

## **IndiGrid completes acquisition of its First Solar Asset**

### **Acquires 100 MW(AC) solar assets from FRV for ~INR 6.6 Bn**

#### **Key Highlights**

- IndiGrid becomes the first InvIT in India to acquire solar assets
- Acquisition of 100% stake in two SPVs operating 100 MW of solar assets
- Acquisition to add ~ INR 250 Mn of net distributable cash flow per year
- Solar diversification propels IndiGrid's AUM to over ~INR 210 Bn (USD 2.83 Bn)

**Mumbai, Wednesday, July 14, 2021:** India Grid Trust ("IndiGrid"), India's first power infrastructure investment trust (InvIT), today announced the completion of acquisition of 100% stake in two solar assets with cumulative capacity of 100 MW (AC) from Fotowatio Renewable Ventures (FRV) at an enterprise value of ~INR 6.6 Bn. With this acquisition, our asset portfolio will now consist of 14 diversified power projects consisting of 40 transmission lines (~ 7,570 ckms) ,11 substations (~13,550 MVA capacity) and 100 MW of solar power plants across 18 states and one Union Territory. IndiGrid's acquisition of its first solar asset is an important milestone in the Indian infrastructure sector as this marks the first renewable energy acquisition by any InvIT in the country.

The 100 MW assets are fully operational and located in high radiation zone in the 400 MW Ananthapuramu Solar Park in Andhra Pradesh with a contractual period of 25 years at a fixed tariff. Power Purchase Agreement for both assets are already in place with Solar Energy Corporation of India ("SECI") a limited liability company owned 100% by the Government of India, as the counterparty. These superior quality projects use Tier I equipment and are eligible to receive a fixed tariff on per unit of electricity generated thus limiting the operational risk. The projects have been operational for over 2 years and have a robust track record of generation and collections since inception.

This transaction is in line with IndiGrid's strategy to acquire solar projects with long term power purchase agreements, operational track record and financially strong counterparties / off-takers such as SECI and NTPC. In addition to long contract life and low-risk cash flows, this asset complements IndiGrid's transmission portfolio with synergies on operations and regulatory establishments. The acquisition will be funded through a combination of debt, internal accruals and recent Rights Issue. The net debt/AUM stands around 58% post this acquisition, providing adequate headroom for growth against the 70% leverage threshold as per SEBI InvIT Regulations.

Commenting on the acquisition, Harsh Shah, Chief Executive Officer of IndiGrid, said "We are excited to diversify our portfolio and add the first set of solar assets. This acquisition is DPU accretive and would result in healthy addition to our net distributable cash flow. While power transmission assets remain at the core of IndiGrid's growth strategy, we believe such attractive opportunities to acquire good quality solar projects ties in well with our strategy of providing predictable cash flows to our investors and reinforces our commitment to be a socially responsible organization."

Cyril Amarchand and Mangaldas, PriceWater Coopers and Mahindra Teqo advised IndiGrid on this transaction. Greenstone Advisors acted as the sell-side advisor on the transaction representing FRV.

For Immediate Release

**About IndiGrid:**

IndiGrid [BSE: 540565 | NSE: INDIGRID] is the first Infrastructure Investment Trust (“InvIT”) in the Indian power sector. It owns 14 operating power projects consisting of 40 transmission lines with more than ~7,570 ckms length, 11 substations with 13,550 MVA transformation capacity and 100 MW of solar generation capacity. IndiGrid has assets under management (AUM) of over ~INR 210 billion (USD 2.83 billion). 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 Fotowatio Renewable Ventures (FRV):**

FRV is a leading global renewable development company in markets including Europe, Australia, the Middle East, Africa, Asia and Latin America. Leveraging its proven experience and expertise in the industry, FRV has built a business model that combines ownership of a diversified portfolio of clean power generation assets in its key markets, seeking long-term operational and financial optimization, with an increased focus in customer needs arising as a result of the power sector transformation. For more information, please visit: [www.frv.com](http://www.frv.com)