

ABRIDGED LETTER OF OFFER CONTAINING SALIENT FEATURES OF THE LETTER OF OFFER

FOR THE ELIGIBLE UNITHOLDERS OF INDIGRID ONLY

This is an Abridged Letter of Offer containing salient features of the Letter of Offer dated March 23, 2021 (“**Letter of Offer**”) which is available on the websites of IndiGrid, the Lead Manager and the Stock Exchanges. You are encouraged to read greater details available in the Letter of Offer. Capitalized terms not specifically defined herein shall have the meaning ascribed to them in the Letter of Offer.

THIS ABRIDGED LETTER OF OFFER CONTAINS 12 PAGES. PLEASE ENSURE THAT YOU HAVE RECEIVED ALL THE PAGES

IndiGrid has made available on the Registrar’s website i.e. <https://rights.kfintech.com>, the Rights Entitlement and Application Form to the Eligible Unitholders. You may also download the Letter of Offer from the websites of IndiGrid, the Securities and Exchange Board of India (“**SEBI**”), the Stock Exchanges where the Units of IndiGrid are listed i.e., BSE Limited (“**BSE**”) and National Stock Exchange of India Limited (“**NSE**”, and together with BSE, the “**Stock Exchanges**”), the Lead Manager and the Registrar, i.e., at www.indigrid.co.in, www.sebi.gov.in, www.bseindia.com, www.nseindia.com, www.axiscapital.co.in and www.kfintech.com, respectively. The Application Form is available on the respective websites of the Lead Manager and the Stock Exchanges.



INDIA GRID TRUST

Principal Place of Business: Unit No. 101, First Floor, Windsor, Village KoleKalyan, Off CST Road, Vidyanagari Marg, Kalina, Santacruz East, Mumbai 400 098

Tel: +91 72084 93885; **Compliance Officer:** Swapnil Patil; **E-mail:** complianceofficer@indigrid.co.in; **Website:** www.indigrid.co.in

FOR CIRCULATION TO THE ELIGIBLE UNITHOLDERS OF INDIA GRID TRUST ONLY

TRUSTEE	SPONSORS		INVESTMENT MANAGER
AXIS TRUSTEE	KKR SPONSOR	STERLITE SPONSOR	
Axis Trustee Services Limited	Esoteric II Pte. Ltd.	Sterlite Power Transmission Limited	IndiGrid Investment Managers Limited <i>(formerly, Sterlite Investment Managers Limited)</i>

ISSUE DETAILS, LISTING AND PROCEDURE

ISSUE OF UP TO 116,695,404 UNITS OF INDIA GRID TRUST (“INDIGRID” AND SUCH UNITS, THE “UNITS”), FOR CASH AT A PRICE OF ₹ 110.00 PER UNIT (THE “ISSUE PRICE”), AGGREGATING TO ₹ 12,836.49 MILLION* TO THE ELIGIBLE UNITHOLDERS (AS DEFINED HEREINAFTER) ON A RIGHTS BASIS IN THE RATIO OF ONE LOT FOR EVERY FIVE LOTS (EACH LOT COMPRISING 1,701 UNITS) HELD BY THEM ON THE RECORD DATE, BEING MARCH 30, 2021 (THE “ISSUE”) IN ACCORDANCE WITH THE INVIT REGULATIONS AND THE SEBI RIGHTS ISSUE GUIDELINES. THE RECORD DATE IS MARCH 30, 2021. FOR FURTHER DETAILS, PLEASE SEE THE SECTION ENTITLED “THE ISSUE” ON PAGE 19 OF THE LETTER OF OFFER.

** The size of the Issue shall be subject to finalisation of Allotment in the Issue.*

The Units of IndiGrid are listed the Stock Exchanges. The Units of IndiGrid are listed the Stock Exchanges. IndiGrid has received in-principle approvals from BSE and NSE for listing of the Units to be allotted pursuant to the Issue through their letters dated March 17, 2021 and March 12, 2021, respectively. The Investment Manager (on behalf of IndiGrid) will also make applications to the Stock Exchanges to obtain trading approval for the Rights Entitlements. For the purposes of the Issue, the Designated Stock Exchange is BSE.

Procedure: For details in relation to the procedure for the Issue, please see the section entitled “*Issue Information*” on page 273 of the Letter of Offer.

ELIGIBILITY FOR THE ISSUE

The Issue is being undertaken in accordance with the InvIT Regulations, the SEBI Rights Issue Guidelines and other applicable law. The Trust is in compliance with Clause 11 of the SEBI circular entitled “Guidelines for rights issue of units by a listed Infrastructure Investment Trust (InvIT)” dated January 17, 2020 (Circular No. SEBI/HO/DDHS/DDHS/CIR/P/2020/10), as amended, which is provided below, and accordingly eligible to undertake the Issue by way of a ‘fast track issue’.

ISSUE SCHEDULE

Last Date for credit of Rights Entitlements	April 5, 2021	Finalisation of Basis of Allotment (On or about)	April 19, 2021
Issue Opening Date	April 6, 2021	Date of Allotment (On or about)	April 20, 2021
Last Date For On Market Renunciation of Rights Entitlement*	April 8, 2021	Date of Credit (On or about)	April 22, 2021
Issue Closing Date [^]	April 13, 2021	Date of Listing (On or about)	April 23, 2021

* Eligible Unitholders are requested to ensure that renunciation through off-market transfer is completed in such a manner that the Rights Entitlements are credited to the demat account of the Renounees on or prior to the Issue Closing Date.

[^] The Investment Manager will have the right to extend the Issue Period as it may determine from time to time, provided that the Issue will not remain open in excess of 15 days from the Issue Opening Date (inclusive of the Issue Opening Date). Further, no withdrawal of Application shall be permitted by any Applicant after the Issue Closing Date.

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NOTICE TO INVESTORS

The distribution of the Letter of Offer and the issue of the Rights Entitlement and the Units on a rights basis to persons in certain jurisdictions outside India are restricted by legal requirements prevailing in those jurisdictions. Persons into whose possession the Letter of Offer, Abridged Letter of Offer or the CAF may come, are required to inform themselves about and observe such restrictions. For details, please see the section entitled “Restrictions on Purchases and Resales” beginning on page 297 of the Letter of Offer.

THE RIGHTS ENTITLEMENTS AND THE UNITS HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED (THE “U.S. SECURITIES ACT”), OR ANY U.S. STATE SECURITIES LAWS AND MAY NOT BE OFFERED, SOLD, RESOLD OR OTHERWISE TRANSFERRED WITHIN THE UNITED STATES OR THE TERRITORIES OR POSSESSIONS THEREOF (THE “UNITED STATES” OR “U.S.”), EXCEPT IN A TRANSACTION EXEMPT FROM THE REGISTRATION REQUIREMENTS OF THE U.S. SECURITIES ACT. THE RIGHTS ENTITLEMENTS AND UNITS REFERRED TO IN THE LETTER OF OFFER ARE BEING OFFERED AND SOLD IN OFFSHORE TRANSACTIONS OUTSIDE THE UNITED STATES IN COMPLIANCE WITH REGULATION S UNDER THE U.S. SECURITIES ACT (“REGULATION S”) TO EXISTING UNITHOLDERS LOCATED IN JURISDICTIONS WHERE SUCH OFFER AND SALE OF THE RIGHTS ENTITLEMENTS AND UNITS IS PERMITTED UNDER LAWS OF SUCH JURISDICTIONS. THE OFFERING TO WHICH THE LETTER OF OFFER RELATES IS NOT, AND UNDER NO CIRCUMSTANCES IS TO BE CONSTRUED AS, AN OFFERING OF ANY UNITS OR RIGHTS ENTITLEMENT FOR SALE IN THE UNITED STATES OR AS A SOLICITATION THEREIN OF AN OFFER TO BUY ANY OF THE SAID SECURITIES. ACCORDINGLY, YOU SHOULD NOT FORWARD OR TRANSMIT THE LETTER OF OFFER IN OR INTO THE UNITED STATES AT ANY TIME. THE UNITS AND THE RIGHTS ENTITLEMENTS ARE NOT TRANSFERABLE EXCEPT IN ACCORDANCE WITH THE RESTRICTIONS DESCRIBED IN THE SECTION ENTITLED “RESTRICTIONS ON PURCHASES AND REALES” ON PAGE 297 OF THE LETTER OF OFFER.

GENERAL RISKS

Investments in Units involve a high degree of risk and Bidders should not invest in the Issue unless they are prepared to take the risk of losing all or part of their investment. Bidders are advised to carefully read the section entitled “Risk Factors” on page 56 and other disclosures included in the Letter of Offer before making an investment decision relating to the Issue. Each Bidder is advised to consult its own advisors about the consequences of an investment in the Rights Entitlements and the Units issued pursuant to the Letter of Offer. The Rights Entitlements and the Units being offered in the Issue have not been recommended or approved by the Securities and Exchange Board of India (“SEBI”) nor does SEBI guarantee the accuracy or adequacy of the Letter of Offer. Admission of the Units to be issued pursuant to the Issue for trading on the Stock Exchanges should not be taken as an indication of the merits of IndiGrid or of the Units.

Contact details of the Investment Manager	IndiGrid Investment Managers Limited (formerly, Sterlite Investment Managers Limited) Registered office: Unit No. 101, First Floor, Windsor Village KoleKalyan, Off CST Road, Vidyanagari Marg, Kalina Santacruz East, Mumbai 400 098
Name of the Lead Manager and contact details	Axis Capital Limited 1st Floor, Axis House, C 2 Wadia International Centre Pandurang Budhkar Marg, Worli, Mumbai - 400 025 Tel.: +91 22 4325 2183; Fax: +91 22 4325 3000 E-mail: indigrids.rights@axiscap.in Investor Grievance E-mail: complaints@axiscap.in Website: www.axiscapital.co.in Contact Person: Ankit Bhatia/Akash Aggarwal SEBI Registration No.: INM000012029
Name of the Registrar to the Issue and contact details	KFin Technologies Private Limited <i>(formerly known as “Karvy Fintech Private Limited”)</i> Selenium, Tower B, Plot No- 31 and 32, Financial District, Nanakramguda, Serilingampally, Rangareddi, Hyderabad 500 032, Telangana, India Tel.: +91 40 6716 2222; Fax: +91 40 2343 1551 Toll free number: 18003454001 E-mail: indigrd.rights@kfintech.com Investor Grievance E-mail: einward.ris@kfintech.com Website: www.kfintech.com Contact Person: M. Murali Krishna SEBI Registration No.: INR000000221 CIN: U72400TG2017PTC117649
Name of the Statutory Auditors	S R B C & CO LLP, Chartered Accountants
Self-Certified Syndicate Banks (“SCSBs”)	Self-certified syndicate banks registered with SEBI, which acts as a banker to the Issue and which offers the facility of ASBA. A list of all SCSBs is available at http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes
Banker(s) to the Issue	Axis Bank Limited

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SUMMARY OF OBJECTS OF THE ISSUE AND MEANS OF FINANCE

The proceeds of the Issue are up to ₹ 12,836.49 million* (the “**Issue Proceeds**”) and the proceeds of the Issue net of the total expenses in relation to the Issue (the “**Net Proceeds**”) are ₹ 12,743.76 million.

* *The size of the Issue shall be subject to finalisation of Allotment in the Issue.*

Subject to compliance with applicable law, the Net Proceeds are proposed to be utilised, at the discretion of the Investment Manager and the Trustee, towards the following objects:

- (i) Acquisition of 26% of the issued, subscribed and paid-up equity share capital of NER, either directly or indirectly from the Sterlite Sponsor;
- (ii) Partial repayment of the outstanding external debt of OGPTL, and GPTL and debt proposed to be availed by IndiGrid; and
- (iii) General purposes.

The Investment Manager believes that abovementioned use of proceeds is consistent with IndiGrid’s strategy of growth and expansion of its business and will also allow IndiGrid to meet its commitment towards distributions to Unitholders.

The details of the Issue Proceeds are provided in the following table:

(in ₹ million)

Particulars	Amount
Gross Proceeds from the Issue*	12,836.49
Less: Estimated Issue expenses	92.73
Net Proceeds	12,743.76

* *Assuming full subscription and Allotment of Units. The size of the Issue shall be subject to finalisation of Allotment in the Issue*

Name of Monitoring Agency: Axis Bank Limited

BRIEF DESCRIPTION OF THE ASSETS UNDER THE INVIT

The following table sets forth a summary description of the Portfolio Assets:

Project Name	Transmission Line /Substation	Configuration	Route Length (ckms)	Actual commission date	Expiry of the term of the TSA	Total transformation capacity (in MVA)
BDTCL	Bhopal – Indore	765 kV S/C transmission line	176	November 19, 2014	March 2049	NA
	Dhule – Aurangabad	765 kV S/C transmission line	192	December 5, 2014		NA
	Dhule – Vadodara	765 kV S/C transmission line	263	June 13, 2015		NA
	Bhopal – Jabalpur	765 kV S/C transmission line	259	June 9, 2015		NA
	Dhule – Dhule	400 kV D/C transmission line	36	December 6, 2014		NA
	Bhopal – Bhopal	400 kV D/C transmission line	17	August 12, 2014		NA
	Bhopal substation	2 x 1,500 MVA 765/400 kV	-	September 30, 2014		3000 MVA
	Dhule substation	2 x 1,500 MVA 765/400 kV	-	December 6, 2014		3000 MVA
JTCL	Jabalpur-Dharamjaigarh	765 kV D/C transmission line	759	September 14, 2015	March 2049	NA
	Jabalpur-Bina	765 kV S/C transmission line	235	July 1, 2015		NA
PKTCL	Kharagpur (WBSETCL)-Chaibasa (PG)	400 kV D/C transmission line	323	June 18, 2016	April 2051	NA
	Purulia PSP (WB)-Ranchi PG	400 kV D/C transmission line	223	January 7, 2017		NA
RTCL	RAPP—Shujalpur	400 kV D/C transmission line	403	March 1, 2016	February 2051	NA
MTL	Maheshwaram (PG)—Mehboob Nagar	400 kV D/C transmission line	196	December 14, 2017	December 2053	NA
	Nizamabad—Yeddumailaram (Shankarpalli)	400 kV D/C transmission line	278	October 14, 2017	October 2053	NA
	Mehboob Nagar substation of TSTRANSCO	2 x 400 kV line bays	-			NA
	Yeddumailaram (Shankarpalli) substation of TSTRANSCO	2 x 400 kV line bays	-			NA
PTCL	Patiala—Kaithal LILO	Loop in loop out of both circuits of 400 kV D/C line at Patran	-	November 12, 2016	November 2051	NA
	Patran substation	2x500MVA, 400/220kV Substation at Patran with; i. 6 nos 400kV Bays ii. 8 nos 220kV Bays	-	November 12, 2016		1000 MVA
NTL	Samba—Amargarh	400 kV D/C line	546	September 2, 2018	September 2053	NA
	Uri—Wagoora	400 kV D/C line	14	September 2, 2018	September 2053	NA
	Jalandhar—Samba	400 kV D/C line	270	June 24, 2016	June 2051	NA
	Amargarh Substation	400/220 kV D/C line, GIS Substation with 630 MVA of transformation capacity	-	September 2, 2018	September 2053	630 MVA

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Project Name	Transmission Line /Substation	Configuration	Route Length (ckms)	Actual commission date	Expiry of the term of the TSA	Total transformation capacity (in MVA)
OGPTL	Raipur – Jharsuguda	765kV D/C line	610	April 6, 2019	April 2054	NA
	Jharsuguda – OPGC	400 kV D/C line	103	August 30, 2017	July 2052	NA
ENICL	Bongaigaon-Siliguri	400 kV D/C line	438	November 12, 2014	October 2035	NA
	Purnia-Biharsharif	400 kV D/C line	458	September 16, 2013		NA
GPTL	Aligarh - Prithala	400 kV D/C HTLS line	99	August 06, 2019	July 2054	NA
	Prithala – Kadarapur	400 kV D/C HTLS line	58	December 7, 2019	July 2054	NA
	Kadarapur-Sohna Road	400 kV D/C HTLS line	21	March 21, 2020	July 2054	NA
	LILO of Gurgaon Manesar	400 kV D/C Quad line	2	March 13, 2020	July 2054	NA
	Neemrana – Dhonanda	400 kV D/C HTLS line	93	February 25, 2019	July 2054	NA
	Kadarapur substation	400/220 kV, 2 x 500 MVA	-	December 11, 2019	July 2054	1000 MVA
	Sohna Road substation	400/220 kV, 2 x 500 MVA	-	April 13, 2020	July 2054	1000 MVA
	Prithala substation	400/220 kV, 2 x 500 MVA	-	August 8, 2019	July 2054	1000 MVA
	Dhonanda substation	Two 400 kV line bays	-	February 25, 2019	July 2054	NA
JKTPL	Jharli (Jhajjar) -Kabulpur (Rohtak)	400 kV D/C line	70	March 12, 2012	March 2037 (with an extension period of 10 years by HVPNL)	NA
	Kabulpur (Rohtak) -Dipalpur (Sonepat)	400 kV D/C line	134			NA
	Dipalpur substation Abdullapur - Bawana line	400 kV S/C loop in loop out line at 400kV substation Dipalpur of 400 kV D/C line at from Abdullapur-Bawana	1.4			NA
	Kabulpur (Rohtak) substation	400 kV/220 kV/ 132 kV	-			830 MVA
	Dipalpur (Sonepat) substation	400 kV/220 kV/ 132 kV	-			830 MVA
PrKTCL	LILO point of Parbati III HEP to LILO point of Parbati Pooling Station	400 kV S/C, Quad Bundle Line, Section of Ckt-II of Parbati-II to Koldam Transmission Scheme	3.5	August 01, 2013	35 years from COD i.e. FY 2049-50**, as per Central Electricity Regulatory Commission (Terms and Condition of Tariff) Regulations, 2019	NA
	Banala – Nalagarh	400 kV S/C along with D/C Quad Bundle Line, Part of Ckt-I of Parbati-II – Koldam Transmission Scheme starting from LILO point of Banala Pooling Station to Tower 9C of Ckt-I of Koldam – Nalagarh TL	66	October 10, 2014		NA
	Banala - Koldam	400 kV S/C alongwith D/C Quad Bundle Line, Part of Ckt-II of Parbati-II – Koldam Transmission Scheme starting from LILO point of Banala Pooling Station to Tower 9E of Ckt-I of Koldam – Nalagarh TL	63	October 04, 2014		NA
	Parbati-II – Banala	400 kV S/C alongwith D/C Quad Bundle Line, Part of Ckt-I of Parbati-II – Koldam Transmission Scheme starting from Parbati-II HEP to LILO point of Banala Pooling Station	14	November 03, 2015*		NA
	Parbati-II – Parbati-III	400 kV S/C alongwith D/C Quad Bundle Line, Part of Ckt-I of Parbati-II – Koldam Transmission Scheme starting from Parbati-II HEP to LILO point of Parbati-III HEP (Post commissioning of Sainj HEP of HPPCL this section has been connected at Loc.#2 forming Parbati-II – Sainj and Sainj – Parbati-III Sections)	10	November 03, 2015*		NA
	Koldam – Ludhiana	400 kV D/C, Triple Bundle Line.	301	Ckt-I: August 07, 2014 Ckt-II: August 14, 2014		NA
Total			6,736			12290 MVA

* The transmission line elements have been claimed as commissioned with effect from July 1, 2015 as per the CERC Tariff Petition.

**As per Central Electricity Regulatory Commission (Terms and Condition of Tariff) Regulations, 2019, effective COD for the consolidated project has to be used for the purpose of tariff determination. Based on the true up of tariff for block periods Financial Year 2014-19 and approved tariff for Financial Year 2019-24, effective COD is likely to be in Financial Year 2014-15.

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FINANCIAL INFORMATION

(in ₹ million)

	Nine months period ended December 31, 2020	Nine months period ended December 31, 2019	31 March 2020	31 March 2019	31 March 2018
Total income	12,000.56	9,432.65	12,785.94	6,739.05	4,605.00
Total expenses	9,316.66	5,425.32	7,786.07	5,193.55	2,569.33
Profit before tax	2,683.90	4,007.33	4,999.87	1,545.50	2,035.68
Total tax expense	26.76	(53.14)	(57.33)	6.36	(67.82)
Total comprehensive income for the year / period	2,657.14	4,060.47	5,057.20	1,539.14	2,103.50
EBITDA**	10,610.13	8,508.79	11,504.11	6,036.24	4,154.86
Non-current assets	1,18,652.54	99,314.85	1,08,555.36	50,023.44	50,427.53
Current Assets	19,945.75	6,514.61	9,364.83	3,438.82	3,359.41
Total Assets	1,38,598.29	1,05,829.46	1,17,920.19	53,462.26	53,786.94
Total Unit holders' equity	47,892.02	51,239.97	50,486.25	26,766.11	28,632.56
Non-current liabilities	87,698.51	52,396.02	63,239.06	26,058.72	19,692.00
Current liabilities	3,007.76	2,193.47	4,194.88	637.43	5,462.38
Total equity and liabilities	1,38,598.29	1,05,829.46	1,17,920.19	53,462.26	53,786.94
Net cash flow from operating activities	10,446.76	7,722.90	11,249.04	5,800.15	4,332.55
Net cash flow (used in) investing activities	(16,815.04)	(52,573.92)	(60,907.39)	(2,303.67)	(46,238.74)
Net cash flow from / (used in) financing activities	14,118.23	43,802.24	52,143.10	(3,565.75)	43,579.11

Note: The amounts appearing in the columns titled 'Nine months period ended December 31, 2020' and 'Nine months period ended December 31, 2019' represent the figures for the nine months period ended on that date whereas the amounts appearing in the columns titled '31 March 2020' '31 March 2019' and '31 March 2018' above represent the annual figures for the years ending on those dates. These amounts are not comparable to that extent.

** EBITDA is calculated as profit for the period / year, plus finance costs, total tax expenses, depreciation expense, Impairment / (reversal) of service concessions / property, plant and equipment, less Income from investment in mutual funds, interest income on investment in fixed deposits and other finance income. Please refer page 237 of the Letter of Offer for EBITDA calculation.

CAPITAL STRUCTURE OF THE INVIT ASSETS

DESCRIPTION OF PORTFOLIO ASSETS

Details of Portfolio Assets

IndiGrid's assets comprise (i) BDTCL, JTCL, MTL, RTCL and PKTCL, which are held by IGL and PTCL, which is held by IndiGrid; (ii) ENICL, which was acquired from the Sterlite Sponsor; (iii) GPPL, which was acquired from SGL4; (iv) JKTPL, which was acquired from Kalpataru Power Transmission Limited and Techno Electric and Engineering Company Limited; (v) NTL and OGPTL, which are held by IGL1 and IGL2, respectively; and (vi) PrKTCL, which was acquired from Reliance Infrastructure Limited. The details of the Portfolio Assets are provided below:

- IndiGrid Limited (formerly, Sterlite Grid 1 Limited)** : IGL was incorporated on March 30, 2010 under the Companies Act, 1956. The name of Sterlite Grid 1 Limited was changed to IndiGrid Limited and a new certificate of incorporation was issued by the Registrar of Companies, Maharashtra at Pune on June 22, 2020. Its registered office is situated at Unit No. 101, First Floor, Windsor, Village KoleKalyan, off CST Road, Vidyannagari Marg, Kalina, Santacruz East, Mumbai 400 098.

Capital structure of IGL

Particulars	Number of equity shares of ₹ 10 each on a pre-Issue and post-Issue basis as on December 31, 2020	Number of preference shares of ₹ 10 each on a pre-Issue and post-Issue basis as on December 31, 2020
Authorised capital	17,673,250	27,066,750
Issued, subscribed and paid-up capital	17,673,250	27,062,475

Pursuant to the Securities Purchase Agreement, IndiGrid holds 100% of the issued, subscribed and paid-up share capital of IGL as on the date of the Letter of Offer.

- Bhopal Dhule Transmission Company Limited** : BDTCL was incorporated on September 8, 2009 under the Companies Act, 1956 as a special purpose vehicle. Its registered office is situated at F-1, The Mira Corporate Suites, 1 & 2 Ishwar Nagar, Mathura Road, New Delhi 110 065.

Capital structure of BDTCL

Particulars	Number of equity shares of ₹ 10 each on a pre-Issue and post-Issue basis as on December 31, 2020
Authorised capital	2,000,000
Issued, subscribed and paid-up capital	600,000*

*51% of the equity shares of BDTCL have been pledged by IGL in favour of lenders of BDTCL and shall continue to be pledged in favour of SBICAP Trustee Limited and in relation to the NCDs issued and ECBs availed by BDTCL.

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Pursuant to the Securities Purchase Agreement, IndiGrid indirectly holds 100% of the issued, subscribed and paid-up share capital of BDTCL as on the date of the Letter of Offer.

3. **Jabalpur Transmission Company Limited** : JTCL was incorporated on September 8, 2009 under the Companies Act, 1956 as a special purpose vehicle. Its registered office is situated at F-1, The Mira Corporate Suites, 1 & 2 Ishwar Nagar, Mathura Road, New Delhi 110 065.

Capital structure of JTCL

Particulars	Number of equity shares of ₹ 10 each on a pre-Issue and post-Issue basis as on December 31, 2020
Authorised capital	2,000,000
Issued, subscribed and paid-up capital	550,000*

**76% of the equity shares of JTCL have been pledged by IGL in favour of lenders of IndiGrid.*

Pursuant to the Securities Purchase Agreement, IndiGrid indirectly holds 100% of the issued, subscribed and paid-up share capital of JTCL as on the date of the Letter of Offer.

4. **Maheshwaram Transmission Limited** : MTL was incorporated on August 14, 2014 under the Companies Act, 2013. Its registered office is situated at F-1, The Mira Corporate Suites, 1 & 2 Ishwar Nagar, Mathura Road, New Delhi 110 065.

Capital structure of MTL

Particulars	Number of equity shares of ₹ 10 each on a pre-Issue and post-Issue basis as on December 31, 2020
Authorised capital	1,000,000
Issued, subscribed and paid-up capital	470,000*

** 51% of the equity shares of MTL have been pledged by IGL2 in favour of lenders of IndiGrid.*

Pursuant to the MTL Share Purchase Agreement, IndiGrid indirectly holds 100% of the issued, subscribed and paid-up share capital of MTL as on the date of the Letter of Offer.

5. **RAPP Transmission Company Limited** : RTCL was incorporated on December 20, 2012 under the Companies Act, 1956. Its registered office is F-1, The Mira Corporate Suites, 1 & 2 Ishwar Nagar, Mathura Road, New Delhi 110 065.

Capital structure of RTCL

Particulars	Number of equity shares of ₹ 10 each on a pre-Issue and post-Issue basis as on December 31, 2020
Authorised capital	5,000,000
Issued, subscribed and paid-up capital	4,771,110*

** 51% of the equity shares of RTCL have been pledged by IGL in favour of lenders of IndiGrid and 26% of the equity shares of RTCL have been pledged by IGL1 in favour of the lenders of IndiGrid.*

Pursuant to the RTCL Share Purchase Agreement, IndiGrid indirectly holds 100% of the issued, subscribed and paid-up share capital of RTCL as on the date of the Letter of Offer.

6. **Purulia & Kharagpur Transmission Company Limited** : PKTCL was incorporated on December 15, 2012 under the Companies Act, 1956. Its registered office is situated at F-1, The Mira Corporate Suites, 1 & 2 Ishwar Nagar, Mathura Road, New Delhi 110 065.

Capital structure of PKTCL

Particulars	Number of equity shares of ₹ each on a pre-Issue and post-Issue basis as on December 31, 2020
Authorised capital	7,000,000
Issued, subscribed and paid-up capital	6,754,300*

** 51% of the equity shares of PKTCL have been pledged by IGL in favour of lenders of IndiGrid.*

Pursuant to the PKTCL Share Purchase Agreement, IndiGrid indirectly holds 100% of the issued, subscribed and paid-up share capital of PKTCL as on the date of the Letter of Offer.

7. **Patran Transmission Company Limited** : PTCL was incorporated on December 19, 2012 under the Companies Act, 1956. Its registered office is situated at F-1, The Mira Corporate Suites, 1 & 2 Ishwar Nagar, Mathura Road, New Delhi 110 065.

Capital structure of PTCL

Particulars	Number of equity shares of ₹ 10 each on a pre-Issue and post-Issue basis as on December 31, 2020
Authorised capital	50,000,000
Issued, subscribed and paid-up capital	50,000,000*

** 73% of the equity shares of PTCL have been pledged by IndiGrid in favour of lenders of IndiGrid.*

Pursuant to the PTCL Share Purchase Agreement, IndiGrid directly holds 74% of the issued, subscribed and paid-up share capital of PTCL (with 100% economic ownership), as on the date of the Letter of Offer.

8. **East – North Interconnection Company Limited** : ENICL was incorporated on February 1, 2007 under the Companies Act, 1956. Its registered office is situated at F-1, The Mira Corporate Suites, 1 & 2 Ishwar Nagar, Mathura Road, New Delhi 110 065.

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Capital structure of ENICL

Particulars	Number of equity shares of ₹ 10 each on a pre-Issue and post-Issue basis as on December 31, 2020	Number of preference shares of ₹ 10 each on a pre-Issue and post-Issue basis as on December 31, 2020
Authorised capital	1,050,000	1,000,000
Issued, subscribed and paid-up capital	1,050,000*	NIL

*51% of the equity shares of ENICL have been pledged by IndiGrid in favour of lenders of ENICL for the term loan facility availed by ENICL.

Pursuant to the ENICL Share Purchase Agreement, IndiGrid holds 100% of the issued, subscribed and paid-up share capital of ENICL as on the date of the Letter of Offer.

9. **Gurgaon – Palwal Transmission Limited** : GPTL was incorporated on October 26, 2015 under the Companies Act, 2013. Its registered office is situated at F-1, The Mira Corporate Suites, 1 & 2 Ishwar Nagar, Mathura Road, New Delhi 110 065.

Capital structure of GPTL

Particulars	Number of equity shares of ₹ 10 each on a pre-Issue and post-Issue basis as on December 31, 2020
Authorised capital	800,000
Issued, subscribed and paid-up capital	688,600*

*In respect of lenders of GPTL, 48.91% of the equity shares of GPTL held by IndiGrid have been pledged by IndiGrid and 2.09% of the equity shares of GPTL have been pledged by SGL4 in favour of such lenders of GPTL for the term loan facility availed by GPTL.

Pursuant to the GPTL Share Purchase Agreement, IndiGrid holds 49% of the issued, subscribed and paid-up share capital (with 100% economic ownership) of GPTL as on the date of the Letter of Offer.

10. **Jhajar KT Transco Private Limited** : JKTPL was incorporated on May 19, 2010 under the Companies Act, 1956. Its registered office is situated at 101, Part III, GIDC Estate, Sector 28, Gandhinagar 382 028, Gujarat.

Capital structure of JKTPL

Particulars	Number of equity shares of ₹ 10 each on a pre-Issue and post-Issue basis as on December 31, 2020
Authorised capital	23,000,000
Issued, subscribed and paid-up capital	22,657,143*

*99% of the equity shares of JKTPL have been pledged by IndiGrid in favour of lenders of IndiGrid.

Pursuant to the JKTPL Share Purchase Agreement, IndiGrid holds 100% of the issued, subscribed and paid-up share capital of JKTPL as on the date of the Letter of Offer. In terms of the JKTPL Share Purchase Agreement, 74% of the issued, subscribed and paid-up share capital of JKTPL was acquired in September, 2020 and the remaining 26% of the issued, subscribed and paid-up share capital of JKTPL was acquired in October, 2020.

11. **IndiGrid1 Limited (formerly, Sterlite Grid 2 Limited)** : IGL1 was incorporated on May 11, 2005 under the Companies Act, 1956. The name of Sterlite Grid 2 Limited was changed to IndiGrid 1 Limited and a new certificate of incorporation was issued by the Registrar of Companies, Maharashtra at Mumbai on July 31, 2020. Its registered office is situated at Unit No. 101, First Floor, Windsor, Village KoleKalyan, off CST Road, Vidyanaagari Marg, Kalina, Santacruz East, Mumbai 400 098.

Capital structure of IGL1

Particulars	Number of equity shares of ₹ 10 each on a pre-Issue and post-Issue basis as on December 31, 2020
Authorised capital	90,000,000
Issued, subscribed and paid-up capital	87,300,000*

*99% of the equity shares of IGL1 have been pledged by IndiGrid in favour of lenders of IndiGrid.

Pursuant to the 2019 Securities Purchase Agreement, IndiGrid holds 100% of the issued, subscribed and paid-up share capital of IGL1 as on the date of the Letter of Offer.

12. **NRSS XXIX Transmission Limited** : NTL was incorporated on July 29, 2013 under the Companies Act, 2013. Its registered office is situated at F-1, The Mira Corporate Suites, 1 & 2 Ishwar Nagar, Mathura Road, New Delhi 110 065.

Capital structure of NTL

Particulars	Number of equity shares of ₹ 10 each on a pre-Issue and post-Issue basis as on December 31, 2020
Authorised capital	25,000,000
Issued, subscribed and paid-up capital	21,387,144*

*99% of the equity shares of NTL have been pledged by IGL1 in favour of lenders of IndiGrid.

Pursuant to the NTL Share Purchase Agreement, IndiGrid indirectly holds 100% of the issued, subscribed and paid-up share capital of BDTCL as on the date of the Letter of Offer.

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13. **IndiGrid2 Limited (formerly, Sterlite Grid 3 Limited)** : IGL2 was originally incorporated on August 14, 2014 under the Companies Act, 2013 as Sterlite Grid 3 Limited. Subsequently, the name of Sterlite Grid 3 Limited was changed to IndiGrid 2 Limited and a new certificate of incorporation was issued by the Registrar of Companies, Maharashtra at Mumbai on July 31, 2020. Its registered office is situated at Unit No. 101, First Floor, Windsor, Village KoleKalyan, off CST Road, Vidyanaigari Marg, Kalina, Santacruz East, Mumbai 400 098.

Capital structure of IGL2

Particulars	Number of equity shares of ₹ 10 each on a pre-Issue and post-Issue basis as on December 31, 2020
Authorised capital	26,050,000
Issued, subscribed and paid-up capital	26,050,000

Pursuant to the 2019 Securities Purchase Agreement, IndiGrid holds 100% of the issued, subscribed and paid-up share capital of IGL2 as on the date of the Letter of Offer.

14. **Odisha Generation Phase - II Transmission Limited** : OGPTL was incorporated on April 17, 2015 under the Companies Act, 2013. Its registered office is situated at F-1, The Mira Corporate Suites, 1 & 2 Ishwar Nagar, Mathura Road, New Delhi 110 065.

Capital structure of OGPTL

Particulars	Number of equity shares of ₹ 10 each on a pre-Issue and post-Issue basis as on December 31, 2020
Authorised capital	1,500,000*
Issued, subscribed and paid-up capital	1,403,510 [#]

*The authorised share capital of OGPTL was increased on July 25, 2018 from ₹ 13,200,000 divided into 1,320,000 equity shares of ₹ 10 each to ₹ 15,000,000 divided into 1,500,000 equity shares of ₹ 10 each.

[#]30% of the equity shares of OGPTL have been pledged by IGL2 in favour of lenders of OGPTL for the term loan facility availed by OGPTL.

[#]NDU is given to the extent of 21% of the equity shares of OGPTL by IGL2 in favour of lenders of OGPTL for the term loan facility availed by OGPTL.

Pursuant to the OGPTL Share Purchase Agreement, IndiGrid indirectly holds 100% of the issued, subscribed and paid-up share capital of OGPTL as on the date of the Letter of Offer.

15. **Parbati Koldam Transmission Company Limited** : PrKTCL was originally incorporated as Bina Dehgam Transmission Company Limited on September 2, 2002 under the Companies Act, 1956. Subsequently, its name was changed from Bina Dehgam Transmission Company Limited to Parbati Koldam Transmission Company Limited and a fresh certificate of incorporation was issued by the Registrar of Companies, National Capital Territory of Delhi & Haryana at New Delhi on December 13, 2005. Further, the Registrar of Companies, National Capital Territory of Delhi & Haryana at New Delhi issued a certificate for commencement of business on May 14, 2008. Subsequently, PrKTCL amended its Memorandum of Association by way of a special resolution dated September 6, 2016 and changed the place of its registered office from the state of Delhi to Haryana. The Regional Director by way of its order dated October 23, 2017 confirmed the change in the state of the registered office. Consequently, the Registrar of Companies at Delhi issued a certificate of registration of the order of the Regional Director dated October 23, 2017 on November 13, 2017. Its registered office is situated at 5th Floor, FF-1A JMD Galleria, Sector 48, Sohna Road, Gurgaon, Haryana 122 018.

Capital structure of PrKTCL

Particulars	Number of equity shares of ₹ 10 each on a pre-Issue and post-Issue basis as on December 31, 2020
Authorised capital	331,000,000
Issued, subscribed and paid-up capital	272,837,000*

*51% of the equity shares of PrKTCL have been pledged by IndiGrid in favour of lenders of PrKTCL.

Pursuant to the PrKTCL Share Purchase Agreement, IndiGrid holds 74% of the issued, subscribed and paid-up share capital of PrKTCL as on the date of the Letter of Offer.

Except as disclosed in the section entitled “*Our Business - Insurance*”, the Trustee confirms that adequate insurance for the Portfolio Assets has been obtained. For further details in relation to the Portfolio Assets, please see the section entitled “*Our Business*” on page 176.

IndiGrid, acting through the Trustee, proposes to utilize the Issue Proceeds for, amongst others, (i) acquiring 26% of the issued, subscribed and paid-up equity share capital of NER, either directly or indirectly from the Sterlite Sponsor; and (ii) partially repaying the outstanding external debt of OGPTL, and GPTL and debt proposed to be availed by IndiGrid. For further details, please see the section entitled “*Use of Proceeds*” on page 216.

Brief details of the Target Asset

NER II Transmission Limited : NER was incorporated on April 21, 2015 under the Companies Act, 2013. Its registered office is situated at F-1, The Mira Corporate Suites, 1 & 2 Ishwar Nagar, Mathura Road, New Delhi 110 065 .

Capital structure of NER

Particulars	Number of equity shares of ₹ 10 each on a pre-Issue and post-Issue basis as on December 31, 2020
Authorised capital	3,000,000
Issued, subscribed and paid-up capital	2,322,420

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BRIEF DETAILS OF VALUATION OF EACH ASSET

For the valuation of each of the Portfolio Assets, please refer to www.indigrid.co.in

BRIEF DESCRIPTION OF FRAMEWORK ASSETS, IF ANY

Khargone Transmission Limited

KTL was incorporated on November 28, 2015. KTL entered into a TSA on March 14, 2016. The KTL project was awarded by the Ministry of Power on May 26, 2016 for a 35-year period from the scheduled commercial operation date of the KTL project, on a BOOM basis. A few lines of the project are under development and are expected to be fully commissioned and operational by June 2021. Additionally, the Original Framework Agreement was amended by the Amendment to the Framework Agreement on August 28, 2020, pursuant to which the scheduled commercial operation date for the KTL project is earlier of 24 months from the commercial operations date or December 31, 2022. Details of KTL's transmission lines and line bays are set forth as follows:

Transmission Line	Route Length (ckms)	Specifications	Commission Date	Expiry of TSA Term
LILO of Khandwa – Rajgarh line	14	400 kV D/C line	February 2018 ⁽¹⁾	July 2054
Khargone TPP Switchyard – Khandwa Pool	49	400 kV D/C line	March 2020 ⁽¹⁾	July 2054
Khandwa Pool - Indore	179	765 kV D/C line	March 2020 ⁽¹⁾	July 2054
Khandwa Pool - Dhule	378	765 kV D/C line	June 2021 ⁽²⁾	July 2054
Khandwa pooling station	-	3,000 MVA transformation capacity	March 2020 ⁽¹⁾	July 2054
2 Nos. of 765 kV line bays and 7x80 MVAR Switchable line reactors (1 Unit as spare) along with 800 Ω NGR and its auxiliaries for Khandwa Pool – Dhule 765 kV D/C at Dhule 765/400 kV substation	-	400/200 kV, 2X500 MVA	June 2021 ⁽²⁾	July 2054

(1) Actual commission date.

(2) Expected commission date.

NER II Transmission Limited

NER was incorporated on April 21, 2015. NER entered into a TSA on December 27, 2016. The NER project was awarded by the Ministry of Power on February 22, 2017 for a 35-year period from the scheduled commercial operation date of the NER project, on a BOOM basis. A few lines of the project are under development and are expected to be fully commissioned and operational by March 2021. The NER project is located in the state of Tripura, Assam and Arunachal Pradesh. We believe that the (i) NER project would strengthen the interconnection between the states of Assam and Arunachal Pradesh and provide an additional source of power to Itanagar, and (ii) also provide a strong interconnection between the northern and southern part of the north east region. Details of NER's transmission lines, substations and line bays are set forth as follows:

Transmission line	Route length (ckms)	Specifications	Commission Date	Expiry of TSA term
Biswanath Chariyalli (Powergrid) – Itanagar Line	135.88	132kV/D/C	March 2021 ⁽¹⁾	November 2055
Lilo of one circuit of Biswanath Chariyalli (Powergrid)- - Itanagar line at Gohpur (AEGCL).	17	132kV/D/C	March 2021 ⁽¹⁾	November 2055
Silchar (Powergrid)– Misa (Powergrid) line	356	400kV D/C	February 2021 ⁽²⁾	November 2055
400/132 kV, 2*315 MVA Single phase sub-station at Surajmaninagar	-	400/132 kV, 2X315 MVA	January 2021 ⁽³⁾	November 2055
400/132 kV, 2*315 MVA sub-station at P.K. Bari	-	400/132 kV, 2X315 MVA	January 2021 ⁽³⁾	November 2055
AGTPP (NEEPCO)– P.K. Bari (TSECL) Line	166.90	132kV/D/C	February 2021 ⁽²⁾	November 2055
Surajmaninagar –P.K. Bari Line	154.68	400 kV D/C	January 2021 ⁽³⁾	November 2055
Line bays at Itanagar for terminating the Biswanath Chariyalli (Powergrid) – Itanagar line	-	2X132 kV line bays	March 2021 ⁽¹⁾	November 2055
Line bays at NEEPCO (AGTPP) sub-station for terminating the AGTPP (NEEPCO) – P.K. Bari (TSECL) line	-	2X132 kV line bays	February 2021 ⁽²⁾	November 2055
Line bays at PK Bari (TSECL) sub-station for terminating the AGTPP (NEEPCO) – P.K. Bari (TSECL) line	-	2X132 kV line bays	February 2021 ⁽²⁾	November 2055
Line bays at Palatana GBPP switchyard for termination of Palatana- Surajmaninagar 400 kV D/C line	-	2X400 kV line bays	January 2021 ⁽³⁾	November 2055

(1) Expected commission date.

(2) Scheduled commission date.

(3) Deemed commission date.

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BRIEF DETAILS OF POLICY OF DISTRIBUTIONS TO THE UNIT HOLDERS

DISTRIBUTION

Statements contained in the section entitled “Distribution” that are not historical facts are forward-looking statements. Such statements are subject to certain risks and uncertainties that could cause actual results to differ materially from those that may be projected. Under no circumstances should the inclusion of such information herein be regarded as a representation, warranty, undertaking or prediction with respect to the accuracy of the underlying assumptions by IndiGrid, the Trustee, the Sponsors, the Investment Manager, the Lead Manager or any other person. Bidders are cautioned not to place undue reliance on these forward-looking statements that are stated only as at the date of the Letter of Offer. For details in relation to forward-looking statements, please see the section entitled “Forward-Looking Statements” on page 17.

The net distributable cash flows of IndiGrid (the “**Distributable Income**”) are based on the cash flows generated from the underlying operations undertaken by the InvIT Assets, in this case being the Portfolio Assets. For details of the business and operations presently undertaken by the InvIT Assets, please see the section entitled “Our Business” on page 176. Presently, cash flows receivable by IndiGrid may be in the form of dividend, interest income or principal repayment received from the InvIT Assets in relation to debt sanctioned by IndiGrid, or a combination of both.

In terms of the InvIT Regulations, not less than 90% of the net distributable cash flows of each of the InvIT Assets, namely BDTCL, JTCL, RTCL, PKTCL, MTL, PTCL, NTL, OGPTL, ENICL, GPTL, JKTPL and PrKTCL shall be distributed to IndiGrid or IGL, IGL1 or IGL2, as applicable, subject to applicable provisions in the Companies Act, 2013 and not less than 90% of the net distributable cash flows of IndiGrid shall be distributed to the Unitholders. Further, with respect to the cash flows received by IGL, IGL1 or IGL2 from the InvIT Assets, 100% of such cash flows shall be distributed to IndiGrid unless required for debt servicing in any other loans of any of the InvIT Assets, in each case that are subsidiaries of IGL, IGL1 or IGL2 or repair work in any of the InvIT Assets. Further, with respect to cash flows generated by IGL, IGL1 or IGL2 on its own, not less than 90% of such net distributable cash flows shall be distributed by IGL, IGL1 or IGL2 to IndiGrid.

Pursuant to the InvIT Regulations and the Distribution Policy, IndiGrid shall declare and distribute at least 90% of the Distributable Income to the Unitholders, at least once in every quarter in every Fiscal. However, if any infrastructure asset is sold by IndiGrid or IGL, IGL1 or IGL2 or any of the InvIT Assets, or if the equity shares or interest in IGL, IGL1 or IGL2 or any of the InvIT Assets are sold by IndiGrid, and proposes to re-invest the sale proceeds into another infrastructure asset within one year, it shall not be required to distribute such sale proceeds to IndiGrid or to the Unitholders. Further, if IndiGrid proposes not to invest such sale proceeds into any other infrastructure asset within one year, it shall be required to distribute the same in the manner specified above. In accordance with the InvIT Regulations, distributions by IndiGrid shall be made no later than 15 days from the date of such declarations. The distribution, when made, shall be made in Indian Rupees. For details on the risks relating to distribution, please see the section entitled “Risk Factors” on page 56.

Distribution Policy

Method of calculation of Distributable Income

The Distributable Income of IndiGrid shall be calculated in accordance with the InvIT Regulations and any circular, notification or guidance issued thereunder. Presently, IndiGrid proposes to calculate distributable income in the manner provided below:

1. Calculation of net distributable cash flows at each InvIT Asset level:

Description
Profit after tax as per profit and loss account (standalone) (A)
Add: Depreciation, impairment and amortisation as per profit and loss account. In case of impairment reversal, same needs to be deducted from profit and loss.
Add/Less: Decrease/(increase) in working capital as per IndAS 7
Add: Interest accrued on loan/non-convertible debentures issued to IndiGrid or IGL
Add/Less: Loss/gain on sale of infrastructure assets
Add: Proceeds from sale of infrastructure assets adjusted for the following: <ul style="list-style-type: none"> • 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), including but not limited to <ul style="list-style-type: none"> • 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)
Net Distributable Cash Flows (C)=(A+B)

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II. Calculation of net distributable cash flows at the consolidated IndiGrid level:

Description
Cash flows received from the Portfolio Assets in the form of interest
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
Cash flows received from the Portfolio Assets towards the repayment of the debt issued to the Portfolio Assets by IndiGrid
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)
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
Less: Costs/retention associated with sale of assets of the Portfolio Assets:
<ul style="list-style-type: none"> • relate 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; • 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
Less: Amount invested in any of the Portfolio Assets for service of debt or interest
Less: Repair work in relation to the projects undertaken by any of the Portfolio Assets
Total cash outflows / retention at IndiGrid level (B)
Net Distributable Cash Flows (C) = (A+B)

In terms of the InvIT Regulations, if the distribution is not made within 15 days from the date of declaration, the Investment Manager shall be liable to pay interest to the Unitholders at the rate of 15% per annum or such other rate as may be specified, until the distribution is made. Such interest shall not be recovered by the Investment Manager in the form of fee or any other form payable to the Investment Manager by IndiGrid.

Distributions by IndiGrid

The details of distribution declared by IndiGrid are provided below.

Sr. No.	Record Date	Number of Units (in million)	Distribution per Unit (in ₹)	Amount of Distribution paid on Units including tax on distribution (in ₹ million)
1.	January 28, 2021	583.48	3.10	1,808.80
2.	November 10, 2020	583.48	3.00	1,750.44
3.	August 12, 2020	583.48	3.00	1,750.44
4.	June 2, 2020	583.48	3.00	1,750.44
5.	January 28, 2020	583.48	3.00	1,750.44
6.	October 31, 2019	583.48	3.00	1,750.44
7.	August 5, 2019	583.48	3.00	1,750.44
8.	April 30, 2019	283.80	3.00	851.40
9.	January 22, 2019	283.80	3.00	851.40
10.	October 26, 2018	283.80	3.00	851.40
11.	August 2, 2018	283.80	3.00	851.40
12.	May 2, 2018	283.80	3.00	851.40
13.	January 23, 2018	283.80	2.89	820.74
14.	November 7, 2017 ⁽¹⁾	283.80	2.75	781.58
15.	August 4, 2017 ⁽¹⁾	270.20	0.92	248.58

⁽¹⁾ Please note that the acquisition of BDTCL and JTCL was completed in June, 2017 and accordingly, IndiGrid made distributions for the period beginning from May 30, 2017 until March 31, 2018.

BRIEF DETAILS OF FEE AND EXPENSES CHARGED OR CHARGEABLE TO THE INVIT

Fee and expenses

Annual Expenses

The expenses in relation to IndiGrid, other than such expenses incurred in relation to operations of Portfolio Assets, broadly include fee payable to: (i) the Trustee; (ii) the Investment Manager; (iii) the Project Manager; (iv) the Auditor; (v) the Valuer; and (iv) other intermediaries, advisors and consultants.

Further, in relation to the fees payable to the Trustee, Investment Manager and Project Manager, please see below.

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Fee to the Trustee

The Trustee is entitled to an annual fee of ₹ 2.00 million and any out of pocket expenses, exclusive of any taxes. The annual fee is subject to revision every two years from the date of the Amended and Restated Trust Deed, subject to a cap of 10%. The fee paid to the Trustee for the Fiscal 2020 amounted to ₹ 2.36 million.

Fee to the Investment Manager

The Investment Manager is entitled to a fee aggregating to 1.75% of the difference between revenue from operations and operating expenses (other than the fee of the Investment Manager) of each Portfolio Asset, per annum. For this purpose, the operating expenses do not include depreciation, finance cost and income tax expense. This fee is exclusive of all taxes. For each Financial Year, such fee shall be payable every three months, based on actuals, within a period of 15 days from the date of declaration of financial results by IndiGrid (being the period ended March 31, June 30, September 30 and December 31, respectively, of each financial year). The fee paid to the Investment Manager for Fiscal 2020 amounted to ₹ 238.79 million.

Fee to the Project Manager

The Project Manager for all Portfolio Assets (other than JKTP and PrKTCL) is entitled to a fee amounting to 10% of the gross expenditure incurred by each Portfolio Asset (other than JKTP and PrKTCL) in relation to operation and maintenance costs, per annum. IndiGrid, or any or all of the Portfolio Assets, as the case may be, shall bear any service tax and other applicable taxes payable on the fee and any other payments made to the Project Manager in terms of the Project Implementation and Management Agreement, provided that the Project Manager shall be liable to pay income tax on such fee and payments. For each Financial Year, the fee shall be payable every six months, based on actuals, within a period of 15 days from the date of declaration of financial results by IndiGrid (being the periods ending March 30 and September 30, respectively, of each financial year). The fee paid to the Project Manager for Fiscal 2020 amounted to ₹ 63.66 million. IGL, as the Project Manager for JKTP and PrKTCL is entitled to a fee as specified in the IGL O&M Contract and the IGL Work Order, respectively. For further details, please see the section entitled “Parties to the IndiGrid – Project Manager – IndiGrid Limited” on page 122.

TOP FIVE RISK FACTORS

1. We may be unable to operate and maintain our power transmission projects to achieve the prescribed availability.
2. We may lose tariff revenues or fail to receive payments and incur significant repair and replacement costs in the event our power transmission projects or Proposed Solar Projects are rendered inoperable due to force majeure events.
3. Most of our revenues are derived from tariff payments received from LTTCs and a delay in payments of PoC charges to the CTU by users and customers may adversely affect our cash flows and results of operations. Further, our customers in relation to our Proposed Solar Projects may not be able to fulfil their contractual obligations as a result of their poor financial health or for other reasons, which may have an adverse effect on our business, cash flows, financial condition, results of operations and prospects.
4. As the terms and conditions, including the tariff structure under our TSAs are generally fixed, we may not be able to offset increases in costs, including operation and maintenance costs, solely from tariffs payable to us under the TSAs.
5. We intend to acquire 26% of the issued, subscribed and paid-up share capital of the Target Asset with the proceeds of the Issue and any failure to acquire such percentage of the Target Asset could have a material adverse effect on our business, financial condition and results of operations.

DECLARATION	
Investment Manager	Trustee
The Investment Manager declares and certifies that all relevant provisions of the InvIT Regulations, the SEBI Act and all rules, regulations and guidelines issued by the GoI or SEBI (as the case may be) have been complied with and no statement made in the Letter of Offer is contrary to the provisions of the InvIT Regulations, the SCRA, the SEBI Act and all rules, regulations and guidelines issued by the GoI or SEBI (as the case may be). The Investment Manager further certifies that all the statements and disclosures in the Letter of Offer are material, true, correct, not misleading and adequate in order to enable the Bidders to make a well informed decision.	The Trustee declares and certifies that all relevant provisions of the InvIT Regulations, the SEBI Act and all rules, regulations and guidelines issued by the GoI or SEBI (as the case may be) have been complied with and no statement made in the Letter of Offer is contrary to the provisions of the InvIT Regulations, the SCRA, the SEBI Act and all rules, regulations and guidelines issued by the GoI or SEBI (as the case may be). The Trustee further certifies that all the statements and disclosures in the Letter of Offer are material, true, correct, not misleading and adequate in order to enable the Bidders to make a well informed decision.
KKR Sponsor	Sterlite Sponsor
The KKR Sponsor declares and certifies that all statements, disclosures and undertakings specifically made or confirmed by it in the Letter of Offer in relation to itself and its respective portion of the Units held are true, correct, not misleading and adequate in order to enable the Bidders to make a well informed decision. The KKR Sponsor assumes no responsibility for any other statements including statements made by IndiGrid or any other person(s) in the Letter of Offer.	The Sterlite Sponsor declares and certifies that all statements, disclosures and undertakings specifically made or confirmed by it in the Letter of Offer in relation to itself and NER – II Transmission Limited and its respective portion of the Units held are true, correct, not misleading and adequate in order to enable the Bidders to make a well informed decision. The Sterlite Sponsor assumes no responsibility for any other statements including statements made by IndiGrid or any other person(s) in the Letter of Offer.