



Corporate Presentation

May 2019

Strictly Private and Confidential

Vision



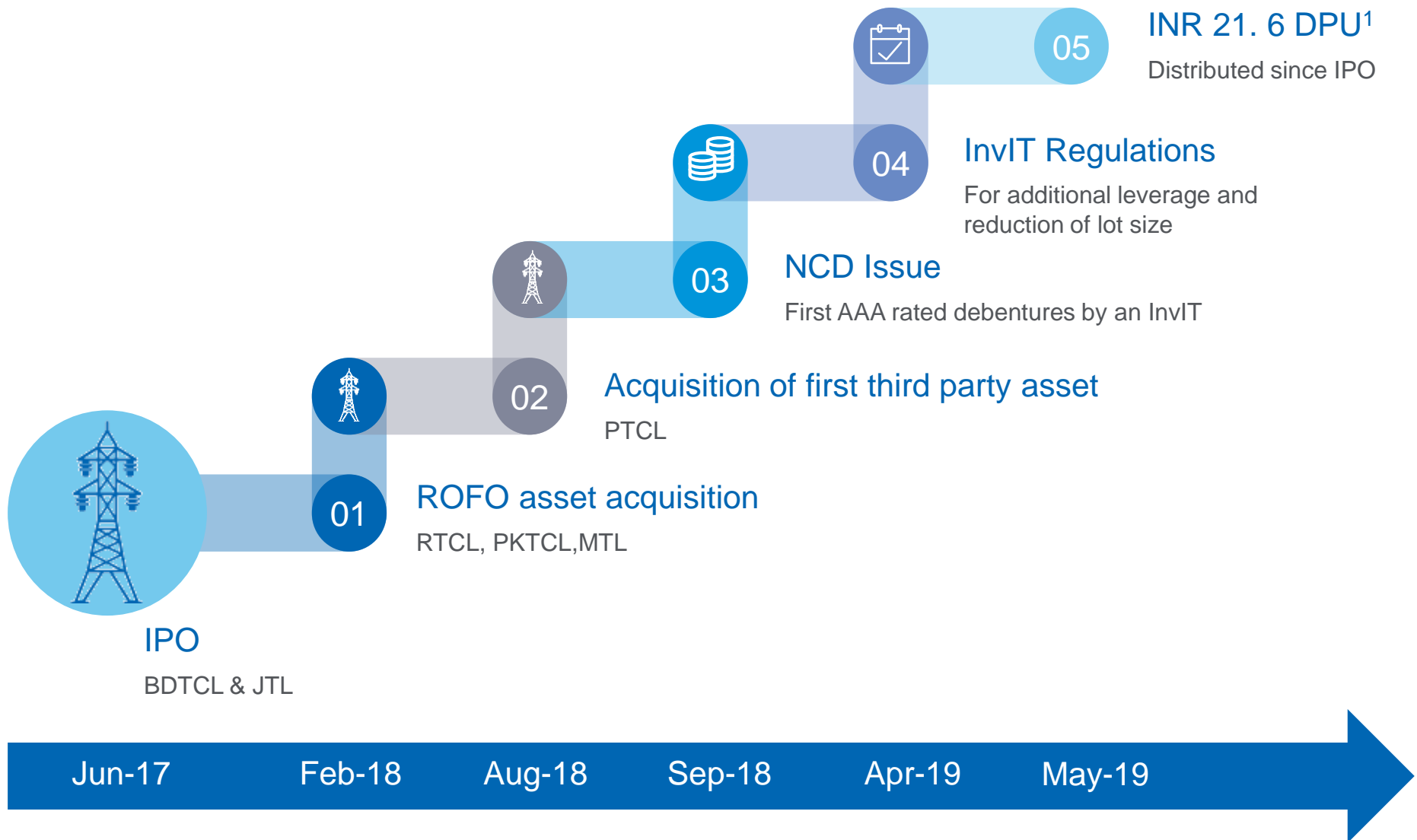
**INR 300 BN
AUM by 2022**

**Predictable
Distribution
and Growth**

**Best in-class
Corporate
Governance**

To become the **most admired yield vehicle** in Asia

Our Story So Far



Note:

BDTCL = Bhopal Dhule Transmission Company Limited, JTCL = Jabalpur Transmission Company Limited, RTCL = RAPP Transmission Company Limited, PKTCL = Purulia & Kharagpur Transmission Company Limited, MTL = Maheshwaram Transmission Limited, PTCL = Patran Transmission Company Limited

¹ = From listing till Q4FY19

Transaction Highlights

1

Raised INR 25.1 bn of Primary Capital through Preferential Issue of which KKR & GIC contributed INR 20.6 bn

The KKR logo, consisting of the letters "KKR" in white, bold, sans-serif font, set against a dark purple rectangular background.

2

Signed definitive agreements to acquire INR 115 bn worth transmission assets from Sterlite power

3

KKR to be inducted as a sponsor of IndiGrid alongside Sterlite Power

4

KKR and Sterlite Power will co-own the Investment Manager of IndiGrid

Key Advantages for IndiGrid



- Participation by marquee investors in the preference issue – a testimony to the InvIT platform
- Capitalize the platform adequately for the next 2 years for growth via acquisitions till INR 170 Bn
- Acquisition of ROFO assets from Sterlite (NTL and OGPTL)¹
- Visible pipeline of INR 65 Bn acquisitions under framework agreement with Sterlite Power
- Benefit from Investment and asset management expertise from KKR and Sterlite Power

Note:

1. NTL = NRSS XXIX Transmission Limited, OGPTL = Odisha Generation Phase Transmission Limited

Transaction Details

Preferential Issue Details

- Issue size: INR 25.1 bn @ INR 83.89 per unit
- New Units: 300 mn
- Total Units post issue : 583 mn
- Anchor Investors: KKR (INR 10,840 mn), GIC (INR 9,800 mn)
- Use of Proceeds: Acquisition of transmission assets
- Edelweiss / Citi/ Axis (to IndiGrid) and EY (to KKR) acted as M&A advisors

Acquisition of NTL & OGPTL

- SPA signed for acquisition of NTL¹ & OGPTL¹ (INR 50,390 mn)
 - NTL: INR 38,290 mn²
 - OGPTL: INR 12,100 mn²
- Inter-state electric transmission assets
- Operational and revenue generating

Other Key Considerations

- KKR plans to acquire controlling interest in the investment manager in tranches - stake up to 74% subject to unitholder's & SEBI approval
- KKR intends to acquire additional 15% stake in IndiGrid from Sterlite post it being designated as Sponsor.

Framework Agreement

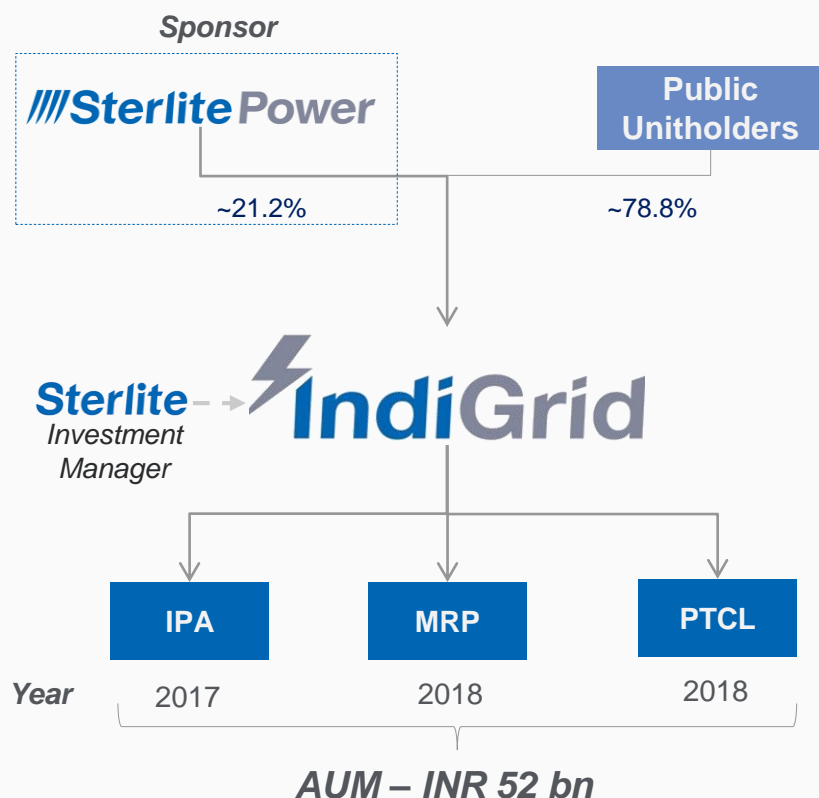
- Provides visibility for acquisition of under construction assets with acquisition price already locked in
- Acquisition of three assets (INR 65,000 mn):
 - GPTL³: INR 10,250 mn²
 - KTL³: INR 13,750 mn²
 - NER³: INR 41,000 mn²
- Assets to be acquired within 13 months from COD⁴

Note:

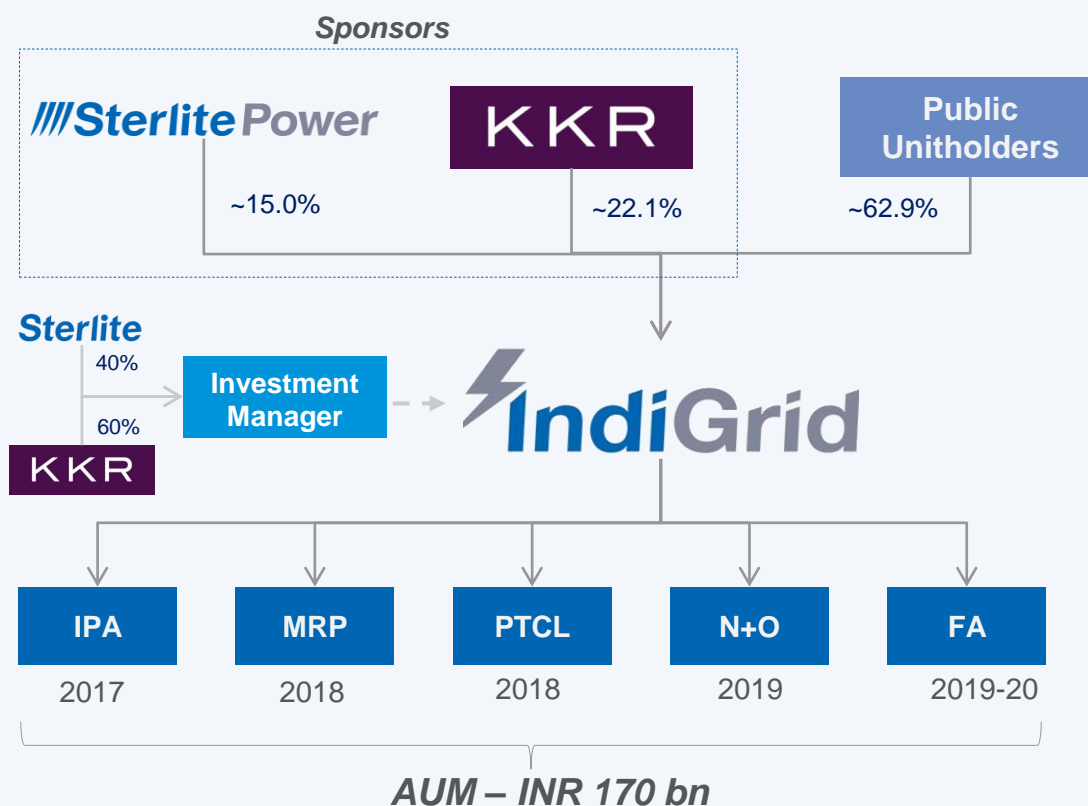
1. NTL = NRSS XXIX Transmission Limited, OGPTL = Odisha Generation Phase Transmission Limited
2. Subject to adjustments on account of interest rate, cash and cash equivalents, liabilities and other adjustments on the closing date
3. NER = NER-II Transmission Limited, GPTL = Gurgaon-Palwal Transmission Limited, KTL = Khargone Transmission Limited
4. COD: Commercial Operations Date

Deal Structure

Pre Transaction



Post Transaction



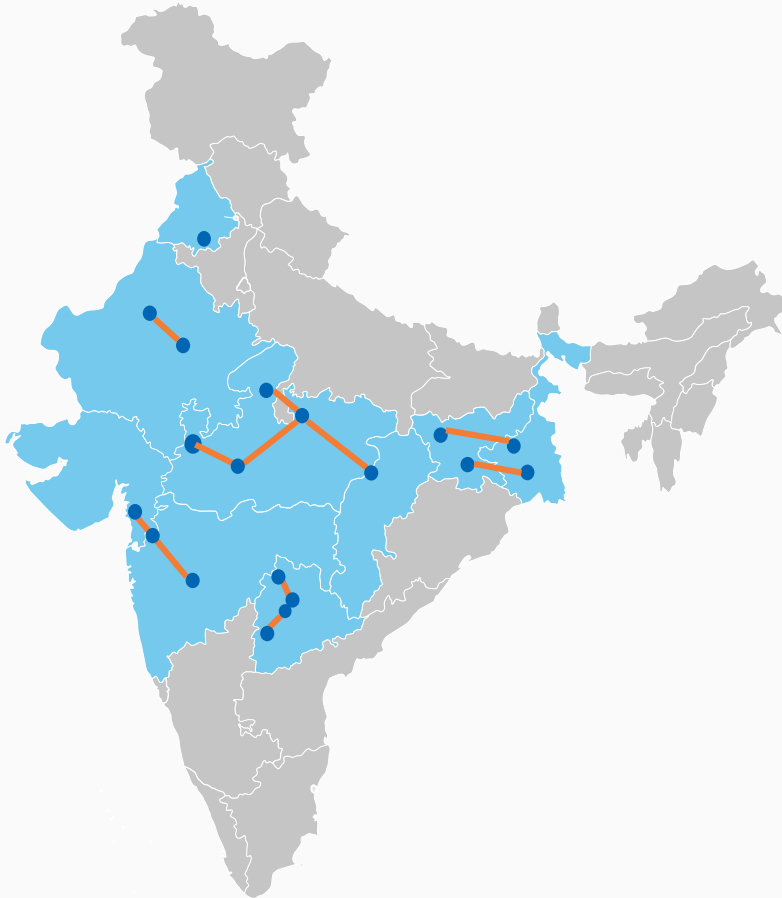
- KKR includes KKR and its affiliates
- KKR to acquire stake in Investment Manager (IM) in 3 tranches (a) ~20% at the time of preferential allotment; (b) ~40% based on regulator and unitholder approval (total ~60%); (c) ~14% after 2 years from unitholder approval (total ~74%)
- Sterlite Power intends to transfer 15% to KKR – a Co-Sponsor (subject to unit holder and regulatory approvals)

Note:

1. IPA = Initial Portfolio Assets (including Bhopal Dhule Transmission Company Limited, Jabalpur Transmission Company Limited)
2. MRP = Maheshwaram Transmission Limited, RAPP Transmission Company Limited, Purulia & Kharagpur Transmission Company Limited
3. PTCL = Patran Transmission Company Limited
4. N+O = NRSS XXIX Transmission Limited, Odisha Generation Phase Transmission Limited
5. FA = Framework Agreement Assets (including Gurgaon-Palwal Transmission Limited, Khargone Transmission Limited and NER-II Transmission Limited,)

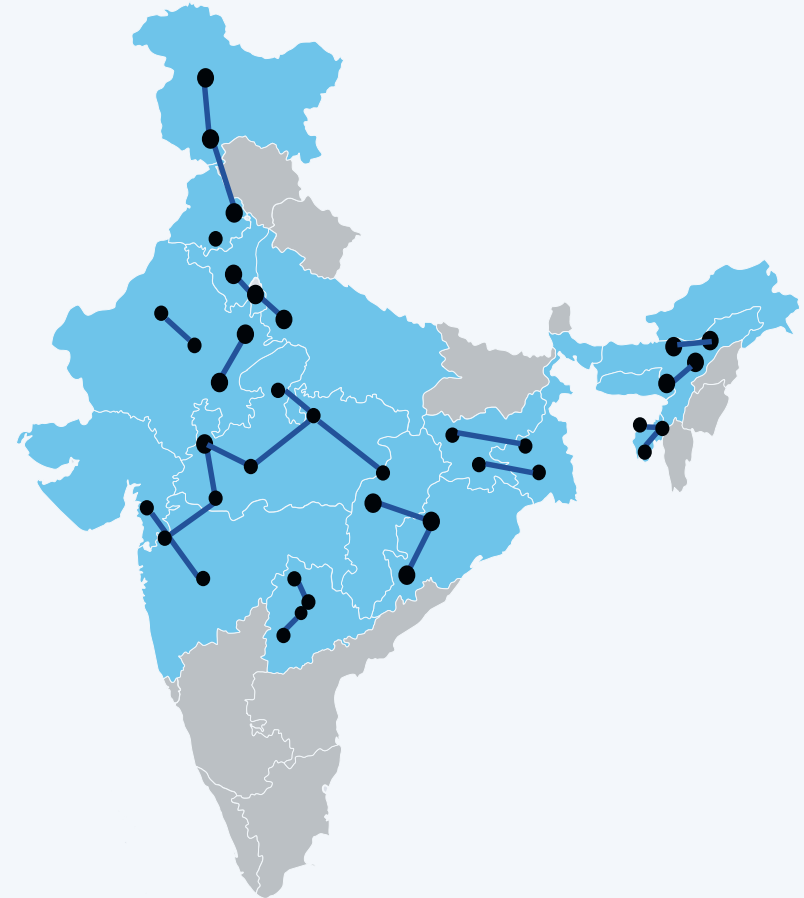
Significant Portfolio Expansion

Pre Transaction



- 13 lines – 3,361 ckm
- 3 sub-stations – 7,000 MVA
- 9 States

Post Transaction¹



- 32 lines – 6,600 ckm
- 10 sub-stations – 14,995 MVA
- 16 States

Note:

1. Includes Portfolio Assets, NTL, OGPTL and Framework Agreement Assets

Key Operational and Financial Parameters

Pre Transaction

6

No of Assets

INR 52 bn

AUM

47%

Net Debt / AUM

Post Transaction¹

11

No of Assets

INR 170 bn

AUM

~67%

Net Debt / AUM

AAA
Credit Rating

Availability-linked
Payment mechanism

35 years
Term of TSA²

50 years
Useful life

>99%
Availability

Inter-State Pool³
Counter-Party

Note:

1. Includes Portfolio Assets, NTL, OGPTL and Framework Agreement Assets
2. TSA: Transmission Service Agreement
3. ISTS pool under PoC mechanism managed by the CTU - Power Grid Corporation of India Limited (AAA rated)

Transaction Process

Approval from Board of Investment Manager for:

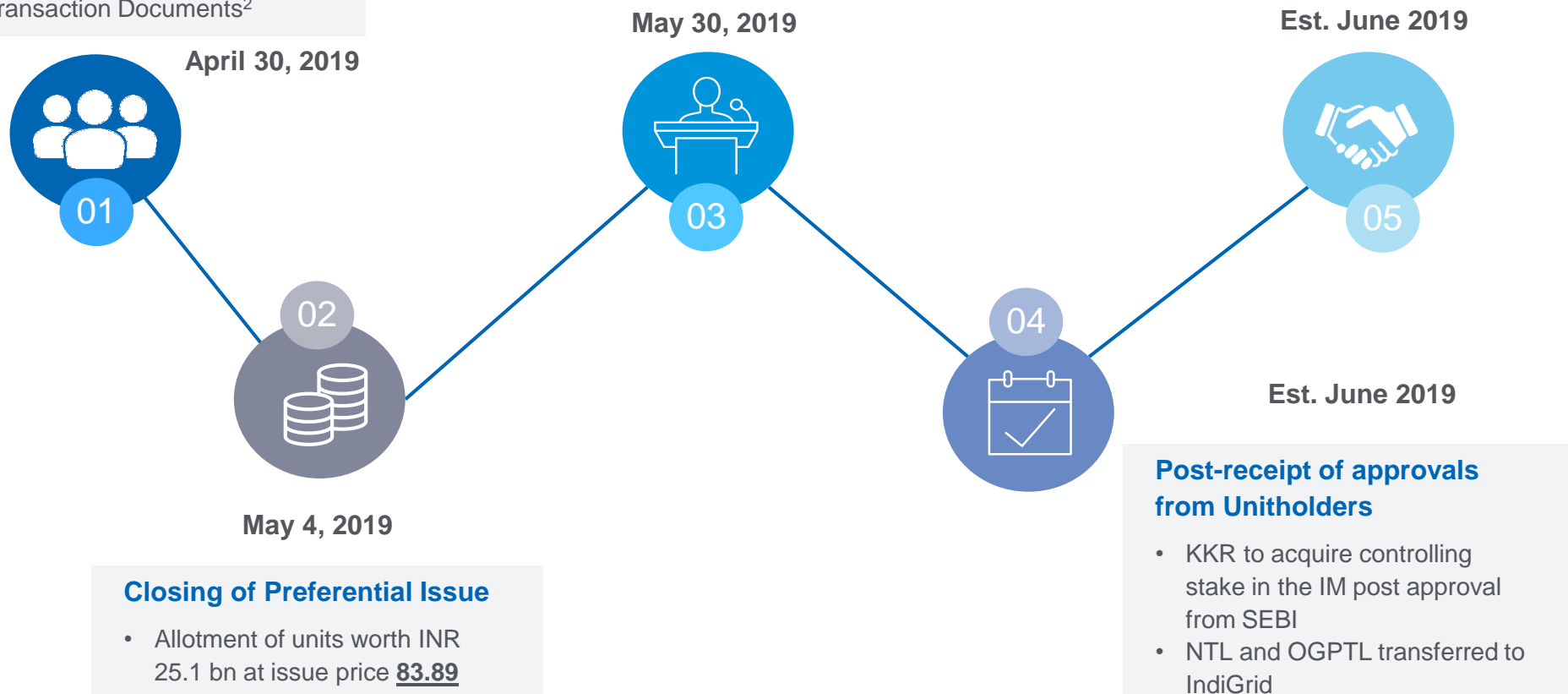
- Preferential allotment
- Acquisition of NTL and OGPTL¹
- Change in control of IM
- Addition of KKR as Sponsor
- Extension of ROFO agreement
- Transaction Documents²

Seeking approval Unit Holders

- Acquisition of NTL and OGPTL
- Change in control of IM
- Addition of KKR as Sponsor
- Extension of ROFO agreement

Addition of Sponsor

- KKR inducted as Sponsor on SEBI approval



Key Decisions at the EGM

Item No 1: To approve the proposed acquisition of power transmission assets from Sponsor

- Acquisition of 100% stake in NTL and OGPTL as per ROFO deed signed on May 5, 2017
- Total Enterprise Value (EV) of INR 50,390 mn subject to adjustments

Item No 2: To approve the induction of Esoteric II Pte. Ltd. (Esoteric) as a Sponsor of IndiGrid along with Sterlite Power Grid Ventures Limited (SPGVL)

- Induct Esoteric (affiliate of KKR), as the Sponsor, along with SPGVL, subject to compliance with applicable law, including the SEBI InvIT Regulations
- Amend the Trust Deed dated October 21, 2016
- Execute the inter-se sponsor agreement between SPGVL and Esoteric for the inter-se rights and obligations

Item No 3: To approve the acquisition of the issued, subscribed, and paid-up capital of the Investment Manager by Electron IM Pte. Ltd. and the consequent change of control

- Electron IM to acquire stake in Investment Manager in 3 tranches (a) ~20% at the time of preferential allotment; (b) ~40% based on regulator and unitholder approval (total ~60%); (c) ~14% after 2 years from unitholder approval (total ~74%)

Item No 4: To approve the amendment of the ROFO deed

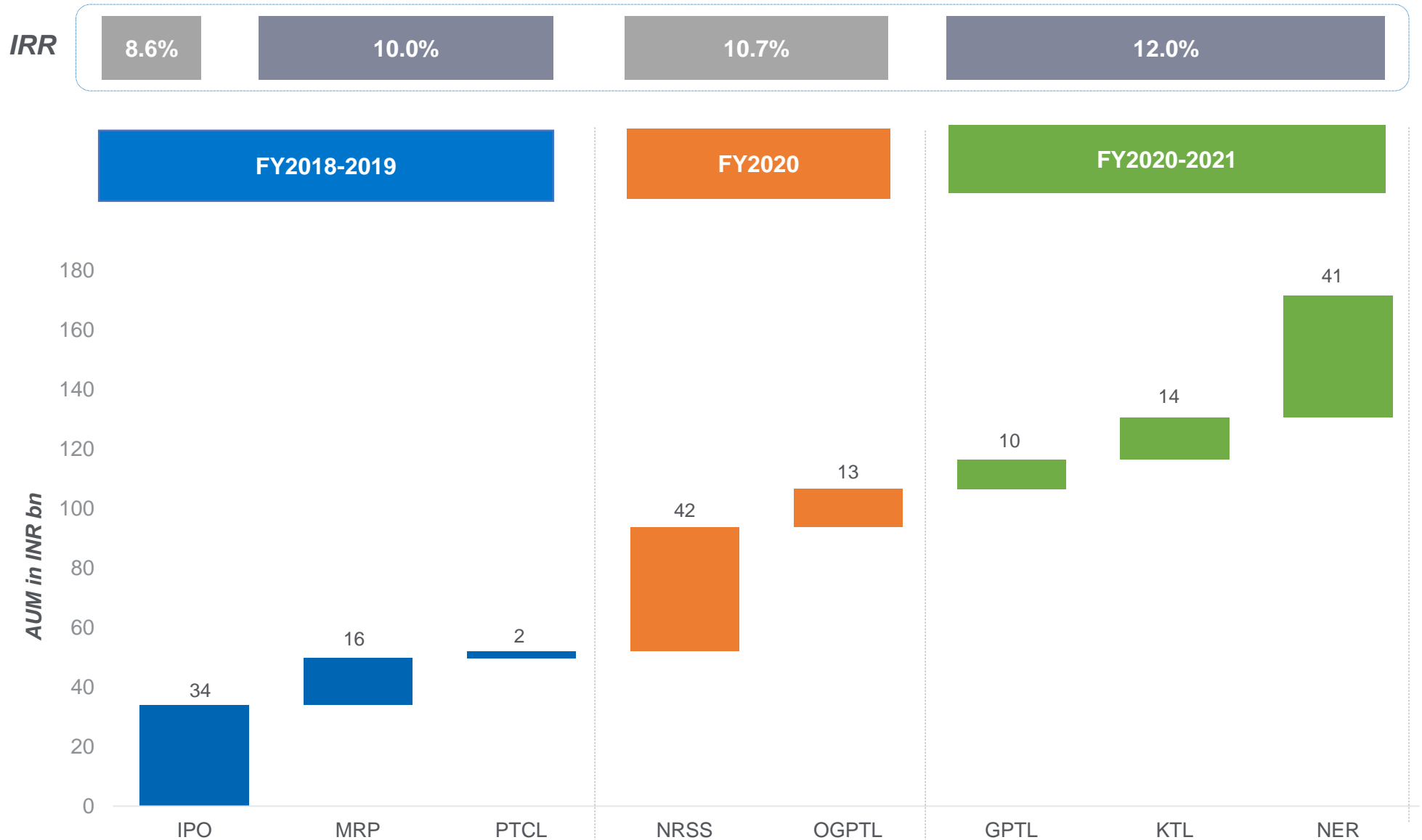
- To amend the ROFO Deed dated May 5, 2017 for the following:
 - Remove Framework Agreement Assets - GPTL, KTL and NER¹
 - Invitation to Offer in relation to ENICL² shall be provided within 18 months from the date of listing of the amendment to the ROFO Deed

Note:

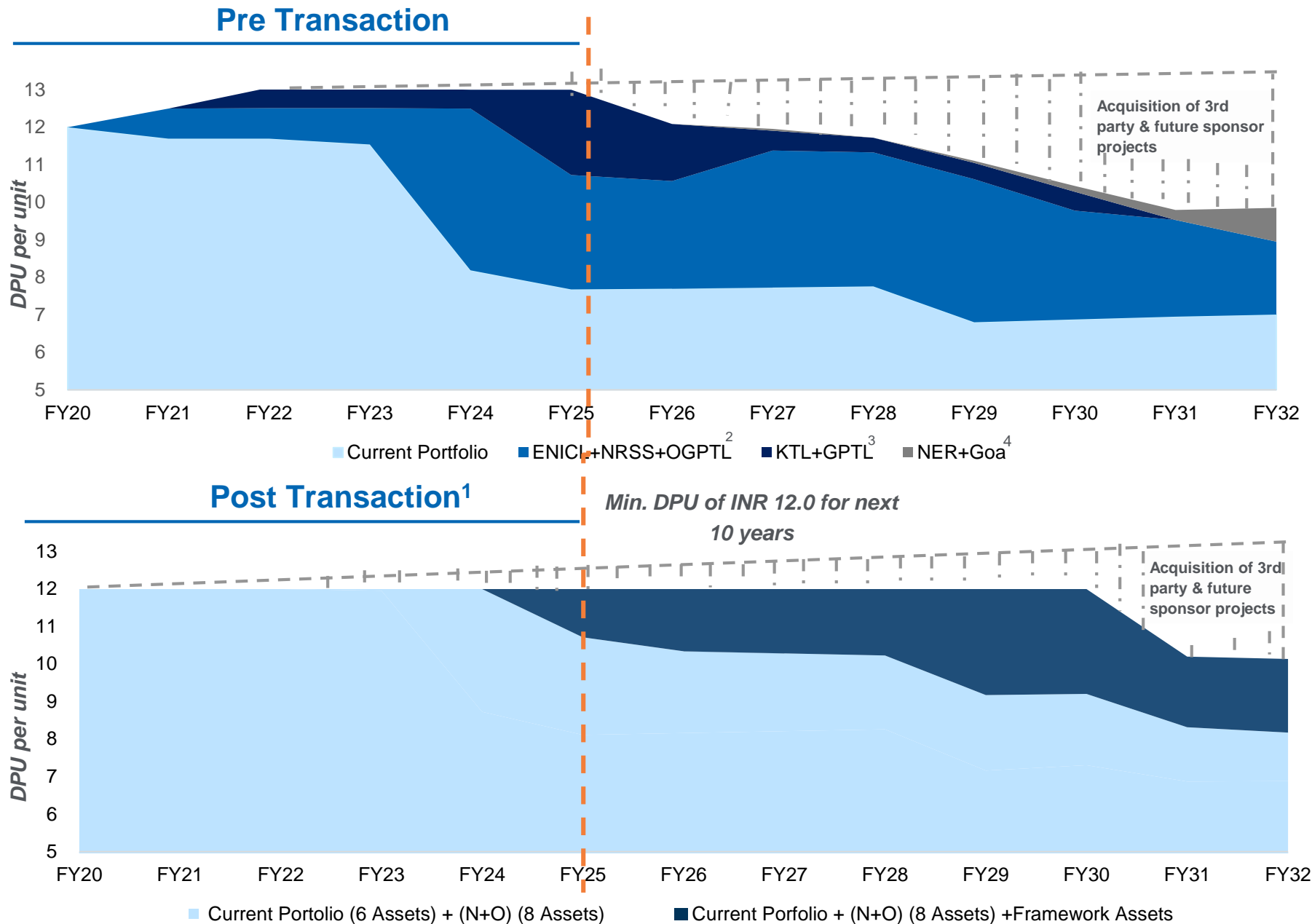
1. GPTL = Gurgaon-Palwal Transmission Limited, KTL = Khargone Transmission Limited, NER = NER-II Transmission Limited

2. ENICL = East-North Interconnection Company Limited

Return Profile Calculated at INR 100 per unit



Delivered on DPU Promise



Note:

1. Includes Portfolio Assets, NTL, OGPTL and Framework Agreement Assets

2. Includes East-North Interconnection Project, NRSS XXIX Transmission Limited and Odisha Generation Phase Transmission Limited;

Anchor Investor – KKR¹



Leading Global Investment Firm

- KKR is a leading global investment firm with over 42 years of experience and a strong track record of performance
 - ~US\$195bn of AUM¹
 - Offices in 21 cities in 16 countries across 4 continents
 - Total 430 investment professionals
 - Manages multiple asset classes including Private Equity (“PE”), Credit, Real Estate, Energy and Infrastructure, with strategic partners that manage Hedge Funds
- ~ 30 investments and ~US\$12.6bn of AUM
- In 2018, established the Asia Pacific Infrastructure team to address the significant and growing infrastructure investment needs across the region

KKR in India

Favorable Long-Term Outlook

- India offers a positive long-term economic outlook given its favourable demographic trends, stable macro-economic indicators and ongoing structural reforms

One of KKR's Core Markets

- Invested US\$ 2.6 bn in PE deals in India since 2010 across 13 investments - 8 active portfolio companies today
- Extended over US\$ 5 bn of financing to Indian companies

Attractive Infrastructure Investment Destination

- Believes India's infrastructure need over the next 25 years will remain significant
- Demand for infrastructure coincides with an increasingly robust and liberalised regulatory regime, positioning India as a prime investment destination

KKR Asia Pacific Infrastructure Strategy

Play to KKR's Competitive Advantage

- Extensive Asia Pacific platform that has delivered strong and consistent investment performance
- Leading global Infrastructure platform with deep expertise and a strong track record across several geographies and subsectors
- Access to a dedicated team of professionals focused on value-creation and operational enhancements

Differentiated Investment Approach

- Track record of leveraging deep local relationships to generate proprietary deal flow
- 60% of Asia Pacific investments to date have been proprietary
- Strong alignment of interest with our investors

Capital Protection with Participation in Growth

- Strategy targets existing enterprises and corporate build-up strategy
- Brownfield and platform investments
- Contracted / regulated assets and well-positioned growth-oriented assets
- Yielding assets and reinvesting for growth
- Modest leverage profiles

Note:

1. KKR refers to Kohlberg Kravis Roberts & Co LP together with its affiliates

2. As of December 31, 2018

Sponsor - Sterlite Power

The Sponsor develops transmission assets under the **BOOM (Build Own Operate Maintain)** in India and **BOOT (Build Own Operate Transfer)** model in Brazil and has established a strong track record in both the countries

Global infrastructure player with a strong parentage



- Part of Vedanta Group, a globally diversified natural resources conglomerate with revenues of c.\$13.5bn+ with presence across minerals, oil & gas sectors
- Group employs over 65,000 people across India, Africa, Ireland and Australia

Unique platform with a well integrated strategy

- Infrastructure Business (Dev Co) Develops power transmission infrastructure (grid) on long term 'BOOM' and 'BOOT' model in India and Brazil respectively
- Transfers operational assets to IndiGrid (Op Co) to redeploy capital for growth; agreed roadmap to acquire Sterlite's power projects
- Solutions Business upgrade and uprates legacy transmission networks (50% market share in Indian intra-state reconductoring/ upgrade segment)
- Manufactures power cables, conductors and OPGW

Business at a glance¹

17²	INR 29 bn³	4
Power transmission projects	Aggregate annual tariff	Operational assets ⁴
40	~17,110 MVA	~50
Substations/ Bay extensions	Transformation capacity	Extra High Voltage (EHV) lines
9,063 ckms	99.8%	31.5%⁶
Power transmission lines	Availability ⁵	Market share

Awards and accolades



Notes:

- 1 Data points for India as well as Brazil business for the Sponsor (does not include assets sold to IndiGrid);
- 2 Won under PPP (7 in India under TBCB with 3 commissioned and 4 under development; 10 in Brazil with 1 commissioned and 9 under development); Of these, SPAs for NRSS and OGPTL have been executed and will be acquired by IndiGrid subject to approvals. GPTL, KTL and NER are part of the framework agreement
- 3 Aggregate annual tariff of Sponsor assets including India (7 assets) and Brazil (10 assets)
- 4 2,573 ckms of transmission lines and 2 substation
- 5 Achieved across our commissioned assets for 2017-18
- 6 By tariff of all inter-state projects awarded under TBCB in India

Disclaimer

This presentation is prepared and issued by Sterlite Investment Managers Limited (the "Investment Manager") on behalf of and in its capacity as the investment manager of India Grid Trust ("IndiGrid") for general information purposes only without regards to specific objectives, financial situations or needs of any particular person and should not be construed as legal, tax, investment or other advice.

This presentation is not a prospectus, a statement in lieu of a prospectus, an offering circular, an offering memorandum, an advertisement, an offer or an offer document under the Companies Act, 2013, the Securities and Exchange Board of India (Infrastructure Investment Trusts) Regulations, 2014, as amended, or any other applicable law in India. This presentation does not constitute or form part of and should not be construed as, directly or indirectly, any offer or invitation or inducement to sell or issue or an offer, or any solicitation of any offer, to purchase or sell any securities.

This presentation should not be considered as a recommendation that any person should subscribe for or purchase any securities of: (i) IndiGrid or its portfolio assets (being, Sterlite Grid 1 Limited, Bhopal Dhule Transmission Company Limited, Jabalpur Transmission Company Limited, Maheshwaram Transmission Limited, RAPP Transmission Company Limited, Purulia Kharagpur Transmission Company Limited, Patran Transmission Company Limited) (collectively, the "IndiGrid Group"), or (ii) its Sponsor (being Sterlite Power Grid Ventures Limited) or subsidiaries of the Sponsor (collectively, the "Sponsor Entities"), and should not be used as a basis for any investment decision.

Unless otherwise stated in this presentation, the information contained herein is based on management information and estimates. The information contained in this presentation is only current as of its date, unless specified otherwise, and has not been independently verified. Please note that, you will not be updated in the event the information in the presentation becomes stale. This presentation comprises information given in summary form and does not purport to be complete and it cannot be guaranteed that such information is true and accurate. You must make your own assessment of the relevance, accuracy and adequacy of the information contained in this presentation and must make such independent investigation as you may consider necessary or appropriate for such purpose. Moreover, no express or implied representation or warranty is made as to, and no reliance should be placed on, the accuracy, fairness or completeness of the information presented or contained in this presentation. Further, past performance is not necessarily indicative of future results. Any opinions expressed in this presentation or the contents of this presentation are subject to change without notice.

None of the IndiGrid Group or the Sponsor Entities or the Investment Manager or the Axis Trustee Company Limited or any of their respective affiliates, advisers or representatives accept any liability whatsoever for any loss howsoever arising from any information presented or contained in this presentation. Furthermore, no person is authorized to give any information or make any representation which is not contained in, or is inconsistent with, this presentation. Any such extraneous or inconsistent information or representation, if given or made, should not be relied upon as having been authorized by or on behalf of the IndiGrid Group or the Sponsor Entities.

The distribution of this presentation in certain jurisdictions may be restricted by law. Accordingly, any persons in possession of this presentation should inform themselves about and observe any such restrictions. This presentation contains certain statements of future expectations and other forward-looking statements, including those relating to IndiGrid Group's general business plans and strategy, its future financial condition and growth prospects, and future developments in its sectors and its competitive and regulatory environment. In addition to statements which are forward looking by reason of context, the words 'may', 'will', 'should', 'expects', 'plans', 'intends', 'anticipates', 'believes', 'estimates', 'predicts', 'potential' or 'continue' and similar expressions identify forward-looking statements.

By their nature, forward-looking statements involve risks and uncertainties because they relate to events and depend on circumstances that may or may not occur in the future. Forward-looking statements are not guarantees of future performance including those relating to general business plans and strategy, future outlook and growth prospects, and future developments in its businesses and its competitive and regulatory environment. No representation, warranty or undertaking, express or implied, is made or assurance given that such statements, views, projections or forecasts, if any, are correct or that any objectives specified herein will be achieved. All forward-looking statements are subject to risks, uncertainties and assumptions that could cause actual results, performances or events to differ materially from the results contemplated by the relevant forward looking statement. The factors which may affect the results contemplated by the forward-looking statements could include, among others, future changes or developments in (i) the IndiGrid Group's business, (ii) the IndiGrid Group's regulatory and competitive environment, (iii) the power transmission sector, and (iv) political, economic, legal and social conditions. Given the risks, uncertainties and other factors, viewers of this presentation are cautioned not to place undue reliance on these forward-looking statements.

Thank You