

India Grid Trust –Tranche 1 Issue

Issue Related FAQs

Set out below are the frequently asked questions (“FAQs”) to guide investors in gaining familiarity with the application process for subscribing to the public issue of secured, rated, listed, redeemable non-convertible debt securities of face value of ₹ 1,000 each (“NCDs”) by INDIA GRID TRUST (“Trust”) for an amount up to ₹ 100 crore with an option to retain oversubscription of up to ₹ 900 crore aggregating upto 10,000,000 NCDs amounting to ₹ 1,000 crore (the “Tranche 1 Issue”) which is within the Shelf Limit of ₹ 1,000 crore and is being issued by way of the Tranche 1 Prospectus dated April 22, 2021 containing, amongst other things, the terms and conditions of this Tranche 1 Issue (the “Tranche 1 Prospectus”) which should be read together with the shelf prospectus dated April 22, 2021 (“Shelf Prospectus” and collectively with the Tranche 1 Prospectus, the “Prospectus”) filed with the Securities and Exchange Board of India, BSE Limited, and National Stock Exchange of India Limited and the Addendum dated April 26, 2021. These FAQs are not exhaustive, nor do they purport to contain a summary of all the disclosures in the Prospectus or the entire application process in this Tranche 1 Issue or all details relevant to prospective investors (“Investors”). Further, these FAQs should be read in conjunction with, and are qualified in their entirety by, more detailed information appearing in the Prospectus, including the sections “Risk Factors” on page 18 of the Shelf Prospectus and “Issue Related Information” on pages 249 and 46 of the Shelf Prospectus and Tranche 1 Prospectus, respectively. Readers are advised to refer to the Prospectus which is available on the website of the Registrar (www.kfintech.com), Trust (www.indigrid.co.in), Lead Manager, JM Financial Limited (www.jmfl.com) and the Stock Exchanges (www.nseindia.com & www.bseindia.com). Further, readers are also advised to refer to the Addendum to the Prospectus dated April 26, 2021. Unless otherwise defined herein, all capitalised terms shall have such meaning as ascribed to them in the Prospectus.

Q1. What is the Tranche 1 Issue Size?

Ans: Base issue size of ₹ 100 crores, with an option to retain oversubscription up to ₹ 900 crores aggregating up to ₹ 1,000 crores through Tranche 1 Issue.

Q2. What are the Objects of the Tranche 1 Issue?

Ans: The Trust proposes to utilise the funds which are being raised through this Tranche 1 Issue, after deducting this Tranche 1 Issue related expenses to the extent payable by the Trust (“Net Proceeds”), towards funding the following objects:

1. For the purpose of onward lending to the Portfolio Assets, financing and for repayment/prepayment of interest and principal of existing borrowings of the Trust; and
2. General corporate purposes (Maximum of up to 25% of Net Proceeds)

Q3. What is the credit rating for the NCDs?

Ans: The NCDs proposed to be issued under the Issue have been rated ‘CRISIL AAA / Stable’ by CRISIL Ratings Limited; and ‘IND AAA / Stable by India Ratings and Research Private Limited. Instruments with these ratings are considered to have the highest degree of safety regarding timely servicing of financial obligations and such instruments carry lowest credit risk. Please refer to the page 90 of the Tranche 1 Prospectus for the disclaimer clauses of credit rating agencies.

Q4. What is the face value of this NCD?

Ans: The NCDs will be issued at a face value of Rs. 1,000/- per NCD.

Q5. What is the frequency of interest payment?

Ans: Annual and Quarterly options for Interest Payment. Quarterly interest options available for NCDs with a tenure of 7 years and 10 years. Annual interest options available for NCDs with all tenures – 3 years, 5 years, 7 years and 10 years.

Q6. What is the minimum application size for investment?

Ans: ₹10,000 (10 NCDs) across all series collectively and in multiples of ₹ 1000 (1 NCDs) thereafter.

Q7. Is there any reservation for individual investor investing in this issue?

Ans: No portion of this Tranche 1 Issue has been reserved.

Q8. Is demat account necessary to invest in these NCDs?

Ans: Yes. The Company shall issue the NCDs in dematerialized form in terms of Regulation 4 (2) (d) of the SEBI ILDS Regulations.

Q9. Who is not eligible to invest in the issue?

Ans: The following categories of persons, and entities, shall not be eligible to participate in the Issue and any Applications from such persons and entities are liable to be rejected:

- Minors without a guardian name*(A guardian may apply on behalf of a minor. However, Application by minors must be made through Application Forms that contain the names of both the minor Applicant and the guardian);
- Foreign nationals;
- Non Resident Indians (“NRIs”)
- Persons resident outside India;
- Foreign Institutional Investors;
- Foreign Portfolio Investors;
- Foreign Venture Capital Funds;
- Qualified Foreign Investors;
- Overseas Corporate Bodies**; and
- Persons/Companies/Funds ineligible to contract under applicable statutory/regulatory requirements.

**Applicant shall ensure that guardian is competent to contract under Indian Contract Act, 1872*

***The concept of Overseas Corporate Bodies (meaning any company, partnership firm, society and other corporate body or overseas trust irrevocably owned/held directly or indirectly to the extent of at least 60% by NRIs), which was in existence until 2003, was withdrawn by the Foreign Exchange Management (Withdrawal of General Permission to Overseas Corporate Bodies) Regulations, 2003. Accordingly, OCBs are not permitted to invest in this Tranche 1 Issue.*

Q10. Can the application be made on joint names?

Ans: Applications may be made in single or joint names (not exceeding three). In the case of joint Applications all payments will be made out in favour of the first Applicant. All communications will be addressed to the first named Applicant whose name appears in the Application Form and at the address mentioned therein. If the depository account is held in joint names, the Application Form should contain the name and PAN of the person whose name appears first in the depository account and signature of only this person would be required in the Application Form. This Applicant would be deemed to have signed on behalf of joint holders and would be required to give confirmation to this effect in the Application Form.

Q11. Which stock exchange are the NCDs proposed to be listed on?

Ans: The NCDs are proposed to be listed on BSE Limited and National Stock Exchange of India Limited. For the purposes of the Issue, BSE shall be the designated stock exchange.

Q12. What are the interest rates and benefits received under different categories?

Ans:

Series I NCDs

In case of Series I NCDs, interest would be paid annually on Actual/Actual basis at the following rate of interest in connection with the relevant categories of NCD Holders, on the amount outstanding from time to time, commencing from the Deemed Date of Allotment of each Series I NCD:

Category of NCD Holders	Coupon (%)
Category I and II Investors	6.65%
Category III and IV Investors	6.75%

Series I NCDs shall be redeemed at the Face Value thereof along with the interest accrued thereon, if any, at the end of 3 years from the Deemed Date of Allotment.

Series II NCDs

In case of Series II NCDs, interest would be paid annually on Actual/Actual basis at the following rate of interest, in connection with the relevant categories of NCD Holders, on the amount outstanding from time to time, commencing from the Deemed Date of Allotment of each Series II NCD:

Category of NCD Holders	Coupon (%)
Category I and II Investors	7.45%
Category III and IV Investors	7.60%

Series II NCDs shall be redeemed at the Face Value thereof along with the interest accrued thereon, if any, at the end of 5 years from the Deemed Date of Allotment.

Series III NCDs

In case of Series III NCDs, interest would be paid annually on an Actual/Actual basis at the following rate of interest in connection with the relevant categories of NCD Holders, on the amount outstanding from time to time, commencing from the Deemed Date of Allotment of each Series III NCD.

Category of NCD holder	Coupon rate (%) per annum
Category I and II Investors	7.70%
Category III and IV Investors	7.90%

Series III NCDs shall be redeemed at the Face Value thereof along with the interest accrued thereon, if any, at the end of 7 years from the Deemed Date of Allotment

Series IV NCDs

In case of Series IV NCDs, interest would be paid quarterly on an Actual/Actual basis at the following rate of interest in connection with the relevant categories of NCD Holders on the amount outstanding from time to time, commencing from the Deemed Date of Allotment of each Series IV NCD.

Category of NCD holder	Coupon rate (%) per annum
Category I and II Investors	7.49%
Category III and IV Investors	7.69%

Series IV NCDs shall be redeemed at the Face Value thereof along with the interest accrued thereon, if any, at the end of 7 years from the Deemed Date of Allotment.

Series V NCDs

In case of Series V NCDs, interest would be paid annually on Actual/Actual basis at the following rate of interest in connection with the relevant categories of NCD Holders, on the amount outstanding from time to time, commencing from the Deemed Date of Allotment of each Series V NCDs:

Category of NCD holder	Coupon rate (%) per annum
Category I and II Investors	7.95%
Category III and IV Investors	8.20%

The NCDs shall be redeemed at the Face Value thereof along with the interest accrued thereon, if any, at the end of 10 years from the Deemed Date of Allotment.

Series VI NCDs

In case of Series VI NCDs, interest would be paid quarterly on Actual/Actual basis at the following rate of interest in connection with the relevant categories of NCD Holders, on the amount outstanding from time to time, commencing from the Deemed Date of Allotment of each Series VI NCDs:

Category of NCD holder	Coupon rate (%) per annum
Category I and II Investors	7.72%
Category III and IV Investors	7.97%

The NCDs shall be redeemed at the Face Value thereof along with the interest accrued thereon, if any, at the end of 10 years from the Deemed Date of Allotment.

Q13. Who can invest in these NCDs?

Ans: As on date of the Tranche 1 Prospectus and in accordance with applicable laws and regulations, investors who are (i) provident funds and pension funds with a minimum corpus of ₹25 Crore, superannuation funds and gratuity funds, which are authorised to invest in the NCDs; (ii) Alternative Investment Funds (apart from category I alternative investment funds), (iii) resident venture capital funds registered with SEBI; (iv) systemically important non-banking financial company registered with the RBI and having a net-worth of more than ₹500 Crore in accordance with the last audited financial statements; and (v) co-operative banks and regional rural banks, are not permitted to invest in the debt securities of InvITs. All participation by Category I and Category II Investors in the debt securities of the Trust shall be subject to (i) the laws and regulations applicable to them and the Trust, as on the date of the investment; and (ii) subject to their respective investment policies, mandates, constitutional documents and corporate and other authorisations.

Insurance companies registered with the IRDAI have been permitted to invest in the debt securities of InvITs in accordance with the circular dated April 22, 2021 issued by IRDAI bearing reference number IRDAI/F&I/CIR/098/04/2021, subject to certain terms and conditions thereunder.

If as on the date of Application during the Tranche 1 Issue Period, any of the aforementioned categories are permitted to invest in the debt securities of InvITs pursuant to change in applicable laws and regulations, such investors may apply to the Issue, subject to compliance with such requirements as may be prescribed under

such applicable laws and regulations, and/or as may be informed by the Issuer by way of an advertisement in all the newspapers where pre-issue advertisement has been published.

Category I Institutional Investors	Category II Non Institutional Investors	Category III High Net-worth Individual, (“HNIs”), Investors	Category IV Retail Individual Investors
<ul style="list-style-type: none"> • Public financial institutions, scheduled commercial banks and Indian multilateral and bilateral development financial institutions which are authorised to invest in the NCDs; • Provident funds and pension funds with a minimum corpus of ₹2,500 lakhs, superannuation funds and gratuity funds, which are authorised to invest in the NCDs; • Alternative investment funds, subject to investment conditions applicable to them under the SEBI AIF Regulations; • Resident venture capital funds registered with SEBI; • Insurance companies registered with the Insurance Regulatory and Development Authority of India (“IRDAI”); • State industrial development corporations; • Insurance funds set up and managed by the army, navy, or air force of the Union of India; • Insurance funds set up and managed by the Department of Posts, the Union of India; • Systemically important non-banking financial company registered with the RBI and having a net-worth of 	<ul style="list-style-type: none"> • Companies within the meaning of Section 2(20) of the Companies Act, 2013; • Statutory bodies/ corporations and societies registered under the applicable laws in India and authorised to invest in the NCDs; • Co-operative banks and regional rural banks; • Trusts including public/private charitable/religious trusts which are authorised to invest in the NCDs; • Scientific and/or industrial research organisations, which are authorised to invest in the NCDs; • Partnership firms in the name of the partners; and • Limited liability partnerships formed and registered under the provisions of the Limited Liability Partnership Act, 2008 (No. 6 of 2009). • Association of Persons; and • Any other incorporated and/ or unincorporated body of persons. 	<ul style="list-style-type: none"> • High Net-worth Individual Investors - Resident Indian individuals or Hindu Undivided Families through the Karta applying for an amount aggregating to above ₹10,00,000 across all options of NCDs in this Tranche 1 Issue. 	<ul style="list-style-type: none"> • Retail Individual Investors - Resident Indian individuals or Hindu Undivided Families through the Karta applying for an amount aggregating up to and including ₹1,000,000 across all options of NCDs in this Tranche 1 Issue and shall include retail individual investors, who have submitted bid for an amount not more than ₹200,000 in any of the bidding options in the Issue (including Hindu Undivided Families applying through their Karta and does not include NRIs) through UPI Mechanism.

Category I	Category II	Category III	Category IV
Institutional Investors	Non Institutional Investors	High Net-worth Individual, (“HNIs”), Investors	Retail Individual Investors
more than ₹ 50,000 lakhs as per the last audited financial statements <ul style="list-style-type: none"> • National Investment Fund set up by resolution no. F.No. 2/3/2005-DDII dated November 23, 2005 of the Government of India published in the Gazette of India; and • Mutual funds registered with SEBI. 			

Participation of any of the aforementioned categories of persons or entities is subject to the applicable statutory and/or regulatory requirements in connection with the subscription to Indian securities by such categories of persons or entities. Applicants are advised to ensure that they have obtained the necessary statutory and/or regulatory permissions/consents/approvals in connection with applying for, subscribing to, or seeking allotment of NCDs pursuant to this Tranche 1 Issue.

Q14. What is the issue period and timing?

Ans:

ISSUE PROGRAMME*	
ISSUE OPENS ON	ISSUE CLOSES ON
April 28 , 2021	May 05, 2021

**with an option of early closure or extension of this Tranche 1 issue.*

This Tranche 1 Issue shall remain open for subscription on Working Days from 10:00 a.m. to 5:00 p.m., during the period indicated above, except that this Tranche 1 Issue may close on such earlier date or extended date as may be decided by the Board of Directors of the Investment Manager (or a duly authorized committee thereof). In the event of such an early closure or extension of this Tranche 1 Issue, the Investment Manager shall ensure that notice of such early closure or extension is given to the prospective investors through an advertisement in all those newspapers in which pre-issue advertisement and advertisement for opening or closure of this Tranche 1 Issue has been published on or before such earlier date or extended date of closure.

Application Forms for this Tranche 1 Issue will be accepted only from 10:00 A.M. to 5:00 P.M., on Working Days during the Tranche 1 Issue Period (a) directly by the Designated Branches of the SCSBs or (b) by the centres of the Consortium, or other Designated Intermediaries as the case maybe, only at the selected cities. On the Tranche 1 Issue Closing Date, Application Forms will be accepted only between 10:00 A.M. to 3:00 P.M. and uploaded until 5:00 P.M. Further, pending mandate requests for bids placed on the last day of bidding will be validated by 5:00 P.M. on one Working Day after the Tranche 1 Issue Closing Date. For further details, please see the section entitled “General Information – Issue Programme” on page 26 of this Tranche 1 Prospectus.

Due to limitation of time available for uploading the Applications on the electronic platform of the Stock Exchanges on the Tranche 1 Issue Closing Date, Applicants are advised to submit their Application Forms one day prior to the Tranche 1 Issue Closing Date and, no later than 3.00 P.M. on the Tranche 1 Issue Closing Date. Applicants are cautioned that in the event a large number of Applications are received on the Tranche 1 Issue Closing Date, there

may be some Applications which are not uploaded due to lack of sufficient time to upload. Such Applications that cannot be uploaded will not be considered for allocation under this Tranche 1 Issue. Application Forms will only be accepted on Working Days during the Tranche 1 Issue Period. None of the Sponsors, the Investment Manager, the Lead Manager, the Trustee and the Members of the Consortium are liable for any failure in uploading the Applications due to failure in any software/ hardware systems or otherwise. Please note that the Basis of Allotment will be as per this Tranche 1 Prospectus. In this regard, as per the circular bearing reference CIR/IMD/DF/18/2013 titled “Issues pertaining to primary issuance of debt securities – Amendment to Simplified Debt Listing Agreement” dated October 29, 2013 issued by SEBI, the allotment in this Tranche 1 Issue would be made on the basis of date of upload of each application into the electronic book of the Stock Exchanges. However, in the event of oversubscription, on such date, the allotments would be made to the applicants on proportionate basis.

Q16. What are the documents/certificates that need to be filed along with the Application Form?

Ans: Details for Applications by certain categories of Applicants including documents to be submitted are summarized below.

Applications by SEBI registered VCFs and AIFs

The VCF Regulations prescribe, amongst others, the investment restrictions on VCFs registered with SEBI. Further, the AIF Regulations prescribe, amongst others, the investment restrictions on AIFs. Further, VCFs which have not registered as an AIF under the AIF Regulations shall continue to be regulated by the SEBI VCF Regulations until the existing fund or scheme managed by the fund is wound up and such funds shall not launch any new scheme after the notification of the AIF Regulations.

Additionally, VCFs and AIFs are subject to certain investment restrictions, including with respect to the percentage of investible funds held in each investee entity. Allotments made in respect of Bids by VCFs and AIFs in this Tranche 1 Issue shall be subject to the rules and regulations that are applicable to each of them respectively. In case of Applications made by VCFs and AIFs, certified copies of (i) SEBI registration certificate; (ii) a resolution authorising investment and containing operating instructions; and (iii) specimen signatures of authorised persons, are required to be attached to the Application Form. Failing this, the Application may be rejected.

Applications by Banking Companies

Applications may be made by banks as permitted by the RBI and subject to their own investment limits and approvals and the Prudential Guidelines – Banks’ investment in units of REITs and InvITs dated April 18, 2017. In case of Applications made by banking companies registered with the RBI, certified copies of (i) the certificate of registration issued by the RBI, (ii) memorandum and articles of association/charter of constitution; (iii) power of attorney and letter of authorization; and (iv) the approval of such banking company’s investment committee are required to be attached to the Application Form. Failing this, the Application may be rejected.

Pursuant to SEBI Circular no. CIR/CFD/DIL/1/2013 dated January 2, 2013, SCSBs making applications on their own account using ASBA facility, should have a separate account in their own name with any other SEBI registered SCSB. Further, such account shall be used solely for the purpose of making application in public issues and clear demarcated funds should be available in such account for ASBA applications.

Applications by LLPs

In case of Applications made by limited liability partnerships registered under the Limited Liability Partnership Act, 2008, a certified true copies of: (i) the partnership deed for such Applicants and the certificate of registration issued under the Limited Liability Partnership Act, 2008; (ii) a resolution authorizing the investment and containing operating instructions; and (iii) specimen signature of authorized persons, must be attached to the Application Form. Failing this, the Application may be rejected.

Applications under Power of Attorney

In case of Applications made pursuant to a power of attorney, a certified copy of the power of attorney or the relevant resolution or authority, as the case may be, along with a certified copy of the memorandum of association and articles

of association and/or bye laws must be lodged along with the Application Form. Failing this, the Investment Manager on behalf of the Trust, reserves the right to reject any Applications, in either case, without assigning any reason thereof. The Investment Manager on behalf of Trust, in its absolute discretion, reserves the right to relax the above condition of simultaneous lodging of the power of attorney along with the Application Form.

Application by Mutual Funds

Bids may be made by mutual funds under all its schemes, existing and future, subject to the investment conditions and other restrictions prescribed under the Securities and Exchange Board of India (Mutual Funds) Regulations, 1996 (including, the circular on mutual funds dated October 1, 2019 and any other circulars, notifications and guidelines issued thereunder). A separate Application can be made in respect of each scheme of an Indian mutual fund registered with SEBI and such Applications shall not be treated as multiple Applications. Applications made by the asset management companies or custodians of a Mutual Fund shall clearly indicate the name of the concerned scheme for which the Application is being made. An Application Form by a mutual fund registered with SEBI for Allotment of the NCDs must also be accompanied by certified true copies of (i) its SEBI registration certificates (ii) the trust deed in respect of such mutual fund (ii) a resolution authorising investment and containing operating instructions and (iii) specimen signatures of authorized signatories.

Applications under a power of attorney by limited companies, corporate bodies and registered societies

In case of Applications made pursuant to a power of attorney by Applicants which are limited companies, a certified copy of the power of attorney or the relevant resolution or authority, as the case may be, along with a certified copy of the memorandum of association and articles of association and/or bye laws must be lodged along with the Application Form. In case of Applications made pursuant to a power of attorney by Applicants which are corporate bodies and registered societies, a certified copy of the power of attorney must be lodged along with the Application Form. In case of physical ASBA Applications made pursuant to a power of attorney, a certified copy of the power of attorney must be lodged along with the Application Form. Failing this the Investment Manager, in consultation with the Lead Manager, reserves the right to reject such Applications. The Investment Manager in consultation with the Lead Manager, reserves the right to relax the above condition of attaching the power of attorney along with the Application Forms subject to such terms and conditions that the the Investment Manager and the Lead Manager may deem fit. All Eligible Investors are required to comply with the relevant regulations or guidelines applicable to them for investing in this Tranche 1 Issue as per the norms approved by Government of India, RBI or any other statutory body from time to time, for investing in this Tranche 1 Issue.

Applications by Insurance Companies

Insurance companies registered with the IRDAI can apply in the Tranche 1 Issue based on their own investment limits and approvals in accordance with the regulations, guidelines and circulars issued by the IRDAI. The Application Form must be accompanied by certified true copies of their (i) memorandum and articles of association/charter of constitution; (ii) power of attorney; (iii) resolution authorising investments/containing operating instructions; and (iv) specimen signatures of authorised signatories. Failing this, the Application may be rejected.

For each of the above applicant categories if the application is not made in the form and along with the requirements set out above, the Investment Manager reserves the right to accept or reject any applications in whole or in part, in either case, without assigning any reason therefor.

For further details in relation to, amongst other things, the process for submission of Applications, instructions for completion of the Application Form, payment instructions, do's and don't and other general instructions, please see the section entitled "Issue Procedure" page 63 of the Tranche 1 Prospectus.

Q17. What is the basis of allotment?

Ans:

Basis of Allotment for NCDs

The Registrar to the Issue will aggregate the Applications, based on the applications received through an electronic book from the Stock Exchanges and determine the valid Application for the purpose of drawing the basis of allocation.

Allocation Ratio

The Registrar to the Issue will aggregate the applications based on the applications received through an electronic book from the Stock Exchanges and determine the valid applications for the purpose of drawing the basis of allocation. Grouping of the application received will be then done in the following manner:

For the purposes of the basis of allotment:

A. Applications received from Category I Investors: Applications received from Applicants belonging to Category I shall be grouped together, (“**Institutional Portion**”);

B. Applications received from Category II Investors: Applications received from Applicants belonging to Category II, shall be grouped together, (“**Non-Institutional Portion**”);

C. Applications received from Category III Investors: Applications received from Applicants belonging to Category III, shall be grouped together, (“**High Net-worth Individual Category Portion**”);

D. Applications received from Category IV Applicants: Applications received from Applicants belonging to Category IV, shall be grouped together, (“**Retail Individual Category Portion**”);

For removal of doubt, the terms “Institutional Portion”, “Non-Institutional Portion”, “High Net-worth Individual Category Portion” and “Retail Individual Category Portion” are individually referred to as “Portion” and collectively referred to as “Portions”. Further, the allocation ratio for this Tranche 1 Issue shall be as follows:

Institutional Portion, Non-Institutional Portion, High Net-worth Individual Category Portion, Retail Individual Category Portion in 10%, 10%, 40% and 40% respectively.

(i) Applicants belonging to the Institutional Portion, in the first instance, will be allocated NCDs up to 10% of Tranche I Issue Limit on first come first serve basis which would be determined on the basis of date of upload of their Applications in to the electronic platform of the Stock Exchanges. The determination of Allocation ratio of 10% of Tranche I Issue Limit for the Institutional Portion shall be done considering the aggregate subscription received in the Institutional Portion;

(ii) Applicants belonging to the Non-Institutional Portion, in the first instance, will be allocated NCDs up to 10% of Tranche I Issue Limit on first come first serve basis which would be determined on the basis of date of upload of their Applications in to the electronic platform of the Stock Exchanges. The determination of Allocation ratio of 10% of Tranche I Issue Limit for the Non-Institutional Portion shall be done considering the aggregate subscription received in the Non-Institutional Portion;

(iii) Applicants belonging to the High Net Worth Individual Investors Portion, in the first instance, will be allocated NCDs up to 40% of Tranche I Issue Limit on first come first serve basis which would be determined on the basis of date of upload of their Applications in to the electronic platform of the Stock Exchanges. The determination of Allocation ratio of 40% of Tranche I Issue Limit for the High Net Worth Individual Investors Portion shall be done considering the aggregate subscription received in the High Net Worth Individual Investors Portion; and

(iv) Applicants belonging to the Retail Individual Investors Portion, in the first instance, will be allocated NCDs up to 40% of Tranche I Issue Limit on first come first serve basis which would be determined on the basis of date of upload of their Applications in to the electronic platform of the Stock Exchanges. The determination of Allocation ratio of 40% of Tranche I Issue Limit for the Retail Individual Investors Portion shall be done considering the aggregate subscription received in the Retail Individual Investors Portion.

Allotments, in consultation with the Designated Stock Exchange, shall be made on date priority basis i.e. a first-come first-serve basis, based on the date of upload of each Application in to the electronic book with Stock Exchange, in each Portion subject to the Allocation Ratio indicated above.

As per circular (No. CIR/IMD/DF/18/2013) dated October 29, 2013 issued by SEBI, which amends the provisions of circular (No. CIR/IMD/DF-1/20/2012) dated July 27, 2012 to the extent that it provides for allotment in public issues of debt securities to be made on the basis of date of upload of each application into the electronic book of the Stock

Exchange, as opposed to the date and time of upload of each such application. In the event of, and on the date of oversubscription, however, allotments in public issues of debt securities is to be made on a proportionate basis.

Under Subscription

If there is under subscription in the overall Tranche I Issue Limit due to undersubscription in each Portion, all valid Applications received till the end of last day of the Tranche I Issue Closure day shall be grouped together in each Portion and full and firm Allotments will be made to all valid Applications in each Portion. For each Category, all Applications uploaded on the same day onto the electronic platform of the Stock Exchange would be treated at par with each other. Allotment would be on proportionate basis, where NCDs uploaded into the platform of the Stock Exchanges on a particular date exceeds NCDs to be Allotted for each portion respectively. Minimum Allotments of 1 NCD and in multiples of 1 NCD thereafter would be made in case of each valid Application to all Applicants.

Allotments in case of oversubscription

In case of an oversubscription, allotments to the maximum extent, as possible, will be made on a first-come first-serve basis and thereafter on proportionate basis, i.e. full allotment of the NCDs to the Applicants on a first come first basis up to the date falling 1 (one) day prior to the date of oversubscription and proportionate allotment of NCDs to the applicants on the date of oversubscription (based on the date of upload of each Application on the electronic platform of the Stock Exchanges, in each Portion).

For the purpose of clarity, in case of oversubscription please see the below indicative scenarios:

a. In case of an oversubscription in all Portions resulting in an oversubscription in the Tranche I Issue Limit, Allotments to the maximum permissible limit, as possible, will be made on a first-come first serve basis and thereafter on a proportionate basis, i.e. full allotment of the NCDs to the Applicants on a first come first serve basis up to the date falling 1 (one) day prior to the date of oversubscription to respective Portion and proportionate allotment of NCDs to the Applicants on the date of oversubscription in respective Portion (based on the date of upload of each Application on the electronic platform of the Stock Exchanges in each Portion).

b. In case there is oversubscription in Tranche I Issue Limit, however there is under subscription in one or more Portion(s), Allotments will be made in the following order:

(i) All valid Applications in the undersubscribed Portion(s) uploaded on the electronic platform of the Stock Exchanges till the end of the last day of the Tranche I Issue Period, shall receive full and firm allotment.

(ii) In case of Portion(s) that are oversubscribed, allotment shall be made to valid Applications received on a first come first serve basis, based on the date of upload of each Application in to the electronic platform of the Stock Exchanges. Priority for allocation of the remaining undersubscribed Portion(s) shall be given to day wise Applications received in the Retail Individual Investors Portion followed by High Net Worth Individual Investors Portion, next Non-Institutional Portion and lastly Institutional Portion each according to the day of upload of Applications to the Electronic Book with Stock Exchange during the Tranche I Issue period. For the sake of clarity, the day on which the entire remaining undersubscribed Portion is Allocated to the oversubscribed Portion(s), no allocation shall be made to any oversubscribed Portion(s) on the remaining days of the Tranche I Issue Period. Proportionate Allotments

For each Portion(s), on the date of oversubscription:

(i) Allotments to the Applicants shall be made in proportion to their respective Application size, rounded off to the nearest integer.

(ii) If the process of rounding off to the nearest integer results in the actual allocation of NCDs being higher than the Tranche I Issue Limit, not all Applicants will be allotted the number of NCDs arrived at after such rounding off. Rather, each Applicant whose Allotment size, prior to rounding off, had the highest decimal point would be given preference.

(iii) In the event, there are more than one Applicant whose entitlement remain equal after the manner of distribution referred to above, the Investment Manager (acting on behalf of the Trust) will ensure that the basis of allotment is finalised by draw of lots in a fair and equitable manner.

Applicant applying for more than one Series of NCDs

If an Applicant has applied for more than one Series of NCDs and in case such Applicant is entitled to allocation of only a part of the aggregate number of NCDs applied for, the Series-wise allocation of NCDs to such Applicants shall be in proportion to the number of NCDs with respect to each Series, applied for by such Applicant, subject to rounding off to the nearest integer, as appropriate in consultation with the Lead Manager and the Designated Stock Exchange.

Q20. Can NRI Apply in this Issue?

Ans: No, NRIs are ineligible to apply in this Issue.

Q21. What would be the ranking of these NCDs?

Ans: The NCDs when issued will constitute secured debt obligations of the Trust and subject to any obligations under applicable statutory and/or regulatory requirements, the principal amount of the NCDs to be issued in terms of the Shelf Prospectus and this Tranche 1 Prospectus together with all interest due on the NCDs, shall be secured by a:

(i) first and pari passu charge by way of hypothecation on (a) all the right, title, interest, benefits, claims and demands whatsoever of the Issuer in, to and under all the loans and advances extended by the Issuer to the HoldCo and to the SPVs and all its subsidiaries and associate companies (direct or indirect), present and future (collectively, the “Issuer Loans”), (b) the right, title and interest and benefits of the Issuer in, to and under all the financing agreements, deeds, documents and agreements or any other instruments (both present and future) which are now executed or may hereafter be executed by the Issuer with respect to the Issuer Loans, (c) all accounts of the Issuer, including but not limited to the escrow accounts but excluding the Excluded Accounts; and (d) all receivables; and

(ii) first and pari passu pledge over at least 99% of the fully paid up equity share capital of JTCL, MTL, RTCL, PKTCL, NRSS, JKTPL and IGL1 and at least 73% of the paid up equity share capital of PTCL. The Issuer may provide higher pledge also as an additional security with intimation to the Security Trustee. It is clarified that by virtue of pledge creation of IGL1, IndiGrid lenders would not have any direct recourse or rights against the subsidiaries of IGL1. The Trust shall ensure 100% asset cover for the NCDs and interest accrued thereon at all times until the redemption of the NCDs. Further, it being understood that loans and advances extended by the Issuer will be subordinate to any senior debt availed or to be availed at the Hold Cos/SPVs level.

Security for the NCDs proposed to be issued under this Tranche 1 Issue shall rank pari passu and all other secured debentures, bond issuances and loans outstanding in the books of the Trust having corresponding assets as security without preference of one over the other except that priority for payment shall be as per applicable date of redemption or repayment. The NCDs shall inter se rank pari passu in relation to their rights and benefits, without any preference, priority or privilege whatsoever on account of date of issue or allotment or otherwise. Any payments received from the Issuer or realized by the Debenture Trustee upon enforcement of any rights, shall be distributed to the Debenture Holder in proportion to the amounts outstanding to such Debenture Holder in equal proportions without any preference or priority whatsoever. The Trust is required to obtain permissions / consents from existing lenders for proceeding with this Tranche 1 Issue. Pursuant to the SEBI circular dated November 3, 2020 bearing reference number SEBI/HO/MIRSD/CRADT/CIR/P/2020/218, the Trust undertakes, inter alia, that the assets on which charge is created are free from any encumbrances and if the assets are already charged, the Trust has obtained relevant permissions / consents from other lenders/creditors for proceeding with this Tranche 1 Issue as on the date of the Shelf Prospectus and this Tranche 1 Prospectus. The Trust has, through the Debenture Trustee/ Security Trustee, intimated and obtained the consents, as required, from all the earlier existing creditors of the Trust for the Issue.

Q22. What is the Security for Tranche 1 Issue?

Ans: The principal amount of the NCDs to be issued in terms of the Shelf Prospectus and this Tranche 1 Prospectus together with all interest due on the NCDs, subject to any obligations under applicable statutory and/or regulatory requirements shall be secured by (a): (i). first and pari passu charge by way of hypothecation on (a) all the right, title, interest, benefits, claims and demands whatsoever of the Issuer in, to and under all the loans and advances extended by the Issuer to the HoldCo and to the SPVs and all its subsidiaries and associate companies (direct or indirect), present and future (collectively, the “Issuer Loans”), (b) the right, title and interest and benefits of the Issuer in, to and under all the financing agreements, deeds, documents and agreements or any other instruments (both present and future) which are now executed or may hereafter be executed by the Issuer with respect to the Issuer Loans, (c) all accounts of the Issuer, including but not limited to the escrow accounts but excluding the Excluded Accounts; and (d) all receivables; and (ii). first and pari passu pledge over at least 99% of the fully paid up equity share capital of JTCL, MTL, RTCL, PKTCL, NRSS, JKTPL and IGL1 and at least 73% of the paid up equity share capital of PTCL. The Issuer may provide higher pledge also as an additional security with intimation to the Security Trustee. It is clarified that by virtue of pledge creation of IGL1, IndiGrid lenders would not have any direct recourse or rights against the subsidiaries of IGL1. The Trust may provide additional security as may be required if stipulated by the Debenture

Trustee (in accordance with the Debenture Documents). Further, it being understood that loans and advances extended by the Issuer will be subordinate to any senior debt availed or to be availed at the Hold Cos/SPVs level.

The Trust is required to obtain permissions / consents from existing lenders for proceeding with this Tranche 1 Issue. Pursuant to the SEBI circular dated November 3, 2020 bearing reference number SEBI/HO/MIRSD/CRADT/CIR/P/2020/218, the Trust undertakes, inter alia, that the assets on which charge is created are free from any encumbrances and if the assets are already charged, the Trust has obtained relevant permissions / consents from other lenders/creditors for proceeding with this Tranche 1 Issue as on the date of the Shelf Prospectus and this Tranche 1 Prospectus. The Trust has, through the Debenture Trustee, intimated and obtained the consents, as required, from all the earlier existing creditors of the Trust for the Issue. The Trust (represented by the Investment Manager) intends to enter into the Debt Security Trust Deed, the terms of which will govern the appointment of the Debenture Trustee and the issue of the NCDs. The Trust proposes to complete the execution of the Debt Security Trust Deed before finalisation of the Basis of Allotment in consultation with the Designated Stock Exchange and utilize the funds only after the stipulated security has been created and upon receipt of listing and trading approval from the Stock Exchanges. Under the terms of the Debt Security Trust Deed, the Trust (represented by the Investment Manager) will covenant with the Debenture Trustee that the Trust will pay the NCD Holders, the principal amount on the NCDs on the relevant redemption date and also ensure that the Trust will pay the interest due on NCDs at the rate specified in this Tranche 1 Prospectus and in the Debt Security Trust Deed.

The Debt Security Trust Deed will also provide that the Trust (represented by the Investment Manager) may withdraw any portion of the security and replace with another asset of the same or a higher value ensuring the minimum security cover is maintained till the Maturity Date of the NCDs. The revaluation and replacement of the security shall be in accordance with the Debt Security Trust Deed.

The Trust (represented by the Investment Manager) undertakes that the necessary documents for the creation of the charge, where applicable, would be executed within the time frame prescribed as per applicable law and in accordance with applicable law, the same would be uploaded on the website of the Designated Stock Exchange.

Q23. Which is the Public Issue Account Bank and Refund Bank?

Ans: ICICI Bank Limited is the Public Issue Account Bank, Refund Bank and Sponsor Bank for this Tranche 1 Issue.

Q24. When are the NCDs are proposed to be listed?

Ans: The NCDs are proposed to be listed on BSE and NSE. The NCDs shall be listed within six Working Days from the date of Tranche 1 Issue Closing Date.

Q25. What are the Grounds of Rejection of Application?

Ans: As set out below or if all required information is not provided or the Application Form is incomplete in any respect, the Board of Directors and / or any committee reserves it's full, unqualified and absolute right to accept or reject any Application in whole or in part and in either case without assigning any reason thereof.

Application may be rejected on one or more technical grounds, including but not restricted to:

- Applications not made through the ASBA facility;
- Number of NCDs applied for or Applications for an amount being less than the minimum Application size;
- Applications not being appropriately signed by the sole/joint Applicants;
- Applications submitted without blocking of the entire Application Amount. However, the Investment Manager may allot NCDs up to the value of application monies paid, if such application monies exceed the minimum application size as prescribed hereunder;

- Application Amount blocked being higher than the value of NCDs Applied for. However, the Investment Manager may allot NCDs up to the number of NCDs Applied for, if the value of such NCDs Applied for exceeds the minimum Application size;
- Investor Category in the Application Form not being ticked;
- Date of birth for first/sole Applicant for persons applying for Allotment not mentioned in the Application Form
- Applications where a registered address in India is not provided by the Applicant;
- ASBA Bank account details to block Application Amount not provided in the Application Form;
- Submission of more than five (5) ASBA Forms per ASBA Account;
- Applications by persons not competent to contract under the Indian Contract Act, 1872 including a minor without the name of a guardian having a valid demat account as per demographic details provided by the Depository Participants;
- Minor Applicants (applying through the guardian) without mentioning the PAN of the minor Applicant;
- DP ID, Client ID and UPI ID (in case applying through UPI Mechanism) not mentioned in the Application Form;
- Applications by stock invest or accompanied by cash/money order/postal order or any mode other than ASBA;
- If an authorization to the SCSB or Sponsor Bank for blocking funds in the ASBA Account or acceptance of UPI Mandate Request has not been provided;
- Applications uploaded after the expiry of the allocated time on the Tranche 1 Issue Closing Date, unless extended by the Stock Exchanges, as applicable;
- In case of partnership firms, NCDs may be applied for in the names of the individual partner(s) and no firm as such shall be entitled to apply for in its own name. However a limited liability partnership firm can apply in its own name;
- Applications made without mentioning the PAN of the Applicant, except for Applications by or on behalf of the Central or State Government and the officials appointed by the courts and by investors residing in the State of Sikkim, provided such claims have been verified by the Depository Participants;
- GIR number mentioned in the Application Form instead of PAN;
- Application by OCBs;
- Applications for amounts greater than the maximum permissible amounts prescribed by applicable regulations;
- Applications by persons/entities who have been debarred from accessing the capital markets by SEBI;
- Applications by any persons outside India;
- For all Applications for Allotment the, DP ID, Client ID and PAN mentioned in the Application Form do not match with the DP ID, Client ID and PAN available in the records with the depositories;
- Applications by persons who are not eligible to acquire the NCDs in terms of applicable laws, rules, regulations, guidelines and approvals;

- Application Forms from Applicants not being signed by the ASBA Account holder, if the account holder is different from the Applicant or the signature of the ASBA Account holder on the Application Form does not match with the signature available on the Applicant's bank records;
- Inadequate funds or no credit balance in the ASBA Account to enable the SCSB to block the Application Amount specified in the Application Form at the time of blocking such Application Amount in the ASBA Account or no confirmation is received from the SCSB for blocking of funds;
- Applications by persons prohibited from buying, selling or dealing in shares, directly or indirectly, by SEBI or any other regulatory authority;
- Applications by Applicants seeking Allotment in dematerialised form whose demat accounts have been 'suspended for credit' pursuant to the circular issued by SEBI on July 29, 2010 bearing number CIR/MRD/DP/22/2010;
- Applications not uploaded on the terminals of the Stock Exchanges;
- Applications providing an inoperative demat account number;
- In case of Applications under power of attorney or by limited companies, corporate, trust etc., relevant documents are not submitted along with the Application Form;
- Application Forms submitted to the Designated Intermediaries which do not bear the stamp of the relevant Designated Intermediaries. Applications submitted directly to the Designated Branches of the SCSBs and do not bear the stamp of the SCSB and/or the Designated Branch and/or the Members of the Consortium, or other Designated Intermediaries, as the case may be;
- Applications by other persons who are not eligible to apply for NCDs under this Tranche 1 Issue under applicable Indian regulatory requirements;
- Application Forms not delivered by the Applicant within the time prescribed as per the Application Form and the Shelf Prospectus and as per the instructions in the Application Form, the Shelf Prospectus and this Tranche 1 Prospectus;
- Applications tendered to the Designated Intermediaries at centers other than the centers mentioned in the Application Form;
- SCSB making an Application (a) through an ASBA account maintained with its own self; (b) through an ASBA Account maintained through a different SCSB not in its own name; (c) through an ASBA Account maintained through a different SCSB in its own name, where clear demarcated funds are not present; (d) through an ASBA Account maintained through a different SCSB in its own name which ASBA Account is not utilised solely for the purpose of applying in public issues;
- The UPI Mandate Request is not approved by the Retail Individual Investor; and
- In case of cancellation of one or more orders (series) within an Application, leading to total order quantity falling under the minimum quantity required for a single Application.

For further instructions regarding Application for the NCDs, Applicants are requested to read the Application Form.

Issuer Related FAQs

Q26. Who are the Sponsors of the Trust?

Ans: There are two sponsors :1. KKR Sponsor (Esoteric II Pte. Ltd) 2. Sterlite Sponsor (Sterlite Power Transmission Limited)

Q27. What are the strengths of the Trust?

Ans: The competitive strengths of the Trust, include, amongst other things:

- Stable cash flows from assets with minimal counterparty risks;
- Strong financial position;
- Strong lineage and supports from Sponsors;
- Rights to the Sterlite Sponsor’s pipeline of power transmission projects;
- Strong corporate governance and skilled and experienced Investment Manager; and
- Ownership and location of assets.

Q.28 How are the key financial performance indicators of the Trust?

Ans:

Parameters	As at and for the nine months period ended December 31, 2020	As at and for the year ended March 31, 2020	As at and for the year ended March 31, 2019	As at and for the year ended March 31, 2018
Networth	47,892.02	50,486.25	26,766.11	28,632.56
Total borrowings	87,405.59	63,878.04	26,118.65	23,962.08
Property, plant and equipment	1,15,445.58	1,08,163.16	49,827.62	50,264.53
Total non-current assets	1,18,652.54	1,08,555.36	50,023.44	50,427.53
Cash and cash equivalents	11,838.36	4,088.41	1,603.66	1,672.92
Investments	1,700.01	-	75.72	-
Current assets	19,945.75	9,364.83	3,438.82	3,359.41
Current liabilities	3,007.76	4,194.88	637.43	5,462.38
Revenue from contracts with customers	11,764.46	12,427.13	6,655.70	4,475.69
EBITDA	10,610.13	11,504.11	6,036.24	4,154.86
EBIT	7,277.88	8,859.95	3,770.06	2,997.45
Finance costs	4,805.86	4,153.38	2,295.83	1,012.57
Profit for the period / year	2,657.14	5,057.20	1,539.14	2,103.50
Distribution during the year/period	5,251.37	6,102.75	3,405.59	1,850.94
Current ratio	6.63	2.23	5.39	0.62
Interest coverage ratio	2.21	2.77	2.63	4.10
Debt service coverage ratio	1.99	2.60	2.09	3.21
Debt/Equity ratio	1.83	1.27	0.98	0.84
Debt/Equity ratio (Standalone)	1.10	0.77	0.60	0.34

For details and Notes in relation to the key performance indicators of the Trust, please see the section entitled “*Our Business – Key Performance Indicators for the India Grid Trust*” on page 176 of the Shelf Prospectus.

DISCLAIMER:

India Grid Trust is, subject to market conditions and other considerations, proposing a public issue of Secured Redeemable Non-Convertible Debt Securities and has filed the Prospectus with SEBI and the Stock Exchanges. The Prospectus is available on our website at www.indigrid.co.in, on the website of SEBI at www.sebi.gov.in, on the website of the Stock Exchanges at www.bseindia.com and www.nseindia.com and the website of the Lead Manager at www.jmfl.com. All investors proposing to participate in the public issue of NCDs by India Grid Trust should invest only on the basis of information contained in the Prospectus. Investors should note that investment in the NCDs involves a degree of risk, and for details relating to the same, should refer to the Prospectus, including the section entitled "Risk Factors" on page 18 of the Shelf Prospectus.

DISCLAIMER CLAUSE OF BSE:

It is to be distinctly understood that the permission given by BSE should not in any way be deemed or construed that the Prospectus has been cleared or approved by BSE nor does it certify the correctness or completeness of any of the contents of the Prospectus. The investors are advised to refer to the Prospectus for the full text of the Disclaimer Clause of the BSE.

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