



For Immediate Release

IndiGrid targets another acquisition worth INR 10.2 Bn – proposes to acquire ENICL

Key Highlights

- Board of the Investment Manager of IndiGrid has approved acquisition of East North Interconnection Company Limited (“ENICL”) for INR 10.2 Bn
- Asset acquisition to boost IndiGrid’s AUM by 10% to ~ INR 121 Bn
- 7th accretive acquisition since listing

Mumbai, Wednesday, 29 January 2020: The Board of the Investment Manager of IndiGrid, India’s first InvIT in the power sector, has approved the acquisition of East North Interconnection Company Limited Transmission Company Limited (“ENICL”), at a value of ~ INR 10.2 Bn. This acquisition would increase the AUM of IndiGrid by 10% to ~INR 121 Bn.

ENICL is part of Inter State Transmission Scheme (ISTS) network and 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 ROFO (Right of First Offer) deed with Sterlite Power for ENICL as disclosed in the Offer Document dated May 04, 2019.

As IndiGrid is leveraged at ~ 45% net debt /AUM, it will be able to acquire ENICL without any dilution. This acquisition will be funded by internal accruals, proceeds from the preference issue done in May 2019 and new debt. The acquisition is expected to be consummated during Q4 FY 20, subject to unitholders’ approval, execution of definitive agreements and regulatory approvals. Upon acquisition of ENICL, IndiGrid’s net debt/AUM will continue to be below 49%. IndiGrid’s portfolio will increase to nine power transmission projects with a total network of 20 power transmission lines that span more than 5,800 circuit kilometres across 13 Indian states post this acquisition.

Commenting on the acquisition, Mr. Harsh Shah, Chief Executive Officer of IndiGrid, said “Our strategy is to focus on accretive acquisitions to provide superior total returns to investors. In line with that, we propose to acquire ENICL which would result in accretion for unitholders. IndiGrid has another ~ INR 65 Bn pipeline of transmission projects under the framework agreement with Sterlite Power to reach an AUM of INR 180 Bn over next two years. We are committed to grow IndiGrid with accretive acquisition of operating projects with long-term stable cash flows and low counterparty risks to achieve INR 300 Bn of AUM by 2022, while providing predictable and growing distributions to our investors.”

Earlier in the year, IndiGrid raised INR Rs 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 ~ 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 INR 110.56 billion. IndiGrid is managed by Sterlite Investment Managers Limited which is majority owned by KKR.

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

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