



Investor Presentation FY18

24 April 2018

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Investor Presentation Q4 and FY18

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Scorecard



We are delivering on our commitments

FY18 Scorecard

Operations	Availability above norms, maximized incentives	
Acquisitions	Completed first asset injection in FY18	
FY 18 DPU	FY 18 actual DPU of INR 9.56, beating guidance by 4.0%	
DPU growth of 3-5%	FY 19 DPU guidance implies annualised growth of 4.6%	
Portfolio IRR	12% portfolio IRR from Sponsor assets	

**Vision and
value
proposition**



IndiGrid- India's only Power Transmission yield platform

- Owns inter-state high voltage power transmission assets
- Fully operational and revenue generating portfolio
- Focused on stable and sustainable distribution to unitholders
- Strong growth pipeline with ROFO on Sponsor assets

~INR 52 Bn* AUM

3,361 circuit KM
6,000 MVA

AAA Rated
Perpetual
Ownership

5 Project SPVs

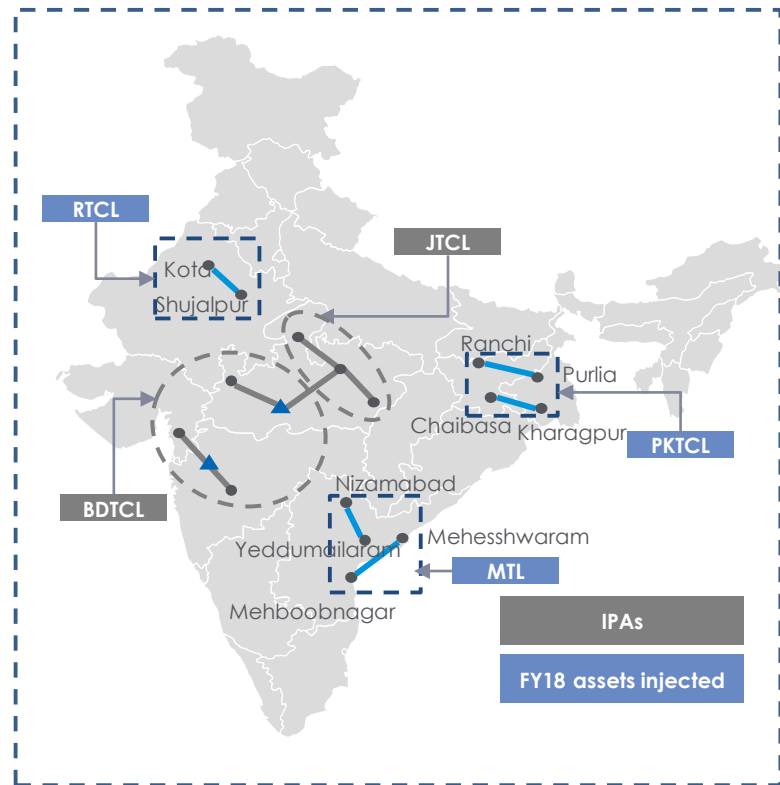
13 Lines and 2
substations

~33 years of
residual
contract[#]

Note:

* Based on independent valuation report as of 31st March 2018

[#] Remaining TSA contractual life of 33 years. However, the projects are on BOOM model with perpetual ownership of IndiGrid





IndiGrid Vision

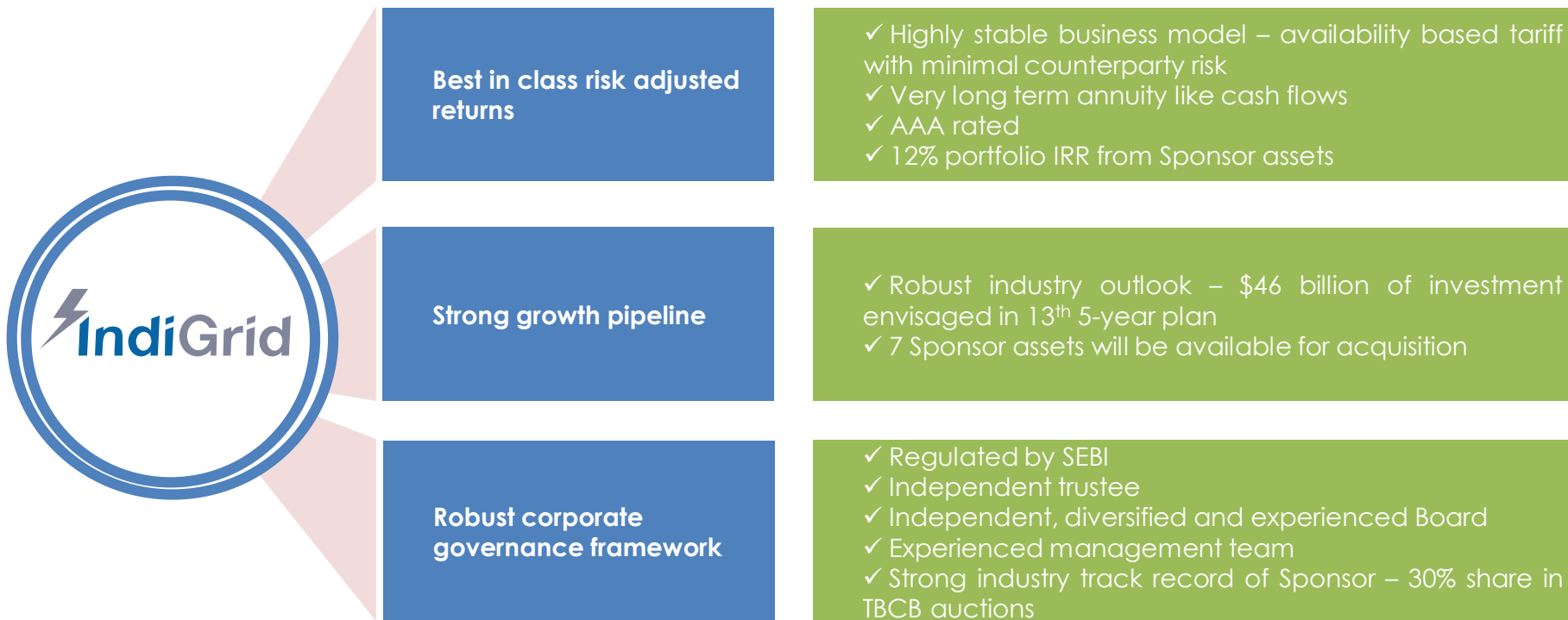
To become the most admired yield vehicle in Asia which is built upon solid fundamentals of transparency, governance & providing superior risk-adjusted returns to unitholders

**INR 300 BN
AUM by 2022**

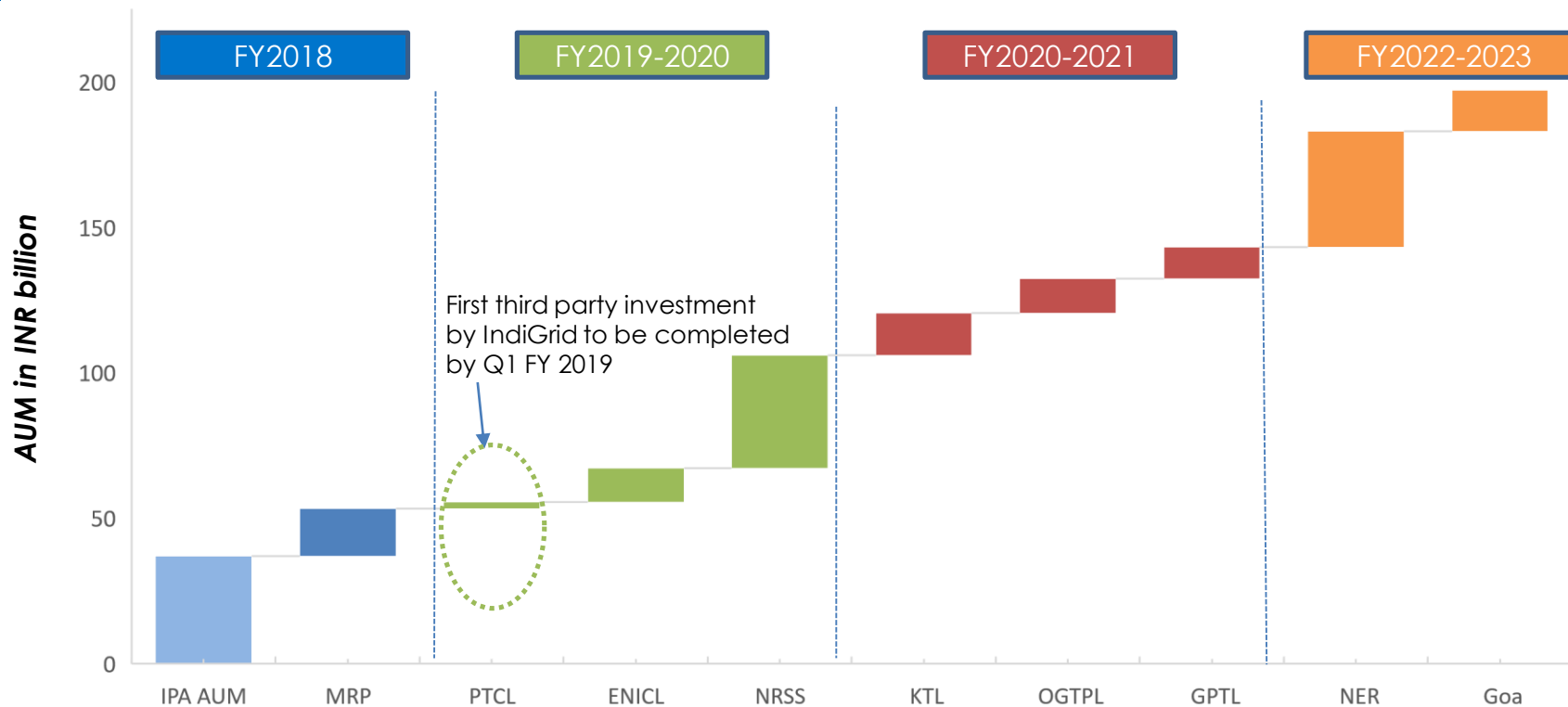
**Deliver
predictable
DPU and
growth**

**Best-in-class
corporate
governance**

Compelling value proposition offering 12% returns



12% portfolio IRR from Sponsor assets



Q4 and FY18 performance



Q4 and FY18 results highlights

- Strong financial & operational performance for Q4 and the full year
- Q4 DPU of INR 3, payable entirely as interest to unitholders
- FY2018 (10 months) DPU of INR 9.56, beating guidance by 4%
- Successfully completed the acquisition of the first set of Sponsor assets
- On course to complete announced PTCL acquisition by Q1 FY19[#]
- FY19 DPU guidance of INR 12, an increase of 4.6% over annualised FY18 DPU
- NAV of INR 101.87/unit as per independent valuation report as of 31 March 2018
- Well-positioned to capitalise on the strong growth fundamentals of the Indian power transmission sector

Note: [#]Subject to regulatory approvals

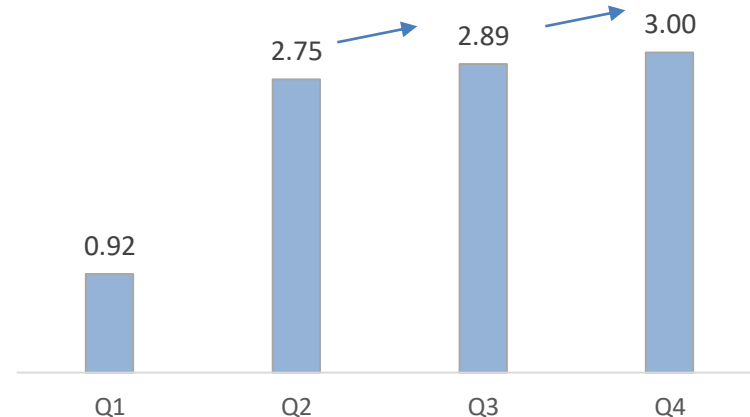
Financial performance

Consolidated Financials

INR million	Revenue	EBITDA	DPU (INR)
Q1 FY18	406	433	0.92
Q2 FY18	1,323	1,223	2.75
Q3 FY18	1,267	1,173	2.89
Q4 FY18	1,480	1,326	3.00
FY18	4,476	4,155	9.56

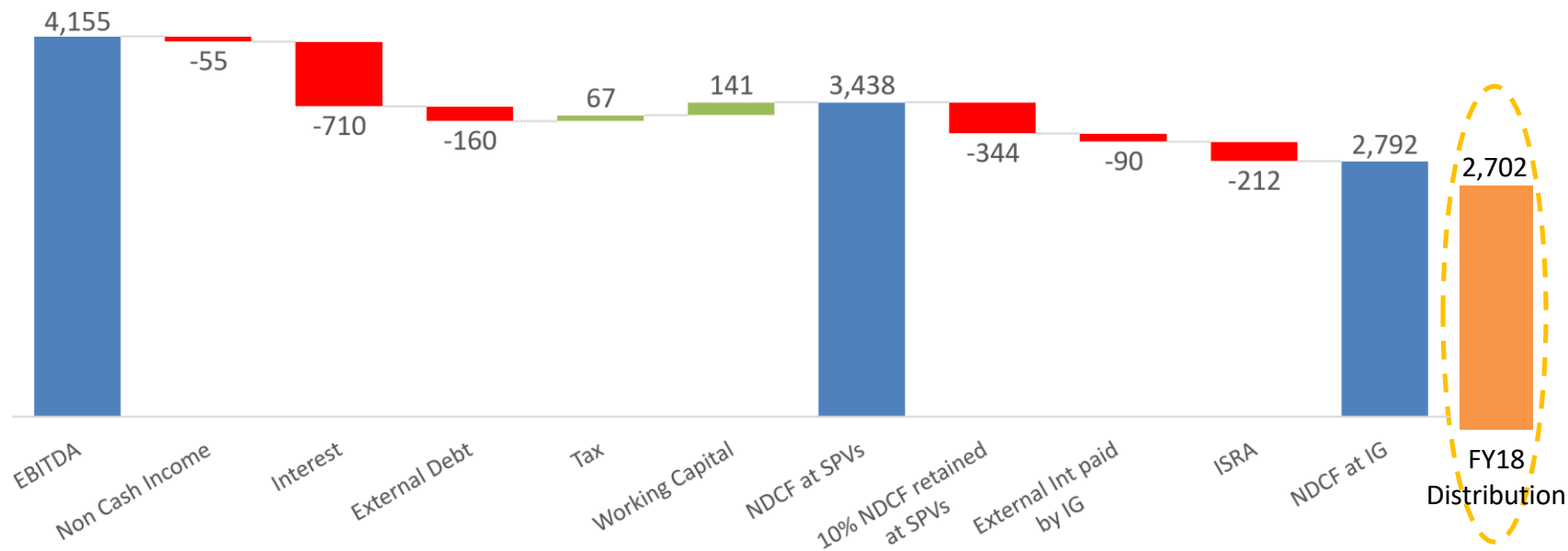
Note:
Q1 FY2018 EBITDA has been restated
FY 18 results are for 10 months
Q1 DPU is only for 1 month

Quarterly DPU (INR)



FY18 NDCF and Distribution

EBITDA to Distribution reconciliation



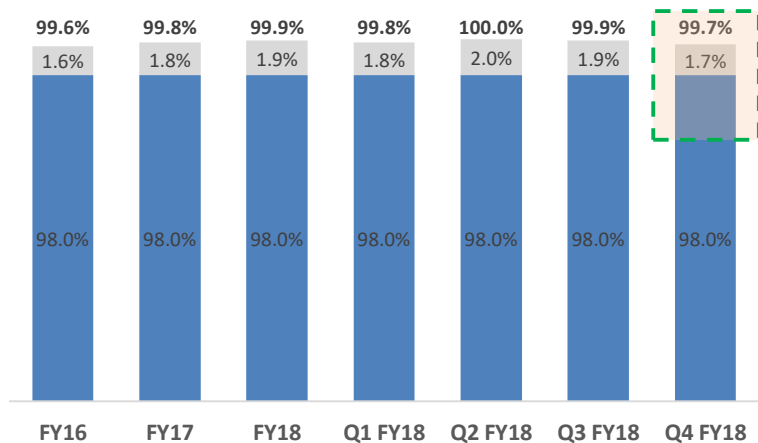
Note:

ISRA: Interest Service Reserve Account

Operational performance

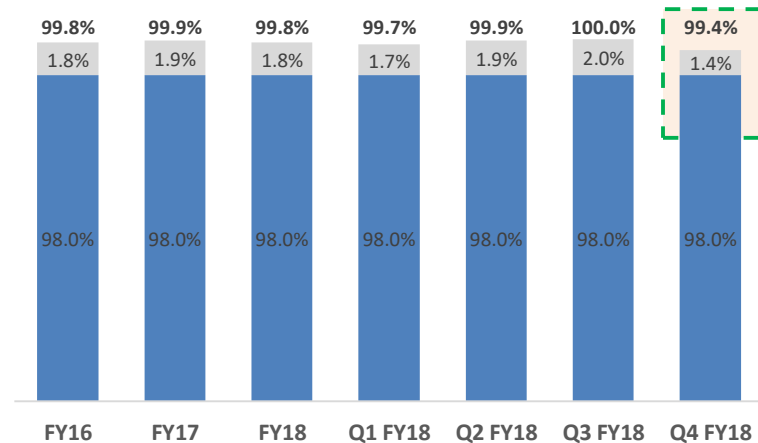
BDTCL

Avg. availability (since COD) : 99.8%



JTCL

Avg. availability (since COD) : 99.8%



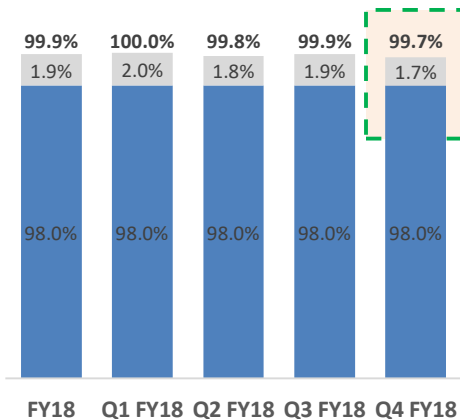
■ Normative Availability ■ Availability over Normative

Continue to deliver robust operational efficiency

Operational performance

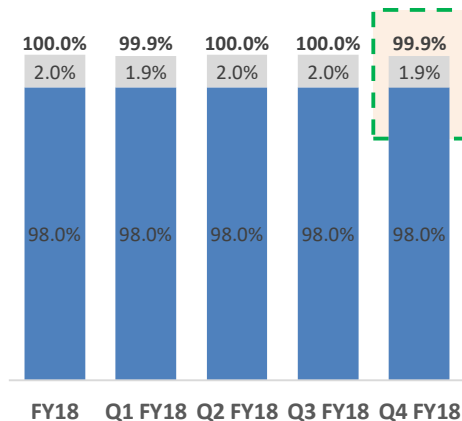
RTCL

Avg. availability (since COD) : 99.8%



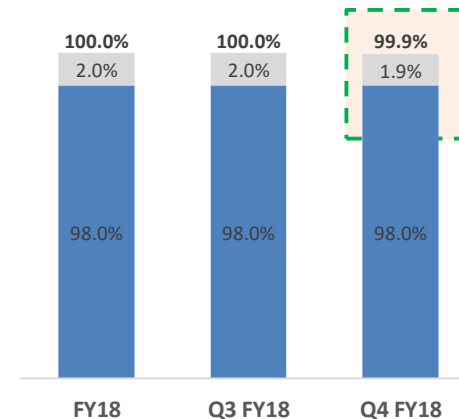
PKTCL

Avg. availability (since COD) : 100.0%



MTL

Avg. availability (since COD) : 100.0%

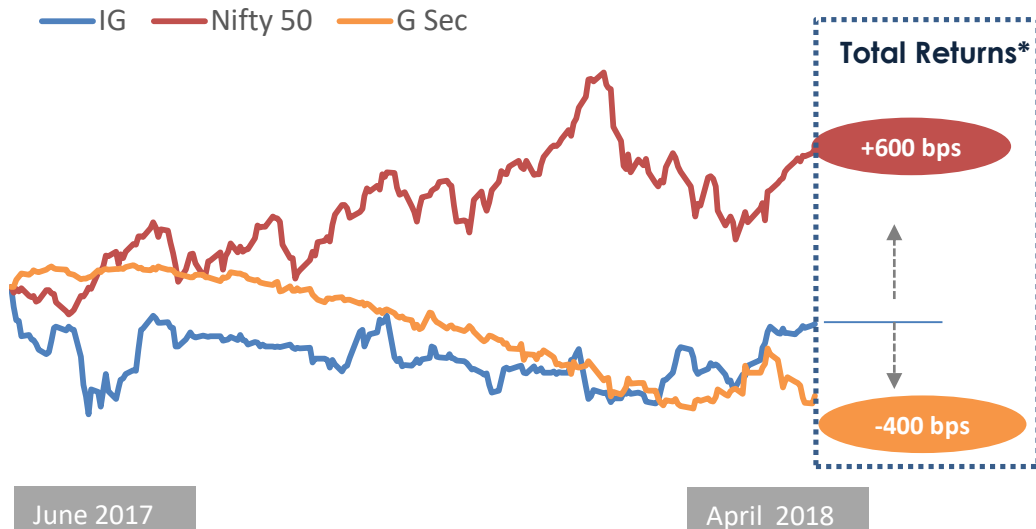


■ Normative Availability ■ Availability over Normative

Continue to deliver robust operational efficiency

Attractive yields with a diversified investor base

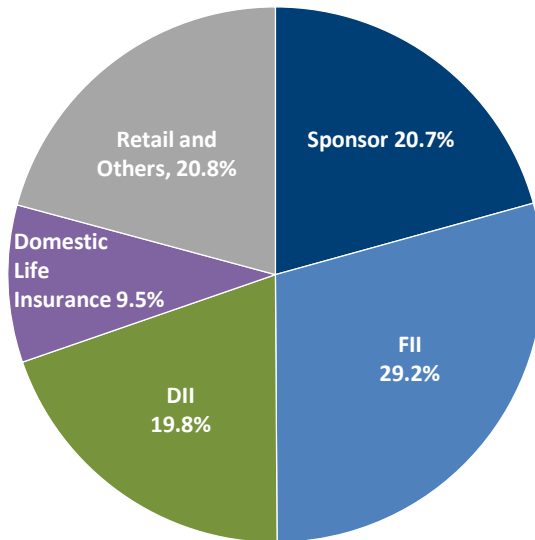
Total Return comparison with G-Sec and Nifty 50



Source: Bloomberg for price chart as of 23 April 2018

*Total returns include dividends for Nifty, coupon for GSEC and distribution for IGT

Unit holding break down



as of 30st March 2018

We are delivering on our commitments

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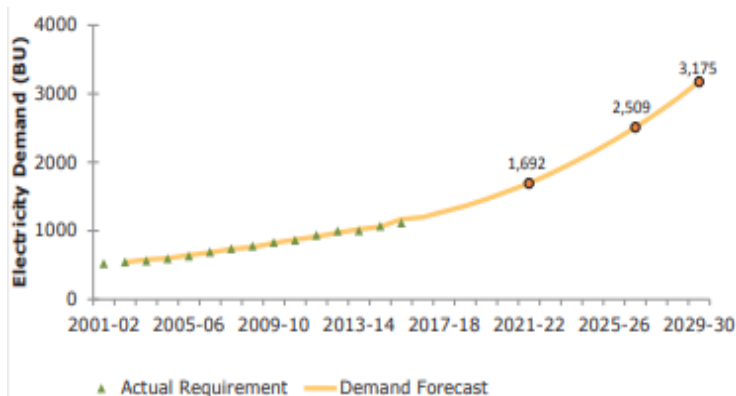
Appendix



Sector fundamentals point to strong growth in the next few years

All India Electricity Demand Scenario

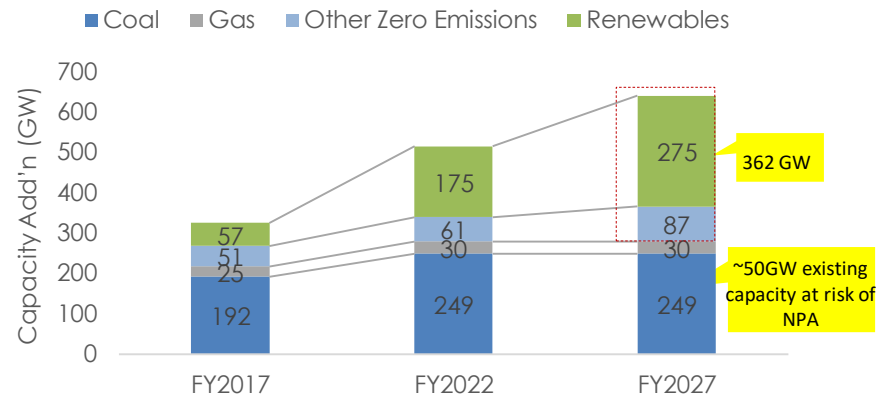
- All India electricity demand is likely to increase from 1115 BU in 2015-16 to 1,691 BU in 2021-22 and 2,509 BU in 2026-27 with a CAGR of 7.66%



Source: Report on 'Transitions in Indian Electricity Sector 2017-2030' by TERI

Growth in RE capacity addition and rise in coal capacity NPAs warrants for an increase in transmission capacity

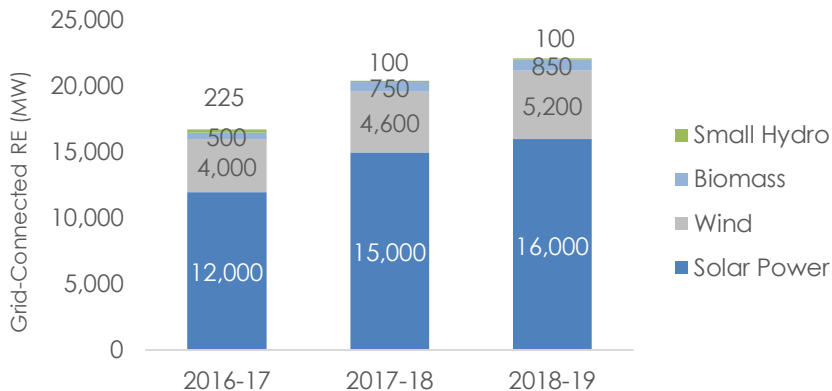
- NEP3 calls for 57% (362 GW) of India's total electricity capacity to come from non-fossil fuels by 2027
- RBI's new norms may put 50GW power capacity risk of being declared as non-performing assets, implies further rise in RE footprint
- This expansion in renewables & impact of existing stressed assets mean requirement of new transmission capacity additions



Source: CEA, IEEFA estimates (Report on 'India's Electricity Sector Transformation')

Grid-connected renewables and stronger Tx networks coming into play

MNRE Grid-Connected Renewable Targets 2016-2019

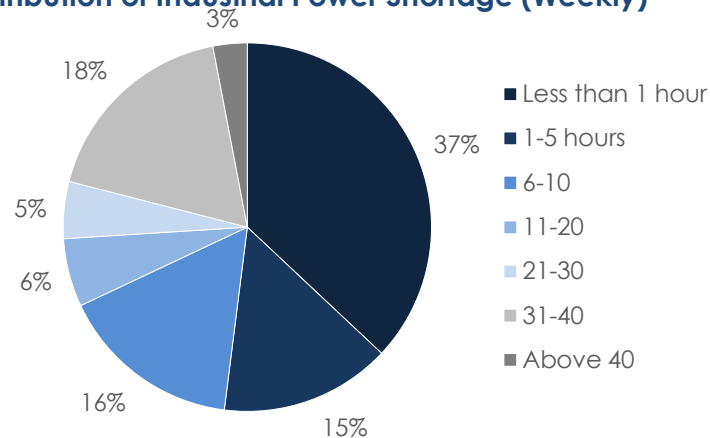


Source: MNRE, Compiled by Mercom, 2016

Renewable Proliferation

- 64GW of RE has been connected to the grid as of Jan 2018
- Almost double the capacity at 111GW is yet to be connected to reach the 175GW RE target by 2022`
- These projects will be connected under a new "Generation + Transmission" joint bidding model (e.g. recent OFTO & SECI-ISTS tenders) that will do away with the need for a separate bidding process or disconnected mandates for setting up new transmission lines

Distribution of Industrial Power Shortage (Weekly)



Source: FICCI, Lack of Affordable & Quality Power, 2013

Impact of Load Shedding

- With penalties now being enforced on DISCOMS for unjustified outages, consumer demand is bound to rise leading to greater power transfer and need for stronger transmission networks
- The amendment to the Electricity Act aims to fix the 24*7 power supply obligation of DISCOMS to achieve reliability in supply
- Along with this, direct subsidy transfer by states to power consumers will also aid this change and drive a robust network on all sides

Investments into transmission to gain traction

More awards expected in 2018-19

- **Only 59.9% of the annual target for adding transmission lines has been achieved** in 2017-18
- In order to achieve NEP 2017-22, along with government's increased investment in infrastructure, the tender pipeline looks strong

Green Energy Corridor (GEC) to fulfill demand

- The GEC will create an ISTS network to connect renewable rich states with states that lack renewable generation
- **Estimated cost required to evacuate RE power is Rs 127bn cr and Rs 155bn** for intra state and inter state projects

CERC waiver

- CERC's waiver on inter-state transmission charges for solar and wind projects will encourage – **greater participation – more tender releases – higher need for transmission assets**

Transmission the missing link

- Time taken to set up a solar farm = 9 months
- Time to set up transmission lines = 2-3 years
- With the number of large scale RE tenders, **grid infrastructure will have to move faster than before** to avoid non-commissioning of ready projects (eg Q4 2017)

Further growth potential from near term bids...

Current Inter-State and Intra-state TBCB tenders

Name of Tender	Stage of Tender	Location	Estimated Cost (INR billion)
Strengthening in Jharkhand (Package 1)	RFQ	Jharkhand	14.0
Strengthening in Jharkhand (Package 2)	RFQ	Jharkhand	12.5
Strengthening in Jharkhand (Package 3)	RFQ	Jharkhand	9.0
Strengthening in Jharkhand (Package 4)	RFQ	Jharkhand	11.1
System strengthening Scheme in Northern Region	Pipeline	Northern Region	2.3
Reactive Power Compensation in Northern Region	Pipeline	Northern Region	2.3
ISTS Feed to Navi Mumbai	Pipeline	Maharashtra	2.6
New Substation near Vapi area	Pipeline	Gujarat	2.0
North Eastern Region Strengthening Scheme – IX	Pipeline	North Eastern Region	0.7
Additional 400 kV outlets from Banaskantha	Pipeline	Gujarat	0.6
Total			57.1

Strong pipeline of existing Sponsor Assets

Overview	East North Interconnection Ltd (ENICL)	NRSS XXIX Transmission Ltd (NTL)	+	Odisha Generation Phase Transmission Ltd (OGPTL)	Gurgaon-Palwal Transmission Ltd (GPTL)	Khargone Transmission Ltd (KTL)	+	NER-II Transmission Limited	Goa Tamnar Transmission Project Ltd.
									
	2 x 400 kV D/C lines	3x400 kV D/C lines, 1x400/220 kV D/C GIS sub-station		1x765 kV D/C line, 1x400 kV D/C line	5x400kV D/C lines and 3x400/220 kV substations	2x765 kV D/C lines, 1x400 kV D/C line and 1x765/400 kV substation		2x400 kV D/C lines, 2x132 kV D/C lines and 2x400/132 kV substations	2x400 kV D/C quad lines, 1x765 kV D/C line, 2x500 MVA, 400/220 kV substation
	Commissioned	Oct 2018		Aug 2019	Sep 2019	Jul 2019		Nov 2020	LOI Received on Nov 30, 2017
	909 ckms	887 ckms		715 ckms	271 ckms	624 ckms		900 ckms	~500 ckms (tentative)
Revenues (5 yr. avg.)	INR 1,420 Mn	INR 5,030 Mn		INR 1,590 Mn	INR 1,440 Mn	INR 1,860 Mn		INR 4,520 Mn	Tariff adoption order awaited

Glossary

AUM	Assets Under Management
Availability	Percentage amount of time for which the asset is available for power flow
BDTCL	Bhopal Dhule Transmission Company Limited
CERC	Central Energy Regulatory Commission
DISCOM	State Distribution Companies
DPU	Cash paid to the Unitholders in the form of interest/ capital repayment / dividend
ENICL	East North Interconnection Limited
GPTL	Gurgaon – Palwal Transmission Limited
GTPL	Goa Tamnar Transmission Project Limited
IPA	BDTCL and JTCL which were acquired by IndiGrid at the time of IPO
ISTS	Inter State Transmission System
KTL	Khargone Transmission Limited
JTCL	Jabalpur Transmission Company Limited
MNRE	Ministry of New and Renewable Energy
MTL	Maheshwaram Transmission Limited
MVA	Mega Volt Ampere
NDCF	Net cash flow that trust has at it's disposal for distribution to IndiGrid in a particular year in accordance with the formula defined in the Offer Document
NEP	National Electricity Plan
NER II	NER II Transmission Limited
NPA	Non Performing Assets
NTL	NRSS XXIX Transmission Limited
OFTO	Offshore Transmission
OGPTL	Odisha Generation Phase Transmission Limited
O&M	Operations and Maintenance cost
RE	Renewable Energy
ROFO	Right Of First Offer
PKTCL	Purulia Kharagpur Transmission Company Limited
PTCL	Patran Transmission Company Limited
RTCL	RAPP Transmission Company Limited
SECI	Solar Energy Corporation of India
Tariff	Composed of Non-Escalable, Escalable and Incentive component. The incentive component is based on the availability of the asset = $2 * (\text{Annual Availability} - 98\%) * (\text{Escalable} + \text{Non-escalable})$; incentive is maximum 3.5% of (Escalable+Non-escalable tariff)
TBCB	Tariff Based Competitive Bidding
TSA	Transmission Service Agreement