

For Immediate Release

IndiGrid completes acquisition of its 9th transmission asset from Sterlite Power with an enterprise value of ~USD 134 Mn (INR 10.2 Bn)

Key Highlights

- IndiGrid announces acquisition of East North Interconnection Company Limited (“ENICL”) from Sterlite Power for ~USD 134 Mn (INR 10.2 Bn)
- ENICL acquisition to boost IndiGrid’s AUM by 10% to ~USD 1.6 Bn (~ INR 121 Bn)
- 7th accretive acquisition since listing in 2017 and add ~ INR 35-40 Cr of net distributable cash flow per year

Mumbai, Tuesday, 24 March, 2020: India Grid Trust (“IndiGrid”), India’s leading infrastructure investment trust, today announced the acquisition of another transmission asset, East North Interconnection Company Limited Transmission Company Limited (“ENICL”), from Sterlite Power at a value of USD 134 Mn. With this acquisition, IndiGrid’s AUM will increase by 10% to ~USD 1.6 Bn. IndiGrid’s asset portfolio will increase to nine power transmission projects, with a total network of 20 power transmission lines spanning across more than 5,800 circuit kilometres across 13 Indian states.

ENICL is a part of the Inter State Transmission System (ISTS) network developed by Sterlite Power. It consists of two 400 KV transmission lines with a total ~ 900 circuit kilometers across Assam, Bihar and West Bengal. It is a strategic asset, which is crucial for power exchange across north eastern and eastern region of India. IndiGrid had signed an extension of Right of First Offer agreement with Sterlite Power for ENICL in May 2019.

The acquisition has been funded by internal accruals, proceeds from the preference issue done in May 2019 and new debt. For the purpose of refinancing the existing debt in ENICL, IndiGrid has availed funding of INR 9.0 Bn from Axis Bank. With this acquisition, IndiGrid’s net debt/AUM will be at ~49%.

Commenting on the acquisition, Harsh Shah, Chief Executive Officer of IndiGrid, said “This acquisition is in line with our strategy to acquire accretive assets with long term certainty of cash flows. Our focus is to not only ensure stable distribution to unit holders by owning assets with long term contracts but also grow it with accretive acquisitions. I am also happy to state that we have a robust investor base which believes in our strategy which is evident from the fact that this acquisition was approved unanimously in Extra Ordinary General meeting held in February 2020. IndiGrid has another ~USD 855 Mn (~ INR 65 Bn) pipeline of transmission projects under the framework agreement with Sterlite Power providing visibility of ~USD 2.4 Bn (INR 180 Bn) of AUM over next two years.”

Commenting on the transaction, Pratik Agarwal, Managing Director of Sterlite Power, said, “Sterlite Power is proud to successfully close ENICL sale process in these turbulent times. This marks our eighth asset transfer to India Grid Trust and demonstrates our strong ability to commission and deconsolidate these system-critical assets from our balance-sheet. ENICL is one of the few critical transmission lines which connects the north east of India to eastern India. We look forward to commissioning more assets in the next financial year and transfer about another one billion dollar worth of assets to IndiGrid.”



Earlier in this financial year, IndiGrid raised USD 330 Mn (INR 25.1 Bn) of capital by way of preferential issue which was subscribed by KKR and GIC amongst other marquee investors. It acquired NRSS XXIX and OGPTL projects from Sterlite Power for USD 671 Mn (~ INR 51 Bn). In addition to that, it entered into an exclusive framework agreement with Sterlite Power to acquire three more projects worth ~ INR 65 Bn as and when they are commissioned. KKR also acquired majority interest in the Investment Manager of IndiGrid.

About IndiGrid:

IndiGrid [BSE: 540565 | NSE: INDIGRID] is the first Infrastructure Investment Trust (“InvIT”) in the Indian power sector. It owns eight operating projects consisting of 18 transmission lines with more than 4,900 ckms length and 4 substations with 7,735 MVA transformation capacity. IndiGrid has assets under management (AUM) worth ~USD 1.45 Bn (INR 110.56 Bn). IndiGrid is managed by Sterlite Investment Managers Limited which is majority owned by KKR.

For more details, please visit www.indigrid.co.in

About Sterlite Power

Sterlite Power is a leading global developer of power transmission infrastructure with projects of over 13,315 circuit kms and 23,885 MVA in India and Brazil. With an industry leading portfolio of power conductors, EHV cables and OPGW, Sterlite Power also offers solutions for upgrading, uprating and strengthening existing networks. The company has set new benchmarks in the industry by use of cutting-edge technologies and innovative financing. Sterlite Power is also the sponsor of IndiGrid, India’s first power sector Infrastructure Investment Trust (“InvIT”), listed on the BSE and NSE.

www.sterlitepower.com

Contacts:

Media: corpcomm@indigrid.co.in, media@sterlite.com

Investor Relations: investor.relations@indigrid.co.in