current liabilities	5,167	75.4
Total Current Assets	3,201	46.7	Non-current liabilities		
			Borrowings	19,201	280.3
			Other financial liabilities	580	8.5
			Total non-current liabilities	19,781	288.8
Fixed Assets			Equity		
Property, plant and equipment	49,816	727.3	Equity Share Capital	28,286	413
Other financial assets	216	3.2			
Total Fixed Assets	50,032	730.5	Total equity	28,286	413
Total Assets	53,233	777.2	Total Liabilities and Equity	53,233	777.2

*Based on 30 June 2018 INR/USD of 0.0146

Benefits and Features



InvIT Structure



- Sets up the InvIT
- Transfers its shareholding in SPV/ assets to the InvIT
- Appoints the Trustee

- Holds the InvIT assets in trust for the benefit of the unitholders
- Responsible for ensuring that the business activities and investment policies comply with the provisions of the regulations

- Setting the strategic direction of the InvIT and deciding on the acquisition, divestment or enhancement of assets.
- Responsible for all activities related to issue and listing of units
- Takes decisions on distribution to unitholders
- Makes disclosures to various stakeholders as per regulations
- Redresses grievances of unitholders

- Responsible for the day-to-day operations and management of the assets.

Regulatory Framework and Strong Governance

Distribution and borrowings

- At least 90% of net distributable cash flows of the InvIT to be distributed
- Net consolidated borrowing capped at 49% of the value of InvIT assets

Independent Board

- At least 50% of the board of directors of Investment Manager to be independent and should not be directors or members of the governing board of another InvIT

Governance

- 100% Independent Directors on Investment Committee
- Independent Valuers and Advisors
- Sponsor to own minimum 15% units of Indigrid for a minimum period of three years
- Sponsor can not vote in Related party Transactions (RPTs)

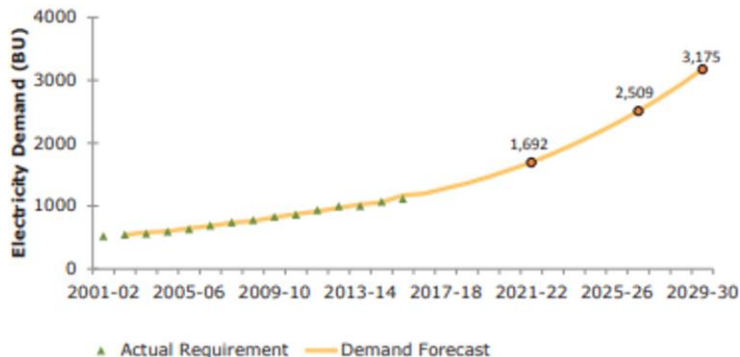
Unitholder Rights

- Majority vote is essential for all RPTs and exceeding 5% of asset value
- Any debt raising beyond 25% of asset value also require unitholder vote

Sector fundamentals point to strong growth in the next few years

All India Electricity Demand Scenario

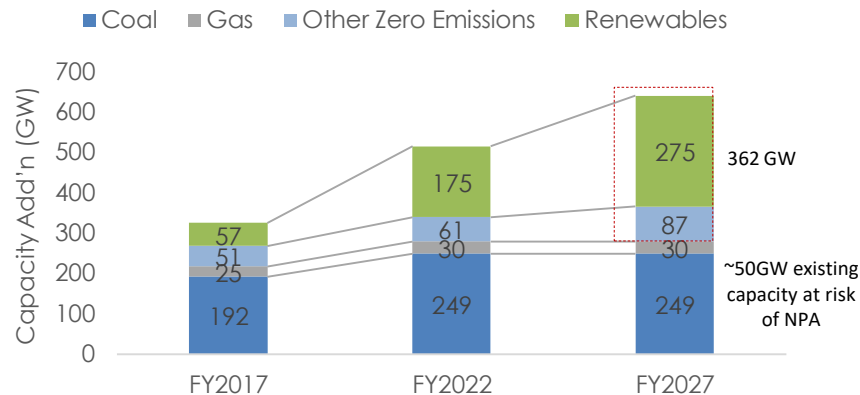
- All India electricity demand is likely to increase from 1115 BU in 2015-16 to 1692 BU in 2022, 2509 BU in 2027, and 3175 BU in 2030 with a CAGR of 7.22%



Source: Report on 'Transitions in Indian Electricity Sector 2017-2030' by TERI

Growth in RE capacity addition and rise in coal capacity NPAs warrants for an increase in transmission capacity

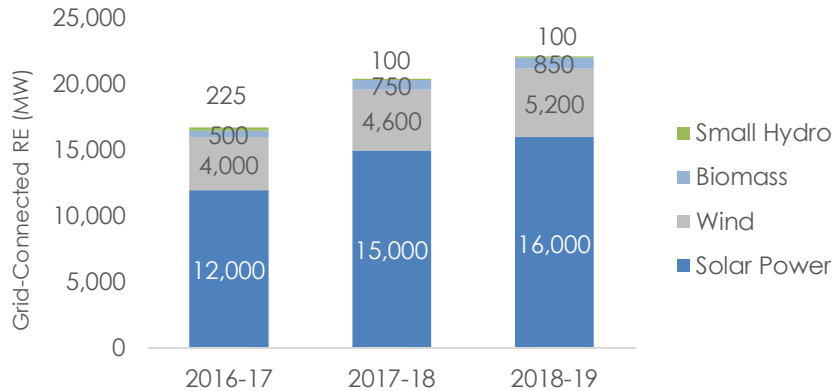
- NEP3 calls for 57% (362 GW) of India's total electricity capacity to come from non-fossil fuels by 2027
- RBI's new norms may put 50GW power capacity risk of being declared as non-performing assets, implies further rise in RE footprint
- This expansion in renewables & impact of existing stressed assets mean requirement of new transmission capacity additions



Source: CEA, IEEFA estimates (Report on 'India's Electricity Sector Transformation')

Grid-connected renewables and stronger Tx networks coming into play

MNRE Grid-Connected Renewable Targets 2016-2019

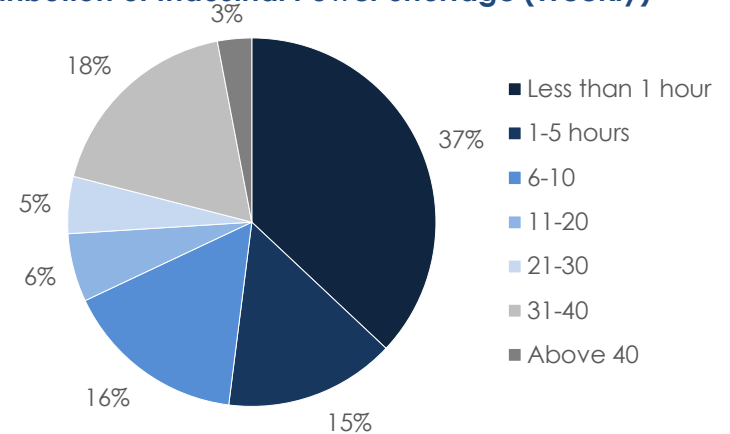


Source: MNRE, Compiled by Mercom, 2016

Renewable Proliferation

- More than 64GW of RE connected to the grid as of Mar 2018
- Almost double the capacity at 111GW is yet to be connected to reach the 175GW RE target by 2022`
- These projects will be connected under a new "Generation + Transmission" joint bidding model (e.g. recent OFTO & SECI-ISTS tenders) that will do away with the need for a separate bidding process or disconnected mandates for setting up new transmission lines

Distribution of Industrial Power Shortage (Weekly)



Source: FICCI, Lack of Affordable & Quality Power, 2013

Impact of Load Shedding

- With penalties now being enforced on DISCOMS for unjustified outages, consumer demand is bound to rise leading to greater power transfer and need for stronger transmission networks
- The amendment to the Electricity Act aims to fix the 24*7 power supply obligation of DISCOMS to achieve reliability in supply
- Along with this, direct subsidy transfer by states to power consumers will also aid this change and drive a robust network on all sides

Investments into transmission to gain traction

More awards expected in 2018-19

- **Only 59.9% of the annual target for adding transmission lines has been achieved** in 2017-18
- In order to achieve NEP 2017-22, along with government's increased investment in infrastructure, the tender pipeline looks strong

Green Energy Corridor (GEC) to fulfill demand

- The GEC will create an ISTS network to connect renewable rich states with states that lack renewable generation
- **Estimated cost required to evacuate RE power is Rs 101 billion*** for intra state and inter state projects.

SECI-ISTS Tenders

- SECI has bid out 5,750 MW of solar projects in July 2018 alone holding separate auctions of 3000 MW, 2000 MW and 750 MW- **greater participation – more tender releases – higher need for transmission assets**

Transmission the missing link

- Time taken to set up a solar farm = 9 months
- Time to set up transmission lines = 2-3 years
- With the number of large scale RE tenders, **grid infrastructure will have to move faster than before** to avoid non-commissioning of ready projects (eg Q4 2017)

Further growth potential from near term bids

Current Inter-State and Intra-state TBCB tenders

Name of Tender	Type	Stage of Tender	Location	Est. Cost (INR bn)	Est. Cost (USD bn)*
Strengthening in Jharkhand (Package 1)	InSTS	RFQ submitted	Jharkhand	14.0	0.21
Strengthening in Jharkhand (Package 2)	InSTS	RFQ submitted	Jharkhand	12.5	0.19
Strengthening in Jharkhand (Package 3)	InSTS	RFP	Jharkhand	9.0	0.13
Strengthening in Jharkhand (Package 4)	InSTS	RFP	Jharkhand	11.1	0.17
System strengthening Scheme in Northern Region	ISTS	Pipeline	Northern Region	2.3	0.03
Reactive Power Compensation in Northern Region	ISTS	Pipeline	Northern Region	2.3	0.03
ISTS Feed to Navi Mumbai	ISTS	Pipeline	Maharashtra	2.6	0.04
New Substation near Vapi area	ISTS	Pipeline	Gujarat	2.0	0.03
North Eastern Region Strengthening Scheme – IX	ISTS	Pipeline	North Eastern Region	0.7	0.01
Additional 400 kV outlets from Banaskantha	ISTS	Pipeline	Gujarat	0.6	0.01
Jawaharpur	InSTS	RFQ submitted	UP	6.0	0.09
Obra-C	InSTS	RFQ submitted	UP	11.0	0.16
400kV Udupi (UPCL)- Kasargode D/C line	ISTS	Pipeline	Karnataka, Kerala	6.3	0.09
Replacement of 2x315 MVA ICTs at Gazuwaka with 2x500 MVA ICTs	ISTS	Pipeline	AP	0.4	0.01
Scheme to control Fault Level in Northern Region (Phase-II)	ISTS	Pipeline	Northern Region	1.7	0.03
Measures to control fault level at Wardha Substation	ISTS	Pipeline	Maharashtra	0.7	0.01
Total				83.3	1.24

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
CERC	Central Energy Regulatory Commission
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
GTPL	Goa Tamnar Transmission Project Limited
IPA	BDTCL and JTCL which were acquired by IndiGrid at the time of IPO
ISRA	Interest Service Reserve Account
ISTS	Inter State Transmission System
KTL	Khargone Transmission Limited
JTCL	Jabalpur Transmission Company Limited
MNRE	Ministry of New and Renewable Energy
MTL	Maheshwaram Transmission Limited
MVA	Mega Volt Ampere
NDCF	Net cash flow that trust has at its disposal for distribution to IndiGrid in a particular year in accordance with the formula defined in the Offer Document
NEP	National Electricity Plan
NER II	NER II Transmission Limited
NPA	Non Performing Assets
NTL	NRSS XXIX Transmission Limited
OFTO	Offshore Transmission
OGPTL	Odisha Generation Phase Transmission Limited
O&M	Operations and Maintenance cost
RE	Renewable Energy
ROFO	Right Of First Offer
PKTCL	Purulia Kharagpur Transmission Company Limited
PTCL	Patran Transmission Company Limited
RTCL	RAPP Transmission Company Limited
SECI	Solar Energy Corporation of India
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 $(\text{Escalable} + \text{Non-escalable tariff})$
TBCB	Tariff Based Competitive Bidding
TSA	Transmission Service Agreement

Thank You