

**For Immediate Release**

## **IndiGrid signs the largest power transmission deal with Sterlite Power AUM to leapfrog to over INR 200 Bn**

### **Key Highlights**

- IndiGrid signs share purchase agreement to acquire NER-II Transmission Project from Sterlite Power
- Acquisition will be at an enterprise value of ~INR 46.25 Bn
- Acquisition to add ~INR 400-450 Mn p.a. to the net distributable cash flow

**Mumbai, Friday , March 5, 2021:** India Grid Trust (“IndiGrid”) (NSE: INDIGRID), India’s first power infrastructure investment trust (InvIT), today signed a share purchase agreement to acquire NER-II Transmission Limited (“NER-II”), from Sterlite Power as part of the Framework Agreement. The indicative value of the acquisition is ~INR 46.25 Bn (subject to closing adjustments) and would boost IndiGrid’s AUM by 34% to over ~INR 200 Bn (USD 2.8 Bn). Post completion, the platform’s asset portfolio would consist of 13 power transmission projects, with a total network of 38 power transmission lines and 11 substations extending over ~7,570 circuit kilometers & 13,350 MVA in 17 Indian states and 1 Union Territory.

NER-II is part of Inter State Transmission Scheme (ISTS) network, and was awarded on a Build, Own, Operate, Maintain (“BOOM”) basis with a contractual period of 35 years. The project has 11 elements including two substations of 1,260 MVA capacity and four transmission lines extending over ~830 circuit kilometers. The asset spans across Assam, Arunachal Pradesh and Tripura and is of strategic importance for the delivery of power in one of the toughest regions in the country. This project will strengthen the power transmission network in the North Eastern States and address the of transmission, sub-transmission, and distribution system needs of the region.

IndiGrid had signed a framework agreement in April 2019 with Sterlite Power for acquisition of NER-II upon commissioning. This transaction is expected to be consummated during Q4 FY21, subject to unitholders’ approval, regulatory approvals, and other customary closing adjustments. The acquisition will be funded through a combination of internal accruals, debt, equity proceeds from the preference issue done in May 2019 and forthcoming rights issue. Post this acquisition, the net debt/AUM would stand at ~64%.

Commenting on the acquisition, Harsh Shah, Chief Executive Officer of IndiGrid, said: “We are excited with acquisition of NER-II which is one of the largest acquisitions in Indian power transmission sector in India. NER-II fits well with our strategy of focusing on operating assets with long term cash flows and minimal counter party risk. This acquisition would be DPU accretive and augment our recent increase of DPU to INR 12.40 per annum for a considerable period.

With a robust acquisition pipeline and support from our sponsors, IndiGrid is well positioned to execute its plans for providing stable and growing DPU while maintaining a robust balance sheet.”

Commenting on the transaction, Pratik Agarwal, Managing Director, Sterlite Power said, “We are delighted to sign the Share Purchase Agreement with IndiGrid for our mega NER-II project at a transaction value of INR 46.25 Bn subject to closing adjustments. The acquisition of NER-II was envisaged as part of the framework agreement signed



with IndiGrid in April 2019. This mega transmission project will help to deliver reliable power for 5.3 Crore people in India's north eastern region.”

IndiGrid has acquired ~INR 83 Bn assets since the last capital raise including ~INR 71 Bn of Framework/ROFO projects from Sterlite Power and first cost-plus transmission asset from Reliance Infrastructure. It has also announced its foray into renewables sector with the planned acquisition of 138 MW solar asset worth INR 6.6 Bn. Separately, in FY21, KKR was inducted as a Sponsor following the INR 25.10 Bn preferential issue in 2019 which was subscribed by KKR and GIC amongst other marquee investors. KKR has 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 12 operating projects consisting of 34 transmission lines with more than 6,740 ckms length and 9 substations with 12,290 MVA transformation capacity. IndiGrid has assets under management (AUM) worth ~INR 150 Bn (USD 2.1 Bn). The investment manager of IndiGrid is majority owned by KKR.

For more details, please visit [www.indigrid.co.in](http://www.indigrid.co.in)

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#### **About Sterlite Power:**

Sterlite Power is a leading global developer of power transmission infrastructure with projects of over 13,700 circuit kms and 26,100 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 the sponsor of IndiGrid, India's first power sector Infrastructure Investment Trust (“InvIT”), listed on the BSE and NSE. Sterlite Power has been recognised with The Economic Times Innovation Awards 2020 and is a recipient of prestigious global awards from S&P Global Platts and International Project Management Association (IPMA). [www.sterlitepower.com](http://www.sterlitepower.com)

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